

105TH CONGRESS
1ST SESSION

H. R. 2159

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 1997

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1998, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 **(1)That the following sums are appropriated, out of any**
4 **money in the Treasury not otherwise appropriated, for the**
5 **fiscal year ending September 30, 1998, and for other pur-**
6 **poses, namely:**

7 **TITLE I—EXPORT AND INVESTMENT**

8 **ASSISTANCE**

9 **EXPORT-IMPORT BANK OF THE UNITED STATES**

10 The Export-Import Bank of the United States is au-
11 thorized to make such expenditures within the limits of
12 funds and borrowing authority available to such corpora-

tion, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

15 SUBSIDY APPROPRIATION

16 For the cost of direct loans, loan guarantees, insur-
17 ance, and tied-aid grants as authorized by section 10 of
18 the Export-Import Bank Act of 1945, as amended,
19 \$632,000,000 to remain available until September 30,
20 1999. *Provided*, That such costs, including the cost of
21 modifying such loans, shall be as defined in section 502
22 of the Congressional Budget Act of 1974. *Provided fur-*
23 *ther*, That such sums shall remain available until 2013 for
24 the disbursement of direct loans, loan guarantees, and in-
25 surance obligated in fiscal years 1998 and 1999. *Provided*
26 *further*, That funds appropriated by this paragraph are

1 made available notwithstanding section 2(b)(2) of the Ex-
2 port-Import Bank Act of 1945, in connection with the pur-
3 chase or lease of any product by any East European coun-
4 try, any Baltic State, or any agency or national thereof.

5 ADMINISTRATIVE EXPENSES

6 For administrative expenses to carry out the direct
7 and guaranteed loan and insurance programs (to be com-
8 puted on an accrual basis), including hire of passenger
9 motor vehicles and services as authorized by ~~5 U.S.C.~~
10 3109, and not to exceed \$20,000 for official reception and
11 representation expenses for members of the Board of Di-
12 rectors, \$48,614,000: *Provided*, That necessary expenses
13 (including special services performed on a contract or fee
14 basis, but not including other personal services) in connec-
15 tion with the collection of moneys owed the Export-Import
16 Bank, repossession or sale of pledged collateral or other
17 assets acquired by the Export-Import Bank in satisfaction
18 of moneys owed the Export-Import Bank, or the investiga-
19 tion or appraisal of any property, or the evaluation of the
20 legal or technical aspects of any transaction for which an
21 application for a loan, guarantee or insurance commitment
22 has been made, shall be considered nonadministrative ex-
23 penses for the purposes of this heading: *Provided further*,
24 That, notwithstanding subsection (b) of section 117 of the
25 Export Enhancement Act of 1992, subsection (a) thereof
26 shall remain in effect until October 1, 1998.

1 OVERSEAS PRIVATE INVESTMENT CORPORATION

2 NONCREDIT ACCOUNT

3 The Overseas Private Investment Corporation is au-
4 thorized to make, without regard to fiscal year limitations,
5 as provided by 31 U.S.C. 9104, such expenditures and
6 commitments within the limits of funds available to it and
7 in accordance with law as may be necessary. *Provided*,
8 That the amount available for administrative expenses to
9 carry out the credit and insurance programs (including an
10 amount for official reception and representation expenses
11 which shall not exceed \$35,000) shall not exceed
12 \$32,000,000: *Provided further*, That project-specific trans-
13 action costs, including direct and indirect costs incurred
14 in claims settlements, and other direct costs associated
15 with services provided to specific investors or potential in-
16 vestors pursuant to section 234 of the Foreign Assistance
17 Act of 1961, shall not be considered administrative ex-
18 penses for the purposes of this heading.

19 FUNDS APPROPRIATED TO THE PRESIDENT

20 TRADE AND DEVELOPMENT AGENCY

21 For necessary expenses to carry out the provisions
22 of section 661 of the Foreign Assistance Act of 1961,
23 \$40,000,000: *Provided*, That the Trade and Development
24 Agency may receive reimbursements from corporations
25 and other entities for the costs of grants for feasibility

1 studies and other project planning services, to be deposited
2 as an offsetting collection to this account and to be avail-
3 able for obligation until September 30, 1999, for necessary
4 expenses under this paragraph: *Provided further*, That
5 such reimbursements shall not cover, or be allocated
6 against, direct or indirect administrative costs of the agen-
7 cy.

8 **TITLE II—BILATERAL ECONOMIC ASSISTANCE**

9 **FUNDS APPROPRIATED TO THE PRESIDENT**

10 For expenses necessary to enable the President to
11 carry out the provisions of the Foreign Assistance Act of
12 1961, and for other purposes, to remain available until
13 September 30, 1998, unless otherwise specified herein, as
14 follows:

15 **AGENCY FOR INTERNATIONAL DEVELOPMENT**

16 **CHILD SURVIVAL AND DISEASE PROGRAMS FUND**

17 For necessary expenses to carry out the provisions
18 of part I and chapter 4 of part II of the Foreign Assist-
19 ance Act of 1961, for child survival, basic education, as-
20 sistance to combat tropical and other diseases, and related
21 activities, in addition to funds otherwise available for such
22 purposes, \$650,000,000, to remain available until ex-
23 pended: *Provided*, That this amount shall be made avail-
24 able for such activities as: (1) immunization programs; (2)
25 oral rehydration programs; (3) health and nutrition pro-
26 grams, and related education programs, which address the

1 needs of mothers and children; (4) water and sanitation
2 programs; (5) assistance for displaced and orphaned chil-
3 dren; (6) programs for the prevention, treatment, and con-
4 trol of, and research on, tuberculosis, HIV/AIDS, polio,
5 malaria and other diseases; (7) not to exceed \$98,000,000
6 for basic education programs for children; and (8) a con-
7 tribution on a grant basis to the United Nations Chil-
8 dren's Fund (UNICEF) pursuant to section 301 of the
9 Foreign Assistance Act of 1961.

10 **DEVELOPMENT ASSISTANCE**

11 For necessary expenses to carry out the provisions
12 of sections 103 through 106 and chapter 10 of part I of
13 the Foreign Assistance Act of 1961, title V of the Inter-
14 national Security and Development Cooperation Act of
15 1980 (Public Law 96-533) and the provisions of section
16 401 of the Foreign Assistance Act of 1969,
17 \$1,167,000,000, to remain available until September 30,
18 1999: *Provided*, That of the amount appropriated under
19 this heading, up to \$2,000,000 may be made available for
20 the Inter-American Foundation: *Provided further*, That of
21 the amount appropriated under this heading, up to
22 \$2,500,000 may be made available for the African Devel-
23 opment Foundation: *Provided further*, That none of the
24 funds made available in this Act nor any unobligated bal-
25 anees from prior appropriations may be made available to
26 any organization or program which, as determined by the

1 President of the United States, supports or participates
2 in the management of a program of coercive abortion or
3 involuntary sterilization: *Provided further*, That none of
4 the funds made available under this heading may be used
5 to pay for the performance of abortion as a method of
6 family planning or to motivate or coerce any person to
7 practice abortions; and that in order to reduce reliance
8 on abortion in developing nations, funds shall be available
9 only to voluntary family planning projects which offer, ei-
10 ther directly or through referral to, or information about
11 access to, a broad range of family planning methods and
12 services: *Provided further*, That in awarding grants for
13 natural family planning under section 104 of the Foreign
14 Assistance Act of 1961 no applicant shall be discriminated
15 against because of such applicant's religious or conscien-
16 tious commitment to offer only natural family planning;
17 and, additionally, all such applicants shall comply with the
18 requirements of the previous proviso: *Provided further*,
19 That for purposes of this or any other Act authorizing
20 or appropriating funds for foreign operations, export fi-
21 nancing, and related programs, the term "motivate", as
22 it relates to family planning assistance, shall not be con-
23 strued to prohibit the provision, consistent with local law,
24 of information or counseling about all pregnancy options:
25 *Provided further*, That nothing in this paragraph shall be

1 construed to alter any existing statutory prohibitions
2 against abortion under section 104 of the Foreign Assis-
3 tance Act of 1961. *Provided further*, That none of the funds
4 made available under this heading may be used for any
5 activity which is in contravention to the Convention on
6 International Trade in Endangered Species of Flora and
7 Fauna (CITES).

8 **PRIVATE AND VOLUNTARY ORGANIZATIONS**

9 None of the funds appropriated or otherwise made
10 available by this Act for development assistance may be
11 made available to any United States private and voluntary
12 organization, except any cooperative development organi-
13 zation, which obtains less than 20 per centum of its total
14 annual funding for international activities from sources
15 other than the United States Government. *Provided*, That
16 the requirements of the provisions of section 123(g) of the
17 Foreign Assistance Act of 1961 and the provisions on pri-
18 vate and voluntary organizations in title H of the "Foreign
19 Assistance and Related Programs Appropriations Act,
20 1985" (as enacted in Public Law 98-473) shall be super-
21 seded by the provisions of this section, except that the au-
22 thority contained in the last sentence of section 123(g)
23 may be exercised by the Administrator with regard to the
24 requirements of this paragraph.

25 Funds appropriated or otherwise made available
26 under title H of this Act should be made available to pri-

1 vate and voluntary organizations at a level which is equiv-
2 alent to the level provided in fiscal year 1995. Such private
3 and voluntary organizations shall include those which op-
4 erate on a not-for-profit basis, receive contributions from
5 private sources, receive voluntary support from the public
6 and are deemed to be among the most cost-effective and
7 successful providers of development assistance.

8 INTERNATIONAL DISASTER ASSISTANCE

9 For necessary expenses for international disaster re-
10 lief, rehabilitation, and reconstruction assistance pursuant
11 to section 491 of the Foreign Assistance Act of 1961, as
12 amended, \$190,000,000, to remain available until ex-
13 pended.

14 DEBT RESTRUCTURING

15 For the cost, as defined in section 502 of the Con-
16 gressional Budget Act of 1974, of modifying direct loans
17 and loan guarantees, as the President may determine, for
18 which funds have been appropriated or otherwise made
19 available for programs within the International Affairs
20 Budget Function 150, including the cost of selling, reduc-
21 ing, or canceling amounts, through debt buybacks and
22 swaps, owed to the United States as a result of
23 concessional loans made to eligible Latin American and
24 Caribbean countries, pursuant to part IV of the Foreign
25 Assistance Act of 1961; and of modifying concessional
26 loans authorized under title I of the Agricultural Trade

1 Development and Assistance Act of 1954, as amended, as
2 authorized under subsection (a) under the heading "Debt
3 Reduction for Jordan" in title VI of Public Law 103-306,
4 \$27,000,000, to remain available until expended.

5 MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM

6 ACCOUNT

7 For the cost of direct loans and loan guarantees,
8 \$1,500,000, as authorized by section 108 of the Foreign
9 Assistance Act of 1961, as amended: *Provided*, That such
10 costs shall be as defined in section 502 of the Congress-
11 ional Budget Act of 1974: *Provided further*, That guaran-
12 tees of loans made under this heading in support of micro-
13 enterprise activities may guarantee up to 70 percent of
14 the principal amount of any such loans notwithstanding
15 section 108 of the Foreign Assistance Act of 1961. In ad-
16 dition, for administrative expenses to carry out programs
17 under this heading, \$500,000, all of which may be trans-
18 ferred to and merged with the appropriation for Operating
19 Expenses of the Agency for International Development:
20 *Provided further*, That funds made available under this
21 heading shall remain available until September 30, 1999.

22 URBAN AND ENVIRONMENTAL CREDIT PROGRAM

23 ACCOUNT

24 For the cost, as defined in section 502 of the Con-
25 gressional Budget Act of 1974, of guaranteed loans au-
26 thorized by sections 221 and 222 of the Foreign Assis-

1 anee Act of 1961, including the cost of guaranteed loans
2 designed to promote the urban and environmental policies
3 and objectives of part I of such Act, \$3,000,000, to remain
4 available until September 30, 1999: *Provided*, That these
5 funds are available to subsidize loan principal, 100 percent
6 of which shall be guaranteed, pursuant to the authority
7 of such sections. In addition, for administrative expenses
8 to carry out guaranteed loan programs, \$6,000,000, all
9 of which may be transferred to and merged with the ap-
10 propriation for Operating Expenses of the Agency for
11 International Development: *Provided further*, That com-
12 mitments to guarantee loans under this heading may be
13 entered into notwithstanding the second and third sen-
14 tences of section 222(a) and, with regard to programs for
15 Central and Eastern Europe and programs for the benefit
16 of South Africans disadvantaged by apartheid, section
17 223(j) of the Foreign Assistance Act of 1961.

18 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND
19 DISABILITY FUND

20 For payment to the "Foreign Service Retirement and
21 Disability Fund", as authorized by the Foreign Service
22 Act of 1980, \$44,208,000.

23 OPERATING EXPENSES OF THE AGENCY FOR
24 INTERNATIONAL DEVELOPMENT

25 For necessary expenses to carry out the provisions
26 of section 667, \$468,750,000: *Provided*, That none of the

1 funds appropriated by this Act for programs administered
2 by the Agency for International Development may be used
3 to finance printing costs of any report or study (except
4 feasibility, design, or evaluation reports or studies) in ex-
5 cess of \$25,000 without the approval of the Administrator
6 of the Agency or the Administrator's designee.

7 OPERATING EXPENSES OF THE AGENCY FOR INTER-
8 NATIONAL DEVELOPMENT OFFICE OF INSPECTOR
9 GENERAL

10 For necessary expenses to carry out the provisions
11 of section 667, \$29,047,000, to remain available until Sep-
12 tember 30, 1999, which sum shall be available for the Of-
13 fice of the Inspector General of the Agency for Inter-
14 national Development.

15 OTHER BILATERAL ECONOMIC ASSISTANCE
16 ECONOMIC SUPPORT FUND

17 For necessary expenses to carry out the provisions
18 of chapter 4 of part H, \$2,400,000,000, to remain avail-
19 able until September 30, 1999: *Provided*, That any funds
20 appropriated under this heading that are made available
21 for Israel shall be available on a grant basis as a cash
22 transfer and shall be disbursed within thirty days of enact-
23 ment of this Act or by October 31, 1997, whichever is
24 later: *Provided further*, That in exercising the authority
25 to provide cash transfer assistance for Israel and Egypt,
26 the President shall ensure that the level of such assistance

1 does not cause an adverse impact on the total level of non-
2 military exports from the United States to each such coun-
3 try.

4 INTERNATIONAL FUND FOR IRELAND

5 For necessary expenses to carry out the provisions
6 of chapter 4 of part H of the Foreign Assistance Act of
7 1961, \$19,600,000, which shall be available for the United
8 States contribution to the International Fund for Ireland
9 and shall be made available in accordance with the provi-
10 sions of the Anglo-Irish Agreement Support Act of 1986
11 (Public Law 99-415). *Provided*, That such amount shall
12 be expended at the minimum rate necessary to make time-
13 ly payment for projects and activities: *Provided further*,
14 That funds made available under this heading shall re-
15 main available until September 30, 1999.

16 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC

17 STATES

18 (a) For necessary expenses to carry out the provisions
19 of the Foreign Assistance Act of 1961 and the Support
20 for East European Democracy (SEED) Act of 1989,
21 \$470,000,000, to remain available until September 30,
22 1999, which shall be available, notwithstanding any other
23 provision of law, for economic assistance and for related
24 programs for Eastern Europe and the Baltic States.

25 (b) Funds appropriated under this heading or in prior
26 appropriations Acts that are or have been made available

1 for an Enterprise Fund may be deposited by such Fund
2 in interest-bearing accounts prior to the Fund's disburse-
3 ment of such funds for program purposes. The Fund may
4 retain for such program purposes any interest earned on
5 such deposits without returning such interest to the Treas-
6 uary of the United States and without further appropria-
7 tion by the Congress. Funds made available for Enterprise
8 Funds shall be expended at the minimum rate necessary
9 to make timely payment for projects and activities.

10 (e) Funds appropriated under this heading shall be
11 considered to be economic assistance under the Foreign
12 Assistance Act of 1961 for purposes of making available
13 the administrative authorities contained in that Act for
14 the use of economic assistance.

15 (d) None of the funds appropriated under this head-
16 ing may be made available for new housing construction
17 or repair or reconstruction of existing housing in Bosnia
18 and Herzegovina unless directly related to the efforts of
19 United States troops to promote peace in said country.

20 (e) With regard to funds appropriated or otherwise
21 made available under this heading for the economic revi-
22 talization program in Bosnia and Herzegovina, and local
23 currencies generated by such funds (including the conver-
24 sion of funds appropriated under this heading into cur-
25 rency used by Bosnia and Herzegovina as local currency

1 and local currency returned or repaid under such pro-
2 gram)—

3 (1) the Administrator of the Agency for Inter-
4 national Development shall provide written approval
5 for grants and loans prior to the obligation and ex-
6 penditure of funds for such purposes; and prior to
7 the use of funds that have been returned or repaid
8 to any lending facility or grantee; and

9 (2) the provisions of section 531 of this Act
10 shall apply.

11 (f) With regard to funds appropriated under this
12 heading that are made available for economic revitaliza-
13 tion programs in Bosnia and Herzegovina, 50 percent of
14 such funds shall not be available for obligation unless the
15 President determines and certifies to the Committee on
16 Appropriations that the Federation of Bosnia and
17 Herzegovina has complied with article III of annex 1-A
18 of the General Framework Agreement for Peace in Bosnia
19 and Herzegovina concerning the withdrawal of foreign
20 forces; and that intelligence cooperation on training, inves-
21 tigations, and related activities between Iranian officials
22 and Bosnian officials has been terminated.

23 (g) Not to exceed \$200,000,000 of the funds appro-
24 priated under this heading may be made available for
25 Bosnia and Herzegovina.

1 (h) Not to exceed \$7,000,000 of the funds made
2 available for Bosnia and Herzegovina may be made avail-
3 able for the cost, as defined in section 502 of the Congres-
4 sional Budget Act of 1974, of modifying direct loans and
5 loan guarantees for said country.

6 ASSISTANCE FOR THE NEW INDEPENDENT STATES OF

7 THE FORMER SOVIET UNION

8 (a) For necessary expenses to carry out the provisions
9 of chapter 11 of part I of the Foreign Assistance Act of
10 1961 and the FREEDOM Support Act, for assistance for
11 the new independent states of the former Soviet Union
12 and for related programs, \$625,000,000, to remain avail-
13 able until September 30, 1999: *Provided*, That the provi-
14 sions of such chapter shall apply to funds appropriated
15 by this paragraph.

16 (b) None of the funds appropriated under this head-
17 ing shall be transferred to the Government of Russia—

(2) if that Government applies or transfers United States assistance to any entity for the pur-

1 pose of expropriating or seizing ownership or control
2 of assets, investments, or ventures.

3 (e) Funds may be furnished without regard to sub-
4 section (b) if the President determines that to do so is
5 in the national interest.

6 (d) None of the funds appropriated under this head-
7 ing shall be made available to any government of the new
8 independent states of the former Soviet Union if that gov-
9 ernment directs any action in violation of the territorial
10 integrity or national sovereignty of any other new inde-
11 pendent state, such as those violations included in the Hel-
12 sinki Final Act. *Provided*, That such funds may be made
13 available without regard to the restriction in this sub-
14 section if the President determines that to do so is in the
15 national security interest of the United States. *Provided*
16 *further*, That the restriction of this subsection shall not
17 apply to the use of such funds for the provision of assist-
18 ance for purposes of humanitarian, disaster and refugee
19 relief.

20 (e) None of the funds appropriated under this head-
21 ing for the new independent states of the former Soviet
22 Union shall be made available for any state to enhance
23 its military capability. *Provided*, That this restriction does
24 not apply to demilitarization or nonproliferation programs.

1 (f) Funds appropriated under this heading shall be
2 subject to the regular notification procedures of the Com-
3 mittees on Appropriations.

4 (g) Funds made available in this Act for assistance
5 to the new independent states of the former Soviet Union
6 shall be subject to the provisions of section 117 (relating
7 to environment and natural resources) of the Foreign As-
8 sistance Act of 1961.

9 (h) In issuing new task orders, entering into con-
10 tracts, or making grants, with funds appropriated under
11 this heading or in prior appropriations Acts, for projects
12 or activities that have as one of their primary purposes
13 the fostering of private sector development, the Coordina-
14 tor for United States Assistance to the New Independent
15 States and the implementing agency shall encourage the
16 participation of and give significant weight to contractors
17 and grantees who propose investing a significant amount
18 of their own resources (including volunteer services and
19 in-kind contributions) in such projects and activities.

20 (i) Funds appropriated under this heading or in prior
21 appropriations Acts that are or have been made available
22 for an Enterprise Fund may be deposited by such Fund
23 in interest-bearing accounts prior to the disbursement of
24 such funds by the Fund for program purposes. The Fund
25 may retain for such program proposes any interest earned

1 on such deposits without returning such interest to the
2 Treasury of the United States and without further appro-
3 priation by the Congress. Funds made available for Enter-
4 prise Funds shall be expended at the minimum rate nee-
5 ssary to make timely payment for projects and activities.

6 (j)(1) None of the funds appropriated under this
7 heading may be made available for Russia unless the
8 President determines and certifies in writing to the Com-
9 mittees on Appropriations that the Government of Russia
10 has terminated implementation of arrangements to pro-
11 vide Iran with technical expertise, training, technology, or
12 equipment necessary to develop a nuclear reactor, related
13 nuclear research facilities or programs, or ballistic missile
14 capability.

15 (2) Fifty percent of the funds appropriated under this
16 heading that are allocated for Russia may be made avail-
17 able notwithstanding paragraph (1) if the President deter-
18 mines that making such funds available is vital to the na-
19 tional security interest of the United States. Any such de-
20 termination shall cease to be effective six months after
21 being made unless the President determines that its con-
22 tinuation is vital to the national security interest of the
23 United States.

24 (k)(1) Funds appropriated under this heading may
25 not be made available for the Government of Ukraine if

1 the President determines and reports to the Committees
2 on Appropriations that the Government of Ukraine is en-
3 gaged in military cooperation with the Government of
4 Libya.

5 (2) Paragraph (1) shall not apply if the President
6 determines that making such funds available is vital to
7 the national security interest of the United States. Any
8 such determination shall cease to be effective six months
9 after being made unless the President determines that its
10 continuation is vital to the national security interest of
11 the United States.

12 (1) Funds made available under this Act or any other
13 Act may not be provided for assistance to the Government
14 of Azerbaijan until the President determines, and so re-
15 ports to the Congress, that the Government of Azerbaijan
16 is taking demonstrable steps to cease all blockades and
17 other offensive uses of force against Armenia and
18 Nagorno-Karabakh. *Provided*, That the restriction of this
19 subsection and section 907 of the FREEDOM Support
20 Act shall not apply to activities promoting democracy or
21 assistance under title V of the FREEDOM Support Act
22 and section 1424 of Public Law 104-201. *Provided fur-*
23 *ther*, That none of the funds appropriated or otherwise
24 made available under this Act may be utilized by the Ex-
25 port-Import Bank of the United States, the Overseas Pri-

1 vate Investment Corporation, or the Trade and Develop-
2 ment Agency to provide financing (including direct loans,
3 loan guarantees, and insurance) or other assistance con-
4 trary to the provisions of section 907 of the FREEDOM
5 Support Act.

6 (m) Funds appropriated under this heading shall be
7 made available for humanitarian assistance through non-
8 governmental organizations for refugees, displaced per-
9 sons, and needy civilians in conflictive zones throughout
10 the Trans-Caucasus, including Nagorno-Karabagh, not-
11 withstanding any other provision of this or any other Act.

12 (n) Of the funds appropriated under this heading
13 that are allocated for Ukraine, 50 percent shall be with-
14 held from obligation and expenditure until the Secretary
15 of State certifies to the Committees on Appropriations
16 that the Government of Ukraine: (1) is enforcing the April
17 10, 1997 Anti-Corruption decree of President Kuchma;
18 (2) has substantially completed the privatization of state
19 owned agricultural storage, distribution, equipment and
20 supply monopolies; and (3) has fully resolved most of the
21 commercial disputes involving complaints by United States
22 investors to the Embassy in Kiev as of April 30, 1997
23 and established a permanent legal mechanism for commer-
24 cial dispute resolution.

1 INDEPENDENT AGENCIES

2 INTER-AMERICAN FOUNDATION

3 For necessary expenses to carry out the functions of
4 the Inter-American Foundation in accordance with section
5 401 of the Foreign Assistance Act of 1969, and to make
6 such contracts and commitments without regard to fiscal
7 year limitations, as provided by 31 U.S.C. 9104,
8 \$20,000,000.

9 AFRICAN DEVELOPMENT FOUNDATION

10 For necessary expenses to carry out title V of the
11 International Security and Development Cooperation Act
12 of 1980, Public Law 96-533, and to make such contracts
13 and commitments without regard to fiscal year limitations
14 as provided by 31 U.S.C. 9104, \$11,500,000: *Provided*,
15 That funds made available to grantees may be invested
16 pending expenditure for project purposes when authorized
17 by the President of the Foundation: *Provided further*,
18 That interest earned shall be used only for the purposes
19 for which the grant was made: *Provided further*; That this
20 authority applies to interest earned both prior to and fol-
21 lowing enactment of this provision: *Provided further*; That
22 notwithstanding section 505(a)(2) of the African Develop-
23 ment Foundation Act, in exceptional circumstances the
24 board of directors of the Foundation may waive the
25 \$250,000 limitation contained in that section with respect
26 to a project: *Provided further*; That the Foundation shall

1 provide a report to the Committee on Appropriations after
2 each time such waiver authority is exercised.

3 PEACE CORPS

4 For expenses necessary to carry out the provisions
5 of the Peace Corps Act (75 Stat. 612), \$222,000,000, in-
6 cluding the purchase of not to exceed five passenger motor
7 vehicles for administrative purposes for use outside of the
8 United States: *Provided*, That none of the funds appro-
9 priated under this heading shall be used to pay for abor-
10 tions: *Provided further*, That funds appropriated under
11 this heading shall remain available until September 30,
12 1999.

13 DEPARTMENT OF STATE

14 INTERNATIONAL NARCOTICS CONTROL

15 For necessary expenses to carry out section 481 of
16 the Foreign Assistance Act of 1961, \$230,000,000: *Pro-*
17 *vided*, That during fiscal year 1998, the Department of
18 State may also use the authority of section 608 of the
19 Act, without regard to its restrictions, to receive non-lethal
20 excess property from an agency of the United States Gov-
21 ernment for the purpose of providing it to a foreign coun-
22 try under chapter 8 of part I of that Act subject to the
23 regular notification procedures of the Committees on Ap-
24 propriations.

1 MIGRATION AND REFUGEE ASSISTANCE

2 For expenses, not otherwise provided for, necessary
3 to enable the Secretary of State to provide, as authorized
4 by law, a contribution to the International Committee of
5 the Red Cross, assistance to refugees, including contribu-
6 tions to the International Organization for Migration and
7 the United Nations High Commissioner for Refugees, and
8 other activities to meet refugee and migration needs; sala-
9 ries and expenses of personnel and dependents as author-
10 ized by the Foreign Service Act of 1980; allowances as
11 authorized by sections 5921 through 5925 of title 5, Unit-
12 ed States Code; purchase and hire of passenger motor ve-
13 hicles; and services as authorized by section 3109 of title
14 5, United States Code, \$650,000,000: *Provided*, That not
15 more than \$12,000,000 shall be available for administra-
16 tive expenses.

17 REFUGEE RESETTLEMENT ASSISTANCE

18 For necessary expenses for the targeted assistance
19 program authorized by title IV of the Immigration and
20 Nationality Act and section 501 of the Refugee Education
21 Assistance Act of 1980 and administered by the Office of
22 Refugee Resettlement of the Department of Health and
23 Human Services, in addition to amounts otherwise avail-
24 able for such purposes, \$5,000,000.

1 UNITED STATES EMERGENCY REFUGEE AND MIGRATION

2 ASSISTANCE FUND

3 For necessary expenses to carry out the provisions
4 of section 2(e) of the Migration and Refugee Assistance
5 Act of 1962, as amended (22 U.S.C. 260(e)),
6 \$50,000,000, to remain available until expended: *Pro-*
7 *vided*, That the funds made available under this heading
8 are appropriated notwithstanding the provisions contained
9 in section 2(e)(2) of the Migration and Refugee Assistance
10 Act of 1962 which would limit the amount of funds which
11 could be appropriated for this purpose.

12 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND

13 RELATED PROGRAMS

14 For necessary expenses for nonproliferation, anti-ter-
15 rorism and related programs and activities, \$118,000,000,
16 to carry out the provisions of chapter 8 of part II of the
17 Foreign Assistance Act of 1961 for anti-terrorism assist-
18 ance, section 504 of the FREEDOM Support Act for the
19 Nonproliferation and Disarmament Fund, section 23 of
20 the Arms Export Control Act for demining activities, not-
21 withstanding any other provision of law, including activi-
22 ties implemented through nongovernmental and inter-
23 national organizations, section 301 of the Foreign Assist-
24 ance Act of 1961 for a voluntary contribution to the Inter-
25 national Atomic Energy Agency (IAEA) and a voluntary
26 contribution to the Korean Peninsula Energy Develop-

1 ment Organization (KEDO). *Provided*, That of this
2 amount not to exceed \$15,000,000, to remain available
3 until expended, may be made available for the Non-
4 proliferation and Disarmament Fund, notwithstanding
5 any other provision of law, to promote bilateral and multi-
6 lateral activities relating to nonproliferation and disar-
7 mament. *Provided further*, That such funds may also be
8 used for such countries other than the new independent
9 states of the former Soviet Union and international orga-
10 nizations when it is in the national security interest of the
11 United States to do so. *Provided further*, That such funds
12 shall be subject to the regular notification procedures of
13 the Committees on Appropriations. *Provided further*, That
14 funds appropriated under this heading may be made avail-
15 able for the International Atomic Energy Agency only if
16 the Secretary of State determines (and so reports to the
17 Congress) that Israel is not being denied its right to par-
18 ticipate in the activities of that Agency. *Provided further*,
19 That not to exceed \$25,000,000 may be made available
20 to the Korean Peninsula Energy Development Organiza-
21 tion (KEDO) only for administrative expenses and heavy
22 fuel oil costs associated with the Agreed Framework. *Pro-
23 vided further*, That such funds may be obligated to KEDO
24 only if, thirty days prior to such obligation of funds, the
25 President certifies and so reports to Congress that: (1)(A)

1 the parties to the Agreed Framework are taking steps to
2 assure that progress is made on the implementation of the
3 January 1, 1992, Joint Declaration on the
4 Denuclearization of the Korean Peninsula and the imple-
5 mentation of the North-South dialogue; and (B) North
6 Korea is complying with the other provisions of the Agreed
7 Framework between North Korea and the United States
8 and with the Confidential Minute; (2) North Korea is co-
9 operating fully in the canning and safe storage of all spent
10 fuel from its graphite-moderated nuclear reactors and that
11 such canning and safe storage is scheduled to be com-
12 pleted by the end of fiscal year 1998; and (3) North Korea
13 has not significantly diverted assistance provided by the
14 United States for purposes for which it was not intended.
15 *Provided further*, That the President may waive the certifi-
16 cation requirements of the preceding proviso if the Presi-
17 dent determines that it is vital to the national security
18 interests of the United States. *Provided further*, That no
19 funds may be obligated for KEDO until 30 calendar days
20 after submission to Congress of the waiver permitted
21 under the preceding proviso. *Provided further*, That the
22 obligation of any funds for KEDO shall be subject to the
23 regular notification procedures of the Committees on Ap-
24 propriations. *Provided further*, That the Secretary of State
25 shall submit to the appropriate congressional committees

1 an annual report (to be submitted with the annual presen-
2 tation for appropriations) providing a full and detailed ac-
3 counting of the fiscal year request for the United States
4 contribution to KEDO, the expected operating budget of
5 the Korean Peninsula Energy Development Organization,
6 to include unpaid debt, proposed annual costs associated
7 with heavy fuel oil purchases, the amount of funds pledged
8 by other donor nations and organizations to support
9 KEDO activities on a per country basis, and other related
10 activities.

11 **TITLE III—MILITARY ASSISTANCE**

12 **FUNDS APPROPRIATED TO THE PRESIDENT**

13 **INTERNATIONAL MILITARY EDUCATION AND TRAINING**

14 For necessary expenses to carry out the provisions
15 of section 541 of the Foreign Assistance Act of 1961,
16 \$50,000,000: *Provided*, That funds appropriated under
17 this heading for grant financed military education and
18 training for Indonesia and Guatemala may only be avail-
19 able for expanded international military education and
20 training: *Provided further*, That none of the funds appro-
21 priated under this heading may be made available to sup-
22 port grant financed military education and training at the
23 School of the Americas unless: (1) the Secretary of De-
24 fense certifies that the instruction and training provided
25 by the School of the Americas is fully consistent with

1 training and doctrine, particularly with respect to the ob-
2 servance of human rights, provided by the Department of
3 Defense to United States military students at Department
4 of Defense institutions whose primary purpose is to train
5 United States military personnel; (2) the Secretary of De-
6 fense certifies that the Secretary of State, in consultation
7 with the Secretary of Defense, has developed and issued
8 specific guidelines governing the selection and screening
9 of candidates for instruction at the School of the Ameri-
10 cas; and (3) the Secretary of Defense submits to the Com-
11 mittees on Appropriations a report detailing the training
12 activities of the School of the Americas and a general as-
13 sessment regarding the performance of its graduates dur-
14 ing 1996.

15 **FOREIGN MILITARY FINANCING PROGRAM**

16 For expenses necessary for grants to enable the
17 President to carry out the provisions of section 23 of the
18 Arms Export Control Act, \$3,259,250,000: *Provided*,
19 That funds appropriated by this paragraph that are made
20 available for Israel and Egypt shall be made available only
21 as grants: *Provided further*, That the funds appropriated
22 by this paragraph for Israel shall be disbursed within thir-
23 ty days of enactment of this Act or by October 31, 1997,
24 whichever is later: *Provided further*, That to the extent
25 that the Government of Israel requests that funds be used
26 for such purposes, grants made available for Israel by this

1 paragraph shall, as agreed by Israel and the United
2 States, be available for advanced weapons systems, of
3 which not less than \$475,000,000 shall be available for
4 the procurement in Israel of defense articles and defense
5 services, including research and development: *Provided*
6 *further*, That funds made available under this paragraph
7 shall be nonrepayable notwithstanding any requirement in
8 section 23 of the Arms Export Control Act: *Provided fur-*
9 *ther*, That none of the funds made available under this
10 heading shall be available for any non-NATO country par-
11 ticipating in the Partnership for Peace Program except
12 through the regular notification procedures of the Com-
13 mittees on Appropriations.

14 For the cost, as defined in section 502 of the Con-
15 gressional Budget Act of 1974, of direct loans authorized
16 by section 23 of the Arms Export Control Act as follows:
17 cost of direct loans, \$60,000,000: *Provided*, That these
18 funds are available to subsidize gross obligations for the
19 principal amount of direct loans of not to exceed
20 \$657,000,000: *Provided further*, That the rate of interest
21 charged on such loans shall be not less than the current
22 average market yield on outstanding marketable obliga-
23 tions of the United States of comparable maturities: *Pro-*
24 *vided further*, That funds appropriated under this heading
25 shall be made available for Greece and Turkey only on

1 a loan basis, and the principal amount of direct loans for
2 each country shall not exceed the following: \$105,000,000
3 only for Greece and \$150,000,000 only for Turkey.

4 None of the funds made available under this heading
5 shall be available to finance the procurement of defense
6 articles, defense services, or design and construction serv-
7 ies that are not sold by the United States Government
8 under the Arms Export Control Act unless the foreign
9 country proposing to make such procurements has first
10 signed an agreement with the United States Government
11 specifying the conditions under which such procurements
12 may be financed with such funds: *Provided*, That all coun-
13 try and funding level increases in allocations shall be sub-
14 mitted through the regular notification procedures of sec-
15 tion 515 of this Act: *Provided further*, That funds made
16 available under this heading shall be obligated upon appor-
17 tionment in accordance with paragraph (5)(C) of title 31,
18 United States Code, section 1501(a): *Provided further*,
19 That none of the funds appropriated under this heading
20 shall be available for Sudan and Liberia: *Provided further*,
21 That funds made available under this heading may be
22 used, notwithstanding any other provision of law, for activi-
23 ties related to the clearance of landmines and unexploded
24 ordnance, and may include activities implemented through
25 nongovernmental and international organizations: *Pro-*

1 *vided further*, That only those countries for which assist-
2 ance was justified for the "Foreign Military Sales Finane-
3 ing Program" in the fiscal year 1989 congressional pres-
4 entation for security assistance programs may utilize
5 funds made available under this heading for procurement
6 of defense articles, defense services or design and con-
7 struction services that are not sold by the United States
8 Government under the Arms Export Control Act: *Provided*
9 *further*, That, subject to the regular notification proce-
10 dures of the Committees on Appropriations, funds made
11 available under this heading for the cost of direct loans
12 may also be used to supplement the funds available under
13 this heading for grants, and funds made available under
14 this heading for grants may also be used to supplement
15 the funds available under this heading for the cost of di-
16 rect loans: *Provided further*, That funds appropriated
17 under this heading shall be expended at the minimum rate
18 necessary to make timely payment for defense articles and
19 services: *Provided further*, That not more than
20 \$23,250,000 of the funds appropriated under this heading
21 may be obligated for necessary expenses, including the
22 purchase of passenger motor vehicles for replacement only
23 for use outside of the United States, for the general costs
24 of administering military assistance and sales: *Provided*
25 *further*, That none of the funds appropriated under this

1 heading shall be available for Guatemala: *Provided further,*
2 That not more than \$350,000,000 of funds realized pursu-
3 ant to section 21(e)(1)(A) of the Arms Export Control Act
4 may be obligated for expenses incurred by the Department
5 of Defense during fiscal year 1998 pursuant to section
6 43(b) of the Arms Export Control Act, except that this
7 limitation may be exceeded only through the regular notifi-
8 cation procedures of the Committees on Appropriations.

9 **PEACEKEEPING OPERATIONS**

10 For necessary expenses to carry out the provisions
11 of section 551 of the Foreign Assistance Act of 1961,
12 \$77,500,000: *Provided*, That none of the funds appro-
13 priated under this paragraph shall be obligated or ex-
14 pended except as provided through the regular notification
15 procedures of the Committees on Appropriations.

16 **TITLE IV—MULTILATERAL ECONOMIC
17 ASSISTANCE**

18 **FUNDS APPROPRIATED TO THE PRESIDENT**

19 **INTERNATIONAL FINANCIAL INSTITUTIONS**

20 **CONTRIBUTION TO THE INTERNATIONAL BANK FOR
21 RECONSTRUCTION AND DEVELOPMENT**

22 For payment to the International Bank for Recon-
23 struction and Development by the Secretary of the Treas-
24 uary, for the United States contribution to the Global Envi-
25 ronment Facility (GEF), \$35,000,000, to remain available
26 until September 30, 1999.

1 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT

2 ASSOCIATION

3 For payment to the International Development Asso-
4 ciation by the Secretary of the Treasury, \$606,000,000,
5 for the United States contribution to the eleventh replen-
6 ishment, to remain available until expended: *Provided*,
7 That none of the funds may be obligated until the Sec-
8 retary of the Treasury certifies to the Committees on Ap-
9 propriations that procurement restrictions applicable to
10 the United States under the terms of the Interim Trust
11 Fund have been lifted and that the total unobligated bal-
12 ance available for open competition has been released.

13 CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT

14 BANK

15 For payment to the Inter-American Development
16 Bank by the Secretary of the Treasury, for the United
17 States share of the paid-in share portion of the increase
18 in capital stock, \$25,610,667, and for the United States
19 share of the increase in the resources of the Fund for Spe-
20 cial Operations, \$20,835,000, to remain available until ex-
21 pended.

22 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

23 The United States Governor of the Inter-American
24 Development Bank may subscribe without fiscal year limi-
25 tation to the callable capital portion of the United States

1 share of such capital stock in an amount not to exceed
2 \$1,503,718,910.

3 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

4 For payment to the Asian Development Bank by the
5 Secretary of the Treasury for the United States share of
6 the paid-in portion of the increase in capital stock,
7 \$13,221,596, to remain available until expended.

8 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9 The United States Governor of the Asian Develop-
10 ment Bank may subscribe without fiscal year limitation
11 to the callable capital portion of the United States share
12 of such capital stock in an amount not to exceed
13 \$647,858,204.

14 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

15 For the United States contribution by the Secretary
16 of the Treasury to the increases in resources of the Asian
17 Development Fund, as authorized by the Asian Develop-
18 ment Bank Act, as amended (Public Law 89-369),
19 \$100,000,000, to remain available until expended.

20 CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

21 For the United States contribution by the Secretary
22 of the Treasury to the increase in resources of the African
23 Development Fund, \$25,000,000, to remain available until
24 expended.

1 CONTRIBUTION TO THE EUROPEAN BANK FOR

2 RECONSTRUCTION AND DEVELOPMENT

3 For payment to the European Bank for Reconstruction
4 and Development by the Secretary of the Treasury,
5 \$35,778,717, for the United States share of the paid-in
6 portion of the increase in capital stock, to remain available
7 until expended.

8 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9 The United States Governor of the European Bank
10 for Reconstruction and Development may subscribe without
11 fiscal year limitation to the callable capital portion of
12 the United States share of such capital stock in an amount
13 not to exceed \$123,237,803.

14 NORTH AMERICAN DEVELOPMENT BANK

15 For payment to the North American Development
16 Bank by the Secretary of the Treasury, for the United
17 States share of the paid-in portion of the capital stock,
18 \$56,500,000, to remain available until expended.

19 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

20 The United States Governor of the North American
21 Development Bank may subscribe without fiscal year limi-
22 tation to the callable capital portion of the United States
23 share of the capital stock of the North American Develop-
24 ment Bank in an amount not to exceed \$318,750,000.

1 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

2 For necessary expenses to carry out the provisions
3 of section 301 of the Foreign Assistance Act of 1961, and
4 of section 2 of the United Nations Environment Program
5 Participation Act of 1973, \$194,000,000: *Provided*, That
6 none of the funds appropriated under this heading shall
7 be made available for the United Nations Fund for
8 Science and Technology: *Provided further*, That none of
9 the funds appropriated under this heading that are made
10 available to the United Nations Population Fund
11 (UNFPA) shall be made available for activities in the Peo-
12 ple's Republic of China: *Provided further*, That not more
13 than \$25,000,000 of the funds appropriated under this
14 heading may be made available to the UNFPA: *Provided*
15 *further*, That not more than one-half of this amount may
16 be provided to UNFPA before March 1, 1998, and that
17 no later than February 15, 1998, the Secretary of State
18 shall submit a report to the Committees on Appropriations
19 indicating the amount UNFPA is budgeting for the Peo-
20 ple's Republic of China in 1998: *Provided further*, That
21 any amount UNFPA plans to spend in the People's Re-
22 public of China in 1998 shall be deducted from the
23 amount of funds provided to UNFPA after March 1,
24 1998, pursuant to the previous provisos: *Provided further*,
25 That with respect to any funds appropriated under this

1 heading that are made available to UNFPA, UNFPA shall
2 be required to maintain such funds in a separate account
3 and not commingle them with any other funds: *Provided*
4 *further*, That none of the funds appropriated under this
5 heading may be made available to the Korean Peninsula
6 Energy Development Organization (KEDO) or the Inter-
7 national Atomic Energy Agency (IAEA): *Provided further*,
8 That none of the funds appropriated under this heading
9 may be made available to the United Nations development
10 group or any similar organization.

11 **TITLE V—GENERAL PROVISIONS**

12 **OBLIGATIONS DURING LAST MONTH OF AVAILABILITY**

13 SEC. 501. Except for the appropriations entitled
14 “International Disaster Assistance”, and “United States
15 Emergency Refugee and Migration Assistance Fund”, not
16 more than 15 per centum of any appropriation item made
17 available by this Act shall be obligated during the last
18 month of availability.

19 **PROHIBITION OF BILATERAL FUNDING FOR**

20 **INTERNATIONAL FINANCIAL INSTITUTIONS**

21 SEC. 502. Notwithstanding section 614 of the For-
22 eign Assistance Act of 1961, as amended, none of the
23 funds contained in title II of this Act may be used to carry
24 out the provisions of section 209(d) of the Foreign Assist-
25 ance Act of 1961.

1 LIMITATION ON RESIDENCE EXPENSES

2 SEC. 503. Of the funds appropriated or made avail-
3 able pursuant to this Act, not to exceed \$126,500 shall
4 be for official residence expenses of the Agency for Inter-
5 national Development during the current fiscal year: *Pro-*
6 *vided,* That appropriate steps shall be taken to assure
7 that, to the maximum extent possible, United States-
8 owned foreign currencies are utilized in lieu of dollars.

9 LIMITATION ON EXPENSES

10 SEC. 504. Of the funds appropriated or made avail-
11 able pursuant to this Act, not to exceed \$5,000 shall be
12 for entertainment expenses of the Agency for International
13 Development during the current fiscal year.

14 LIMITATION ON REPRESENTATIONAL ALLOWANCES

15 SEC. 505. Of the funds appropriated or made avail-
16 able pursuant to this Act, not to exceed \$95,000 shall be
17 available for representation allowances for the Agency for
18 International Development during the current fiscal year:
19 *Provided,* That appropriate steps shall be taken to assure
20 that, to the maximum extent possible, United States-
21 owned foreign currencies are utilized in lieu of dollars:
22 *Provided further,* That of the funds made available by this
23 Act for general costs of administering military assistance
24 and sales under the heading "Foreign Military Financing
25 Program", not to exceed \$2,000 shall be available for en-
26 tertainment expenses and not to exceed \$50,000 shall be

1 available for representation allowances: *Provided further,*
2 That of the funds made available by this Act under the
3 heading “International Military Education and Training”,
4 not to exceed \$50,000 shall be available for entertainment
5 allowances: *Provided further,* That of the funds made
6 available by this Act for the Inter-American Foundation,
7 not to exceed \$2,000 shall be available for entertainment
8 and representation allowances: *Provided further,* That of
9 the funds made available by this Act for the Peace Corps,
10 not to exceed a total of \$4,000 shall be available for enter-
11 tainment expenses: *Provided further,* That of the funds
12 made available by this Act under the heading “Trade and
13 Development Agency”, not to exceed \$2,000 shall be avail-
14 able for representation and entertainment allowances.

15 PROHIBITION ON FINANCING NUCLEAR GOODS

16 SEC. 506. None of the funds appropriated or made
17 available (other than funds for “Nonproliferation, Anti-
18 terrorism, Demining and Related Programs”) pursuant to
19 this Act, for carrying out the Foreign Assistance Act of
20 1961, may be used, except for purposes of nuclear safety,
21 to finance the export of nuclear equipment, fuel, or tech-
22 nology.

23 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
24 COUNTRIES

25 SEC. 507. None of the funds appropriated or other-
26 wise made available pursuant to this Act shall be obligated

1 or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or
2 Syria: *Provided*, That for purposes of this section, the prohibitory obligation on obligations or expenditures shall include direct
3 loans, credits, insurance and guarantees of the Export-Import
4 Bank or its agents.

~~MILITARY COUPS~~

8 SEC. 508. None of the funds appropriated or other-
9 wise made available pursuant to this Act shall be obligated
10 or expended to finance directly any assistance to any coun-
11 try whose duly elected Head of Government is deposed by
12 military coup or decree: *Provided*, That assistance may be
13 resumed to such country if the President determines and
14 reports to the Committees on Appropriations that subse-
15 quent to the termination of assistance a democratically
16 elected government has taken office.

~~TRANSFERS BETWEEN ACCOUNTS~~

18 SEE. 509. None of the funds made available by this
19 Act may be obligated under an appropriation account to
20 which they were not appropriated, except for transfers
21 specifically provided for in this Act, unless the President,
22 prior to the exercise of any authority contained in the For-
23 eign Assistance Act of 1961 to transfer funds, consults
24 with and provides a written policy justification to the
25 Committees on Appropriations of the House of Represent-
26 atives and the Senate: *Provided*, That the exercise of such

1 authority shall be subject to the regular notification proce-
2 dures of the Committees on Appropriations.

3 DEOBLIGATION/REOBLIGATION AUTHORITY

4 SEC. 510. (a) Amounts certified pursuant to section
5 1311 of the Supplemental Appropriations Act, 1955, as
6 having been obligated against appropriations heretofore
7 made under the authority of the Foreign Assistance Act
8 of 1961 for the same general purpose as any of the head-
9 ings under title H of this Act are, if deobligated, hereby
10 continued available for the same period as the respective
11 appropriations under such headings or until September
12 30, 1998, whichever is later, and for the same general pur-
13 pose, and for countries within the same region as origi-
14 nally obligated: *Provided*, That the Appropriations Com-
15 mittees of both Houses of the Congress are notified fifteen
16 days in advance of the reobligation of such funds in ac-
17 cordance with regular notification procedures of the Com-
18 mittees on Appropriations.

19 (b) Obligated balances of funds appropriated to carry
20 out section 23 of the Arms Export Control Act as of the
21 end of the fiscal year immediately preceding the current
22 fiscal year are, if deobligated, hereby continued available
23 during the current fiscal year for the same purpose under
24 any authority applicable to such appropriations under this
25 Act: *Provided*, That the authority of this subsection may
26 not be used in fiscal year 1998.

1 AVAILABILITY OF FUNDS

2 SEC. 511. No part of any appropriation contained in
3 this Act shall remain available for obligation after the ex-
4 piration of the current fiscal year unless expressly so pro-
5 vided in this Act: *Provided*, That funds appropriated for
6 the purposes of chapters 1, 8, and 11 of part I, section
7 667, and chapter 4 of part II of the Foreign Assistance
8 Act of 1961, as amended, and funds provided under the
9 heading "Assistance for Eastern Europe and the Baltic
10 States", shall remain available until expended if such
11 funds are initially obligated before the expiration of their
12 respective periods of availability contained in this Act:
13 *Provided further*, That, notwithstanding any other provi-
14 sion of this Act, any funds made available for the purposes
15 of chapter 1 of part I and chapter 4 of part II of the
16 Foreign Assistance Act of 1961 which are allocated for
17 cash disbursements in order to address balance of pay-
18 ments or economic policy reform objectives, shall remain
19 available until expended: *Provided further*, That the report
20 required by section 653(a) of the Foreign Assistance Act
21 of 1961 shall designate for each country, to the extent
22 known at the time of submission of such report, those
23 funds allocated for cash disbursement for balance of pay-
24 ment and economic policy reform purposes.

1 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

2 SEC. 512. No part of any appropriation contained in
3 this Act shall be used to furnish assistance to any country
4 which is in default during a period in excess of one cal-
5 endar year in payment to the United States of principal
6 or interest on any loan made to such country by the Unit-
7 ed States pursuant to a program for which funds are ap-
8 propriated under this Act: *Provided*, That this section and
9 section 620(q) of the Foreign Assistance Act of 1961 shall
10 not apply to funds made available in this Act or during
11 the current fiscal year for Nicaragua and Liberia, and for
12 any narcotics-related assistance for Colombia, Bolivia, and
13 Peru authorized by the Foreign Assistance Act of 1961
14 or the Arms Export Control Act.

15 COMMERCE AND TRADE

16 SEC. 513. (a) None of the funds appropriated or
17 made available pursuant to this Act for direct assistance
18 and none of the funds otherwise made available pursuant
19 to this Act to the Export Import Bank and the Overseas
20 Private Investment Corporation shall be obligated or ex-
21 pended to finance any loan, any assistance or any other
22 financial commitments for establishing or expanding pro-
23 duction of any commodity for export by any country other
24 than the United States, if the commodity is likely to be
25 in surplus on world markets at the time the resulting pro-
26 ductive capacity is expected to become operative and if the

1 assistance will cause substantial injury to United States
2 producers of the same, similar, or competing commodity:
3 *Provided*, That such prohibition shall not apply to the Ex-
4 port-Import Bank if in the judgment of its Board of Direc-
5 tors the benefits to industry and employment in the Unit-
6 ed States are likely to outweigh the injury to United
7 States producers of the same, similar, or competing com-
8 modity, and the Chairman of the Board so notifies the
9 Committees on Appropriations.

10 (b) None of the funds appropriated by this or any
11 other Act to carry out chapter 4 of part I of the Foreign
12 Assistance Act of 1961 shall be available for any testing
13 or breeding feasibility study, variety improvement or intro-
14 duction, consultancy, publication, conference, or training
15 in connection with the growth or production in a foreign
16 country of an agricultural commodity for export which
17 would compete with a similar commodity grown or pro-
18 duced in the United States: *Provided*, That this subsection
19 shall not prohibit—

20 (1) activities designed to increase food security
21 in developing countries where such activities will not
22 have a significant impact in the export of agricul-
23 tural commodities of the United States; or
24 (2) research activities intended primarily to
25 benefit American producers.

1 SURPLUS COMMODITIES

2 SEC. 514. The Secretary of the Treasury shall in-
3 struct the United States Executive Directors of the Inter-
4 national Bank for Reconstruction and Development, the
5 International Development Association, the International
6 Finance Corporation, the Inter-American Development
7 Bank, the International Monetary Fund, the Asian Devel-
8 opment Bank, the Inter-American Investment Corpora-
9 tion, the North American Development Bank, the Euro-
10 pean Bank for Reconstruction and Development, the Afri-
11 can Development Bank, and the African Development
12 Fund to use the voice and vote of the United States to
13 oppose any assistance by these institutions, using funds
14 appropriated or made available pursuant to this Act, for
15 the production or extraction of any commodity or mineral
16 for export, if it is in surplus on world markets and if the
17 assistance will cause substantial injury to United States
18 producers of the same, similar, or competing commodity.

19 NOTIFICATION REQUIREMENTS

20 SEC. 515. For the purposes of providing the Execu-
21 tive Branch with the necessary administrative flexibility,
22 none of the funds made available under this Act for "Child
23 Survival and Disease Programs Fund", "Development As-
24 sistance", "International organizations and programs",
25 "Trade and Development Agency", "International narcotics
26 control", "Assistance for Eastern Europe and the Bal-

1 tie States”, “Assistance for the New Independent States
2 of the Former Soviet Union”, “Economic Support Fund”,
3 “Peacekeeping operations”, “Operating expenses of the
4 Agency for International Development”, “Operating ex-
5 penses of the Agency for International Development Office
6 of Inspector General”, “Nonproliferation, anti-terrorism,
7 demining and related programs”, “Foreign Military Fi-
8 nancing Program”, “International military education and
9 training”, “Inter-American Foundation”, “African Devel-
10 opment Foundation”, “Peace Corps”, “Migration and ref-
11 ugee assistance”, shall be available for obligation for ac-
12 tivities, programs, projects, type of materiel assistance,
13 countries, or other operations not justified or in excess of
14 the amount justified to the Appropriations Committees for
15 obligation under any of these specific headings unless the
16 Appropriations Committees of both Houses of Congress
17 are previously notified fifteen days in advance: *Provided*,
18 That the President shall not enter into any commitment
19 of funds appropriated for the purposes of section 23 of
20 the Arms Export Control Act for the provision of major
21 defense equipment, other than conventional ammunition,
22 or other major defense items defined to be aircraft, ships,
23 missiles, or combat vehicles, not previously justified to
24 Congress or 20 per centum in excess of the quantities jus-
25 tified to Congress unless the Committees on Appropriations

1 tions are notified fifteen days in advance of such commit-
2 ment: *Provided further*, That this section shall not apply
3 to any reprogramming for an activity, program, or project
4 under chapter 1 of part I of the Foreign Assistance Act
5 of 1961 of less than 10 per centum of the amount pre-
6 viously justified to the Congress for obligation for such
7 activity, program, or project for the current fiscal year.
8 *Provided further*, That the requirements of this section or
9 any similar provision of this Act or any other Act, includ-
10 ing any prior Act requiring notification in accordance with
11 the regular notification procedures of the Committees on
12 Appropriations, may be waived if failure to do so would
13 pose a substantial risk to human health or welfare: *Pro-*
14 *vided further*, That in case of any such waiver, notification
15 to the Congress, or the appropriate congressional commit-
16 tees, shall be provided as early as practicable, but in no
17 event later than three days after taking the action to
18 which such notification requirement was applicable, in the
19 context of the circumstances necessitating such waiver:
20 *Provided further*, That any notification provided pursuant
21 to such a waiver shall contain an explanation of the emer-
22 geny circumstances.

23 Drawdowns made pursuant to section 506(a)(2) of
24 the Foreign Assistance Act of 1961 shall be subject to the

1 regular notification procedures of the Committees on Ap-
2 propriations.

3 **LIMITATION ON AVAILABILITY OF FUNDS FOR**
4 **INTERNATIONAL ORGANIZATIONS AND PROGRAMS**

5 SEC. 516. Notwithstanding any other provision of law
6 or of this Act, none of the funds provided for "Inter-
7 national Organizations and Programs" shall be available
8 for the United States proportionate share, in accordance
9 with section 307(e) of the Foreign Assistance Act of 1961,
10 for any programs identified in section 307, or for Libya,
11 Iran, or, at the discretion of the President, Communist
12 countries listed in section 620(f) of the Foreign Assistance
13 Act of 1961, as amended. *Provided*, That, subject to the
14 regular notification procedures of the Committees on Ap-
15 propriations, funds appropriated under this Act or any
16 previously enacted Act making appropriations for foreign
17 operations, export financing, and related programs, which
18 are returned or not made available for organizations and
19 programs because of the implementation of this section
20 or any similar provision of law, shall remain available for
21 obligation through September 30, 1999.

22 **ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL**

23 SEC. 517. The Congress finds that progress on the
24 peace process in the Middle East is vitally important to
25 United States security interests in the region. The Con-
26 gress recognizes that, in fulfilling its obligations under the

1 Treaty of Peace Between the Arab Republic of Egypt and
2 the State of Israel, done at Washington on March 26,
3 1979, Israel incurred severe economic burdens. Further-
4 more, the Congress recognizes that an economically and
5 militarily secure Israel serves the security interests of the
6 United States; for a secure Israel is an Israel which has
7 the incentive and confidence to continue pursuing the
8 peace process. Therefore, the Congress declares that, sub-
9 jeet to the availability of appropriations, it is the policy
10 and the intention of the United States that the funds pro-
11 vided in annual appropriations for the Economic Support
12 Fund which are allocated to Israel shall not be less than
13 the annual debt repayment (interest and principal) from
14 Israel to the United States Government in recognition that
15 such a principle serves United States interests in the re-
16 gion.

17 PROHIBITION ON FUNDING FOR ABORTIONS AND
18 INVOLUNTARY STERILIZATION

19 SEC. 518. None of the funds made available to carry
20 out part I of the Foreign Assistance Act of 1961, as
21 amended, may be used to pay for the performance of abor-
22 tions as a method of family planning or to motivate or
23 coerce any person to practice abortions. None of the funds
24 made available to carry out part I of the Foreign Assist-
25 ance Act of 1961, as amended, may be used to pay for
26 the performance of involuntary sterilization as a method

1 of family planning or to coerce or provide any financial
2 incentive to any person to undergo sterilizations. None of
3 the funds made available to carry out part I of the Foreign
4 Assistance Act of 1961, as amended, may be used to pay
5 for any biomedical research which relates in whole or in
6 part, to methods of, or the performance of, abortions or
7 involuntary sterilization as a means of family planning.
8 None of the funds made available to carry out part I of
9 the Foreign Assistance Act of 1961, as amended, may be
10 obligated or expended for any country or organization if
11 the President certifies that the use of these funds by any
12 such country or organization would violate any of the
13 above provisions related to abortions and involuntary steri-
14 lizations: *Provided*, That none of the funds made available
15 under this Act may be used to lobby for or against abor-
16 tion.

17 AUTHORIZATION FOR POPULATION PLANNING

18 SEC. 518A. Not to exceed \$385,000,000 of the funds
19 appropriated in title II of this Act may be made available
20 for population planning activities or other population as-
21 sistance.

22 REPORTING REQUIREMENT

23 SEC. 519. The President shall submit to the Commit-
24 tees on Appropriations the reports required by section
25 25(a)(1) of the Arms Export Control Act.

1 SPECIAL NOTIFICATION REQUIREMENTS

2 SEC. 520. None of the funds appropriated in this Act
3 shall be obligated or expended for Colombia, Haiti, Libe-
4 ria, Pakistan, Panama, Peru, Russia, Serbia, Sudan, or
5 the Democratic Republic of Congo except as provided
6 through the regular notification procedures of the Com-
7 mittees on Appropriations.

8 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

9 SEC. 521. For the purpose of this Act, “program,
10 project, and activity” shall be defined at the Appropriations
11 Act account level and shall include all Appropriations
12 and Authorizations Acts earmarks, ceilings, and limita-
13 tions with the exception that for the following accounts:
14 Economic Support Fund and Foreign Military Financing
15 Program, “program, project, and activity” shall also be
16 considered to include country, regional, and central pro-
17 gram level funding within each such account; for the devel-
18 opment assistance accounts of the Agency for Inter-
19 national Development “program, project, and activity”
20 shall also be considered to include central program level
21 funding; either as (1) justified to the Congress, or (2) allo-
22 cated by the executive branch in accordance with a report,
23 to be provided to the Committees on Appropriations within
24 thirty days of enactment of this Act, as required by section
25 653(a) of the Foreign Assistance Act of 1961.

1 CHILD SURVIVAL AND AIDS ACTIVITIES

2 SEC. 522. Up to \$8,000,000 of the funds made avail-
3 able by this Act for assistance for family planning, health,
4 child survival, and AIDS, may be used to reimburse Unit-
5 ed States Government agencies, agencies of State govern-
6 ments, institutions of higher learning, and private and vol-
7 untary organizations for the full cost of individuals (in-
8 cluding for the personal services of such individuals) de-
9 tailed or assigned to, or contracted by, as the case may
10 be, the Agency for International Development for the pur-
11 pose of carrying out family planning activities, child sur-
12 vival activities, and activities relating to research on, and
13 the treatment and control of acquired immune deficiency
14 syndrome in developing countries: *Provided*, That funds
15 appropriated by this Act that are made available for child
16 survival activities or activities relating to research on, and
17 the treatment and control of, acquired immune deficiency
18 syndrome may be made available notwithstanding any pro-
19 vision of law that restricts assistance to foreign countries:
20 *Provided further*, That funds appropriated by this Act that
21 are made available for family planning activities may be
22 made available notwithstanding section 512 of this Act
23 and section 620(q) of the Foreign Assistance Act of 1961.

1 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN 2 COUNTRIES

3 SEC. 523. None of the funds appropriated or other-
4 wise made available pursuant to this Act shall be obligated
5 to finance indirectly any assistance or reparations to
6 Cuba, Iraq, Libya, Iran, Syria, North Korea, or the Peo-
7 ple's Republic of China, unless the President of the United
8 States certifies that the withholding of these funds is con-
9 trary to the national interest of the United States.

10 RECIPROCAL LEASING

11 SEC. 524. Section 61(a) of the Arms Export Control
12 Act is amended by striking out "1997" and inserting in
13 lieu thereof "1998".

14 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

15 SEC. 525. Prior to providing excess Department of
16 Defense articles in accordance with section 516(a) of the
17 Foreign Assistance Act of 1961, the Department of De-
18 fense shall notify the Committees on Appropriations to the
19 same extent and under the same conditions as are other
20 committees pursuant to subsection (c) of that section: *Pro-*
21 *vided*, That before issuing a letter of offer to sell excess
22 defense articles under the Arms Export Control Act, the
23 Department of Defense shall notify the Committees on
24 Appropriations in accordance with the regular notification
25 procedures of such Committees: *Provided further*, That

1 such Committees shall also be informed of the original ac-
2 quisition cost of such defense articles.

3 **AUTHORIZATION REQUIREMENT**

4 SEC. 526. Funds appropriated by this Act may be
5 obligated and expended subject to section 10 of Public
6 Law 91-672 and section 15 of the State Department
7 Basic Authorities Act of 1956.

8 **PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
9 COUNTRIES**

10 SEC. 527. (a) Notwithstanding any other provision
11 of law, funds appropriated for bilateral assistance under
12 any heading of this Act and funds appropriated under any
13 such heading in a provision of law enacted prior to enact-
14 ment of this Act, shall not be made available to any coun-
15 try which the President determines—

16 (1) grants sanctuary from prosecution to any
17 individual or group which has committed an act of
18 international terrorism; or

19 (2) otherwise supports international terrorism.

20 (b) The President may waive the application of sub-
21 section (a) to a country if the President determines that
22 national security or humanitarian reasons justify such
23 waiver. The President shall publish each waiver in the
24 Federal Register and, at least fifteen days before the waiv-
25 er takes effect, shall notify the Committees on Appropria-
26 tions of the waiver (including the justification for the waiv-

1 er) in accordance with the regular notification procedures
2 of the Committees on Appropriations.

3 **COMMERCIAL LEASING OF DEFENSE ARTICLES**

4 SEC. 528. Notwithstanding any other provision of
5 law, and subject to the regular notification procedures of
6 the Committees on Appropriations, the authority of sec-
7 tion 23(a) of the Arms Export Control Act may be used
8 to provide financing to Israel, Egypt and NATO and
9 major non-NATO allies for the procurement by leasing
10 (including leasing with an option to purchase) of defense
11 articles from United States commercial suppliers, not in-
12 cluding Major Defense Equipment (other than helicopters
13 and other types of aircraft having possible civilian applica-
14 tion), if the President determines that there are compel-
15 ling foreign policy or national security reasons for those
16 defense articles being provided by commercial lease rather
17 than by government-to-government sale under such Act.

18 **COMPETITIVE INSURANCE**

19 SEC. 528A. All Agency for International Development
20 contracts and solicitations, and subcontracts entered into
21 under such contracts, shall include a clause requiring that
22 United States insurance companies have a fair oppor-
23 tunity to bid for insurance when such insurance is nee-
24 ssary or appropriate.

1 STINGERS IN THE PERSIAN GULF REGION

2 SEC. 529. Except as provided in section 581 of the
3 Foreign Operations, Export Financing, and Related Pro-
4 grams Appropriations Act, 1990, the United States may
5 not sell or otherwise make available any Stingers to any
6 country bordering the Persian Gulf under the Arms Ex-
7 port Control Act or chapter 2 of part H of the Foreign
8 Assistance Act of 1961.

9 DEBT-FOR-DEVELOPMENT

10 SEC. 530. In order to enhance the continued partici-
11 pation of nongovernmental organizations in economic as-
12 sistance activities under the Foreign Assistance Act of
13 1961, including endowments, debt-for-development and
14 debt-for-nature exchanges, a nongovernmental organiza-
15 tion which is a grantee or contractor of the Agency for
16 International Development may place in interest bearing
17 accounts funds made available under this Act or prior Acts
18 or local currencies which accrue to that organization as
19 a result of economic assistance provided under title H of
20 this Act and any interest earned on such investment shall
21 be used for the purpose for which the assistance was pro-
22 vided to that organization.

23 SEPARATE ACCOUNTS

24 SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL
25 CURRENCIES.—(1) If assistance is furnished to the gov-
26 ernment of a foreign country under chapters 4 and 10 of

1 part I or chapter 4 of part H of the Foreign Assistance
2 Act of 1961 under agreements which result in the genera-
3 tion of local currencies of that country, the Administrator
4 of the Agency for International Development shall—

5 (A) require that local currencies be deposited in
6 a separate account established by that government;

7 (B) enter into an agreement with that govern-
8 ment which sets forth—

9 (i) the amount of the local currencies to be
10 generated; and

11 (ii) the terms and conditions under which
12 the currencies so deposited may be utilized, con-
13 sistent with this section; and

14 (C) establish by agreement with that govern-
15 ment the responsibilities of the Agency for Inter-
16 national Development and that government to mon-
17 itor and account for deposits into and disbursements
18 from the separate account.

19 (2) USES OF LOCAL CURRENCIES.—As may be
20 agreed upon with the foreign government, local currencies
21 deposited in a separate account pursuant to subsection
22 (a), or an equivalent amount of local currencies, shall be
23 used only—

1 (A) to carry out chapters 1 or 10 of part I or
2 chapter 4 of part II (as the case may be), for such
3 purposes as—

4 (i) project and sector assistance activities;

5 or

6 (ii) debt and deficit financing; or

7 (B) for the administrative requirements of the
8 United States Government.

9 (3) PROGRAMMING ACCOUNTABILITY.—The Agency
10 for International Development shall take all necessary
11 steps to ensure that the equivalent of the local currencies
12 disbursed pursuant to subsection (a)(2)(A) from the sepa-
13 rate account established pursuant to subsection (a)(1) are
14 used for the purposes agreed upon pursuant to subsection
15 (a)(2).

16 (4) TERMINATION OF ASSISTANCE PROGRAMS.—
17 Upon termination of assistance to a country under chap-
18 ters 1 or 10 of part I or chapter 4 of part II (as the case
19 may be), any unencumbered balances of funds which re-
20 main in a separate account established pursuant to sub-
21 section (a) shall be disposed of for such purposes as may
22 be agreed to by the government of that country and the
23 United States Government.

24 (5) CONFORMING AMENDMENTS.—The provisions of
25 this subsection shall supersede the tenth and eleventh pro-

1 vises contained under the heading "Sub-Saharan Africa,
2 Development Assistance" as included in the Foreign Oper-
3 ations, Export Financing, and Related Programs Appro-
4 priations Act, 1989 and sections 531(d) and 609 of the
5 Foreign Assistance Act of 1961.

6 (6) REPORTING REQUIREMENT.—The Administrator
7 of the Agency for International Development shall report
8 on an annual basis as part of the justification documents
9 submitted to the Committees on Appropriations on the use
10 of local currencies for the administrative requirements of
11 the United States Government as authorized in subsection
12 (a)(2)(B), and such report shall include the amount of
13 local currency (and United States dollar equivalent) used
14 and/or to be used for such purpose in each applicable
15 country.

16 (b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—
17 (1) If assistance is made available to the government of
18 a foreign country, under chapters 1 or 10 of part I or
19 chapter 4 of part II of the Foreign Assistance Act of 1961,
20 as cash transfer assistance or as nonproject sector assist-
21 ance, that country shall be required to maintain such
22 funds in a separate account and not commingle them with
23 any other funds.

24 (2) APPLICABILITY OF OTHER PROVISIONS OF
25 LAW.—Such funds may be obligated and expended not-

1 notwithstanding provisions of law which are inconsistent with
2 the nature of this assistance including provisions which
3 are referenced in the Joint Explanatory Statement of the
4 Committee of Conference accompanying House Joint Res-
5 olution 648 (H. Report No. 98-1159).

6 (3) NOTIFICATION.—At least fifteen days prior to ob-
7 ligating any such cash transfer or nonproject sector assist-
8 ance, the President shall submit a notification through the
9 regular notification procedures of the Committees on Ap-
10 propriations, which shall include a detailed description of
11 how the funds proposed to be made available will be used,
12 with a discussion of the United States interests that will
13 be served by the assistance (including, as appropriate, a
14 description of the economic policy reforms that will be pro-
15 moted by such assistance).

16 (4) EXEMPTION.—Nonproject sector assistance funds
17 may be exempt from the requirements of subsection (b)(1)
18 only through the notification procedures of the Commit-
19 tees on Appropriations.

20 COMPENSATION FOR UNITED STATES EXECUTIVE
21 DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

22 SEC. 532. (a) No funds appropriated by this Act may
23 be made as payment to any international financial institu-
24 tion while the United States Executive Director to such
25 institution is compensated by the institution at a rate
26 which, together with whatever compensation such Director

1 receives from the United States, is in excess of the rate
2 provided for an individual occupying a position at level IV
3 of the Executive Schedule under section 5315 of title 5,
4 United States Code, or while any alternate United States
5 Director to such institution is compensated by the institu-
6 tion at a rate in excess of the rate provided for an individ-
7 ual occupying a position at level V of the Executive Sched-
8ule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

17 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST

HRAQ

19 SEC. 533. None of the funds appropriated or other-
20 wise made available pursuant to this Act to carry out the
21 Foreign Assistance Act of 1961 (including title IV of
22 chapter 2 of part I, relating to the Overseas Private In-
23 vestment Corporation) or the Arms Export Control Act
24 may be used to provide assistance to any country that is
25 not in compliance with the United Nations Security Coun-

1 shall sanctions against Iraq unless the President determines
2 and so certifies to the Congress that—

(1) such assistance is in the national interest of
the United States;

5 (2) such assistance will directly benefit the
6 needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

10 COMPETITIVE PRICING FOR SALES OF DEFENSE

11 ARTICLES

12 SEC. 534. Direct costs associated with meeting a for-
13 eign customer's additional or unique requirements will
14 continue to be allowable under contracts under section
15 22(d) of the Arms Export Control Act. Loadings applica-
16 ble to such direct costs shall be permitted at the same
17 rates applicable to procurement of like items purchased
18 by the Department of Defense for its own use.

19 EXTENSION OF AUTHORITY TO OBLIGATE FUNDS TO

20 CLOSE THE SPECIAL DEFENSE ACQUISITION FUND

21 SEC. 535. Title III of Public Law 103-306 is amend-
22 ed under the heading "Special Defense Acquisition Fund"
23 by striking "1998" and inserting "2000".

CASH FLOW FINANCING

25 SEC. 536. For each country that has been approved
26 for cash flow financing (as defined in section 25(d) of the

1 Arms Export Control Act, as added by section 112(b) of
2 Public Law 99-83) under the Foreign Military Financing
3 Program, any Letter of Offer and Acceptance or other
4 purchase agreement, or any amendment thereto, for a pur-
5 chase in excess of \$100,000,000 that is to be financed
6 in whole or in part with funds made available under this
7 Act shall be submitted through the regular notification
8 procedures to the Committees on Appropriations.

9 AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-
10 ICAN FOUNDATION AND THE AFRICAN DEVELOP-
11 MENT FOUNDATION

12 SEC. 537. Unless expressly provided to the contrary,
13 provisions of this or any other Act, including provisions
14 contained in prior Acts authorizing or making appropria-
15 tions for foreign operations, export financing, and related
16 programs, shall not be construed to prohibit activities au-
17 thorized by or conducted under the Peace Corps Act, the
18 Inter-American Foundation Act, or the African Develop-
19 ment Foundation Act. The appropriate agency shall
20 promptly report to the Committees on Appropriations
21 whenever it is conducting activities or is proposing to con-
22 duct activities in a country for which assistance is prohib-
23 ited.

24 IMPACT ON JOBS IN THE UNITED STATES

25 SEC. 538. None of the funds appropriated by this Act
26 may be obligated or expended to provide—

1 (a) any financial incentive to a business enter-
2 prise currently located in the United States for the
3 purpose of inducing such an enterprise to relocate
4 outside the United States if such incentive or in-
5 ducement is likely to reduce the number of employ-
6 ees of such business enterprise in the United States
7 because United States production is being replaced
8 by such enterprise outside the United States;

9 (b) assistance for the purpose of establishing or
10 developing in a foreign country any export process-
11 ing zone or designated area in which the tax, tariff,
12 labor, environment, and safety laws of that country
13 do not apply, in part or in whole, to activities car-
14 ried out within that zone or area, unless the Presi-
15 dent determines and certifies that such assistance is
16 not likely to cause a loss of jobs within the United
17 States; or

18 (c) assistance for any project or activity that
19 contributes to the violation of internationally recog-
20 nized workers rights, as defined in section 502(a)(4)
21 of the Trade Act of 1974, of workers in the recipient
22 country, including any designated zone or area in
23 that country. *Provided*, That in recognition that the
24 application of this subsection should be commensu-
25 rate with the level of development of the recipient

country and sector; the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

5 SPECIAL AUTHORITIES

6 SEC. 539. (a) Funds appropriated in title H of this
7 Act that are made available for Afghanistan, Lebanon,
8 and Cambodia, and for victims of war, displaced children,
9 displaced Burmese, humanitarian assistance for Romania,
10 and humanitarian assistance for the peoples of Bosnia and
11 Herzegovina, Croatia, and Kosova, may be made available
12 notwithstanding any other provision of law: *Provided*,
13 That any such funds that are made available for Cam-
14 bodia shall be subject to the provisions of section 531(e)
15 of the Foreign Assistance Act of 1961 and section 906
16 of the International Security and Development Coopera-
17 tion Act of 1985.

18 (b) Funds appropriated by this Act to carry out the
19 provisions of sections 103 through 106 of the Foreign As-
20 sistance Act of 1961 may be used, notwithstanding any
21 other provision of law, for the purpose of supporting tropi-
22 cal forestry and energy programs aimed at reducing emis-
23 sions of greenhouse gases, and for the purpose of support-
24 ing biodiversity conservation activities: *Provided*, That
25 such assistance shall be subject to sections 116, 502B, and
26 620A of the Foreign Assistance Act of 1961.

1 (e) The Agency for International Development may
2 employ personal services contractors, notwithstanding any
3 other provision of law, for the purpose of administering
4 programs for the West Bank and Gaza.

5 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT
6 OF ISRAEL

7 SEC. 540. It is the sense of the Congress that—

8 (1) the Arab League countries should imme-
9 diately and publicly renounce the primary boycott of
10 Israel and the secondary and tertiary boycott of
11 American firms that have commercial ties with Is-
12 rael; and

20 (4) the President should—

(A) take more concrete steps to encourage
vigorously Arab League countries to renounce
publicly the primary boycotts of Israel and the
secondary and tertiary boycotts of American
firms that have commercial relations with Israel
as a confidence-building measure;

1 (B) take into consideration the participation
2 of any recipient country in the primary
3 boycott of Israel and the secondary and tertiary
4 boycotts of American firms that have commercial
5 relations with Israel when determining
6 whether to sell weapons to said country;

7 (C) report to Congress on the specific
8 steps being taken by the President to bring
9 about a public renunciation of the Arab primary
10 boycott of Israel and the secondary and tertiary
11 boycotts of American firms that have commercial
12 relations with Israel and to expand the
13 process of normalizing ties between Arab
14 League countries and Israel; and

15 (D) encourage the allies and trading partners
16 of the United States to enact laws prohibiting
17 businesses from complying with the boycott and penalizing businesses that do comply.

19 ANTI-NARCOTICS ACTIVITIES

20 SEC. 541. (a) Of the funds appropriated or otherwise
21 made available by this Act for "Economic Support Fund",
22 assistance may be provided to strengthen the administration
23 of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions
24 of section 534(b) of the Foreign Assistance Act of 1961,
25 except that programs to enhance protection of participants

1 in judicial cases may be conducted notwithstanding section
2 660 of that Act.

3 (b) Funds made available pursuant to this section
4 may be made available notwithstanding section 534(e) and
5 the second and third sentences of section 534(e) of the
6 Foreign Assistance Act of 1961. Funds made available
7 pursuant to subsection (a) for Bolivia, Colombia, and Peru
8 may be made available notwithstanding section 534(e) and
9 the second sentence of section 534(e) of the Foreign As-
10 sistance Act of 1961.

11 ELIGIBILITY FOR ASSISTANCE

12 SEC. 542. (a) ASSISTANCE THROUGH NONGOVERN-
13 MENTAL ORGANIZATIONS.—Restrictions contained in this
14 or any other Act with respect to assistance for a country
15 shall not be construed to restrict assistance in support of
16 programs of nongovernmental organizations from funds
17 appropriated by this Act to carry out the provisions of
18 chapters 4 and 10 and 11 of part I, and chapter 4 of
19 part II, of the Foreign Assistance Act of 1961: *Provided*,
20 That the President shall take into consideration, in any
21 case in which a restriction on assistance would be applica-
22 ble but for this subsection, whether assistance in support
23 of programs of nongovernmental organizations is in the
24 national interest of the United States: *Provided further*,
25 That before using the authority of this subsection to fur-
26 nish assistance in support of programs of nongovern-

1 mental organizations, the President shall notify the Com-
2 mittees on Appropriations under the regular notification
3 procedures of those committees, including a description of
4 the program to be assisted, the assistance to be provided,
5 and the reasons for furnishing such assistance: *Provided*
6 *further*, That nothing in this subsection shall be construed
7 to alter any existing statutory prohibitions against abor-
8 tion or involuntary sterilizations contained in this or any
9 other Act.

10 (b) PUBLIC LAW 480.—During fiscal year 1998, re-
11 strictions contained in this or any other Act with respect
12 to assistance for a country shall not be construed to re-
13 strict assistance under the Agricultural Trade Develop-
14 ment and Assistance Act of 1954: *Provided*, That none
15 of the funds appropriated to carry out title I of such Act
16 and made available pursuant to this subsection may be
17 obligated or expended except as provided through the reg-
18 ular notification procedures of the Committees on Approp-
19 priations.

20 (e) EXCEPTION.—This section shall not apply—

21 (1) with respect to section 620A of the Foreign
22 Assistance Act or any comparable provision of law
23 prohibiting assistance to countries that support
24 international terrorism; or

1 (2) with respect to section 116 of the Foreign
2 Assistance Act of 1961 or any comparable provision
3 of law prohibiting assistance to countries that violate
4 internationally recognized human rights.

5 EARMARKS

6 SEC. 543. (a) Funds appropriated by this Act which
7 are earmarked may be reprogrammed for other programs
8 within the same account notwithstanding the earmark if
9 compliance with the earmark is made impossible by oper-
10 ation of any provision of this or any other Act or, with
11 respect to a country with which the United States has an
12 agreement providing the United States with base rights
13 or base access in that country, if the President determines
14 that the recipient for which funds are earmarked has sig-
15 nificantly reduced its military or economic cooperation
16 with the United States since enactment of the Foreign Op-
17 erations, Export Financing, and Related Programs Approp-
18 riations Act, 1991; however, before exercising the author-
19 ity of this subsection with regard to a base rights or base
20 access country which has significantly reduced its military
21 or economic cooperation with the United States, the Presi-
22 dent shall consult with, and shall provide a written policy
23 justification to the Committees on Appropriations: *Pro-*
24 *vided*, That any such reprogramming shall be subject to
25 the regular notification procedures of the Committees on
26 Appropriations: *Provided further*, That assistance that is

1 reprogrammed pursuant to this subsection shall be made
2 available under the same terms and conditions as origi-
3 nally provided.

4 (b) In addition to the authority contained in sub-
5 section (a), the original period of availability of funds ap-
6 propriated by this Act and administered by the Agency
7 for International Development that are earmarked for par-
8 ticular programs or activities by this or any other Act shall
9 be extended for an additional fiscal year if the Adminis-
10 trator of such agency determines and reports promptly to
11 the Committees on Appropriations that the termination of
12 assistance to a country or a significant change in cir-
13 umstances makes it unlikely that such earmarked funds
14 can be obligated during the original period of availability.
15 *Provided*, That such earmarked funds that are continued
16 available for an additional fiscal year shall be obligated
17 only for the purpose of such earmark.

18 CEILINGS AND EARMARKS

19 SEC. 544. Ceilings and earmarks contained in this
20 Act shall not be applicable to funds or authorities appro-
21 priated or otherwise made available by any subsequent Act
22 unless such Act specifically so directs.

23 PROHIBITION ON PUBLICITY OR PROPAGANDA

24 SEC. 545. No part of any appropriation contained in
25 this Act shall be used for publicity or propaganda purposes
26 within the United States not authorized before the date

1 of enactment of this Act by the Congress: *Provided*, That
2 not to exceed \$500,000 may be made available to carry
3 out the provisions of section 316 of Public Law 96-533.

4 **USE OF AMERICAN RESOURCES**

5 SEC. 546. To the maximum extent possible, assistance
6 provided under this Act should make full use of
7 American resources, including commodities, products, and
8 services.

9 **PROHIBITION OF PAYMENTS TO UNITED NATIONS**

10 **MEMBERS**

11 SEC. 547. None of the funds appropriated or made
12 available pursuant to this Act for carrying out the Foreign
13 Assistance Act of 1961, may be used to pay in whole or
14 in part any assessments, arrearages, or dues of any member
15 of the United Nations.

16 **CONSULTING SERVICES**

17 SEC. 548. The expenditure of any appropriation
18 under this Act for any consulting service through procurement
19 contract, pursuant to section 3109 of title 5, United
20 States Code, shall be limited to those contracts where such
21 expenditures are a matter of public record and available
22 for public inspection, except where otherwise provided
23 under existing law, or under existing Executive order pursuant
24 to existing law.

1 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

2 SEC. 549. None of the funds appropriated or made
3 available pursuant to this Act shall be available to a pri-
4 vate voluntary organization which fails to provide upon
5 timely request any document, file, or record necessary to
6 the auditing requirements of the Agency for International
7 Development.

8 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-
9 MENTS THAT EXPORT LETHAL MILITARY EQUIP-
10 MENT TO COUNTRIES SUPPORTING INTERNATIONAL
11 TERRORISM

12 SEC. 550. (a) None of the funds appropriated or oth-
13 erwise made available by this Act may be available to any
14 foreign government which provides lethal military equip-
15 ment to a country the government of which the Secretary
16 of State has determined is a terrorist government for pur-
17 poses of section 40(d) of the Arms Export Control Act.
18 The prohibition under this section with respect to a for-
19 eign government shall terminate 12 months after that gov-
20 ernment ceases to provide such military equipment. This
21 section applies with respect to lethal military equipment
22 provided under a contract entered into after April 24,
23 1996.

24 (b) Assistance restricted by subsection (a) or any
25 other similar provision of law, may be furnished if the

1 President determines that furnishing such assistance is
2 important to the national interests of the United States.

3 (e) Whenever the waiver of subsection (b) is exer-
4 cised, the President shall submit to the appropriate con-
5 gressional committees a report with respect to the furnish-
6 ing of such assistance. Any such report shall include a de-
7tailed explanation of the assistance estimated to be pro-
8 vided, including the estimated dollar amount of such as-
9 sistance, and an explanation of how the assistance fur-
10 thers United States national interests.

11 **WITHHOLDING OF ASSISTANCE FOR PARKING FINES**

12 **OWED BY FOREIGN COUNTRIES**

13 SEC. 551. (a) IN GENERAL.—Of the funds made
14 available for a foreign country under part I of the Foreign
15 Assistance Act of 1961, an amount equivalent to 110 per-
16 cent of the total unpaid fully adjudicated parking fines
17 and penalties owed to the District of Columbia by such
18 country as of the date of enactment of this Act shall be
19 withheld from obligation for such country until the Sec-
20 retary of State certifies and reports in writing to the ap-
21 propriate congressional committees that such fines and
22 penalties are fully paid to the government of the District
23 of Columbia.

24 (b) DEFINITION.—For purposes of this section, the
25 term “appropriate congressional committees” means the
26 Committee on Foreign Relations and the Committee on

1 Appropriations of the Senate and the Committee on Inter-
2 national Relations and the Committee on Appropriations
3 of the House of Representatives.

4 LIMITATION ON ASSISTANCE FOR THE PLO FOR THE
5 WEST BANK AND GAZA

6 SEC. 552. None of the funds appropriated by this Act
7 may be obligated for assistance for the Palestine Libera-
8 tion Organization for the West Bank and Gaza unless the
9 President has exercised the authority under section 604(a)
10 of the Middle East Peace Facilitation Act of 1995 (title
11 VI of Public Law 104-107) or any other legislation to sus-
12 pend or make inapplicable section 307 of the Foreign As-
13 sistance Act of 1961 and that suspension is still in effect.
14 *Provided*, That if the President fails to make the certifi-
15 cation under section 604(b)(2) of the Middle East Peace
16 Facilitation Act of 1995 or to suspend the prohibition
17 under other legislation, funds appropriated by this Act
18 may not be obligated for assistance for the Palestine Lib-
19 eration Organization for the West Bank and Gaza.

20 EXPORT FINANCING TRANSFER AUTHORITIES

21 SEC. 553. Not to exceed 5 percent of any appropria-
22 tion other than for administrative expenses made available
23 for fiscal year 1998 for programs under title I of this Act
24 may be transferred between such appropriations for use
25 for any of the purposes, programs and activities for which
26 the funds in such receiving account may be used, but no

1 such appropriation, except as otherwise specifically pro-
2 vided, shall be increased by more than 25 percent by any
3 such transfer: *Provided*, That the exercise of such author-
4 ity shall be subject to the regular notification procedures
5 of the Committees on Appropriations.

6 WAR CRIMES TRIBUNALS

7 SEC. 554. If the President determines that doing so
8 will contribute to a just resolution of charges regarding
9 genocide or other violations of international humanitarian
10 law, the President may direct a drawdown pursuant to sec-
11 tion 552(e) of the Foreign Assistance Act of 1961, as
12 amended, of up to \$25,000,000 of commodities and serv-
13 ies for the United Nations War Crimes Tribunal estab-
14 lished with regard to the former Yugoslavia by the United
15 Nations Security Council or such other tribunals or com-
16 missions as the Council may establish to deal with such
17 violations, without regard to the ceiling limitation con-
18 tained in paragraph (2) thereof: *Provided*, That the deter-
19 mination required under this section shall be in lieu of
20 any determinations otherwise required under section
21 552(e): *Provided further*, That 60 days after the date of
22 enactment of this Act, and every 180 days thereafter, the
23 Secretary of State shall submit a report to the Committees
24 on Appropriations describing the steps the United States
25 Government is taking to collect information regarding alle-
26 gations of genocide or other violations of international law

1 in the former Yugoslavia and to furnish that information
2 to the United Nations War Crimes Tribunal for the former
3 Yugoslavia.

4 LANDMINES

5 SEC. 555. Notwithstanding any other provision of
6 law, demining equipment available to the Agency for Inter-
7 national Development and the Department of State and
8 used in support of the clearing of landmines and
9 unexploded ordnance for humanitarian purposes may be
10 disposed of on a grant basis in foreign countries, subject
11 to such terms and conditions as the President may pre-
12 scribe.

13 RESTRICTIONS CONCERNING THE PALESTINIAN

14 AUTHORITY

15 SEE. 556. None of the funds appropriated by this Act
16 may be obligated or expended to create in any part of Je-
17 rusalem a new office of any department or agency of the
18 United States Government for the purpose of conducting
19 official United States Government business with the Pal-
20 estinian Authority over Gaza and Jericho or any successor
21 Palestinian governing entity provided for in the Israel-
22 PLO Declaration of Principles: *Provided*, That this re-
23 striction shall not apply to the acquisition of additional
24 space for the existing Consulate General in Jerusalem;
25 *Provided further*, That meetings between officers and em-
26 ployees of the United States and officials of the Palestin-

1 ian Authority, or any successor Palestinian governing en-
2 tity provided for in the Israel-PLO Declaration of Prin-
3 ciples, for the purpose of conducting official United States
4 Government business with such authority should continue
5 to take place in locations other than Jerusalem. As has
6 been true in the past, officers and employees of the United
7 States Government may continue to meet in Jerusalem on
8 other subjects with Palestinians (including those who now
9 occupy positions in the Palestinian Authority), have social
10 contacts, and have incidental discussions.

11 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

12 SEC. 557. None of the funds appropriated or other-
13 wise made available by this Act under the heading
14 "INTERNATIONAL MILITARY EDUCATION AND TRAINING"
15 or "FOREIGN MILITARY FINANCING PROGRAM" for Infor-
16 mational Program activities may be obligated or expended
17 to pay for—

18 (1) alcoholic beverages;

19 (2) food (other than food provided at a military
20 installation) not provided in conjunction with Infor-
21 mational Program trips where students do not stay
22 at a military installation; or

23 (3) entertainment expenses for activities that
24 are substantially of a recreational character, includ-
25 ing entrance fees at sporting events and amusement
26 parks.

1 **EQUITABLE ALLOCATION OF FUNDS**

2 SEC. 558. Not more than 18 percent of the funds
3 appropriated by this Act to carry out the provisions of sec-
4 tions 103 through 106 and chapter 4 of part H of the
5 Foreign Assistance Act of 1961, that are made available
6 for Latin America and the Caribbean region may be made
7 available, through bilateral and Latin America and the
8 Caribbean regional programs, to provide assistance for
9 any country in such region.

10 **PURCHASE OF AMERICAN-MADE EQUIPMENT AND**
11 **PRODUCTS**

12 SEC. 559. (a) **SENSE OF CONGRESS.**—It is the sense
13 of the Congress that, to the greatest extent practicable,
14 all equipment and products purchased with funds made
15 available in this Act should be American-made.

16 (b) **NOTICE REQUIREMENT.**—In providing financial
17 assistance to, or entering into any contract with, any en-
18 tity using funds made available in this Act, the head of
19 each Federal agency, to the greatest extent practicable,
20 shall provide to such entity a notice describing the state-
21 ment made in subsection (a) by the Congress.

22 **LIMITATION OF FUNDS FOR NORTH AMERICAN**
23 **DEVELOPMENT BANK**

24 SEC. 560. None of the Funds appropriated in this
25 Act under the heading “North American Development
26 Bank” and made available for the Community Adjustment

1 and Investment Program shall be used for purposes other
2 than those set out in the binational agreement establishing
3 the Bank.

4 INTERNATIONAL DEVELOPMENT ASSOCIATION

5 SEC. 561. In order to pay for the United States con-
6 tribution to the eleventh replenishment of the resources
7 of the International Development Association, there are
8 authorized to be appropriated, without fiscal year limita-
9 tion, \$606,000,000 for payment by the Secretary of the
10 Treasury.

11 SPECIAL DEBT RELIEF FOR THE POOREST

12 SEC. 562. (a) AUTHORITY TO REDUCE DEBT.—The
13 President may reduce amounts owed to the United States
14 (or any agency of the United States) by an eligible country
15 as a result of—

16 (1) guarantees issued under sections 221 and
17 222 of the Foreign Assistance Act of 1961; or

18 (2) credits extended or guarantees issued under
19 the Arms Export Control Act.

20 (b) LIMITATIONS.—

21 (1) The authority provided by subsection (a)
22 may be exercised only to implement multilateral offi-
23 cial debt relief and referendum agreements, com-
24 monly referred to as “Paris Club Agreed Minutes”.

25 (2) The authority provided by subsection (a)
26 may be exercised only in such amounts or to such

1 extent as is provided in advance by appropriations
2 Acts.

3 (3) The authority provided by subsection (a)
4 may be exercised only with respect to countries with
5 heavy debt burdens that are eligible to borrow from
6 the International Development Association, but not
7 from the International Bank for Reconstruction and
8 Development, commonly referred to as "IDA-only"
9 countries.

10 (e) CONDITIONS.—The authority provided by sub-
11 section (a) may be exercised only with respect to a country
12 whose government—

13 (1) does not have an excessive level of military
14 expenditures;

15 (2) has not repeatedly provided support for acts
16 of international terrorism;

17 (3) is not failing to cooperate on international
18 narcotics control matters;

19 (4) (including its military or other security
20 forces) does not engage in a consistent pattern of
21 gross violations of internationally recognized human
22 rights; and

23 (5) is not ineligible for assistance because of the
24 application of section 527 of the Foreign Relations
25 Authorization Act, Fiscal Years 1994 and 1995.

1 (d) AVAILABILITY OF FUNDS.—The authority pro-
2 vided by subsection (a) may be used only with regard to
3 funds appropriated by this Act under the heading “Debt
4 restructuring”.

5 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
6 duction of debt pursuant to subsection (a) shall not be
7 considered assistance for purposes of any provision of law
8 limiting assistance to a country. The authority provided
9 by subsection (a) may be exercised notwithstanding sec-
10 tion 620(r) of the Foreign Assistance Act of 1961.

11 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

12 SEC. 563. (a) LOANS ELIGIBLE FOR SALE, REDUC-
13 TION, OR CANCELLATION.—

14 (i) AUTHORITY TO SELL, REDUCE, OR CANCEL
15 CERTAIN LOANS.—Notwithstanding any other provi-
16 tion of law, the President may, in accordance with
17 this section, sell to any eligible purchaser any
18 concessional loan or portion thereof made before
19 January 1, 1995, pursuant to the Foreign Assis-
20 tance Act of 1961, to the government of any eligible
21 country as defined in section 702(6) of that Act or
22 on receipt of payment from an eligible purchaser, re-
23 duce or cancel such loan or portion thereof, only for
24 the purpose of facilitating—

25 (A) debt-for-equity swaps, debt-for-develop-
26 ment swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

22 (3) ADMINISTRATION.—The Facility, as defined
23 in section 702(8) of the Foreign Assistance Act of
24 1961, shall notify the administrator of the agency
25 primarily responsible for administering part I of the

1 Foreign Assistance Act of 1961 of purchasers that
2 the President has determined to be eligible, and
3 shall direct such agency to carry out the sale, reduc-
4 tion, or cancellation of a loan pursuant to this sec-
5 tion. Such agency shall make an adjustment in its
6 accounts to reflect the sale, reduction, or cancella-
7 tion.

8 (4) LIMITATION.—The authorities of this sub-
9 section shall be available only to the extent that ap-
10 propriations for the cost of the modification, as de-
11 fined in section 502 of the Congressional Budget Act
12 of 1974, are made in advance.

13 (b) DEPOSIT OF PROCEEDS.—The proceeds from the
14 sale, reduction, or cancellation of any loan sold, reduced,
15 or canceled pursuant to this section shall be deposited in
16 the United States Government account or accounts estab-
17 lished for the repayment of such loan.

18 (c) ELIGIBLE PURCHASERS.—A loan may be sold
19 pursuant to subsection (a)(1)(A) only to a purchaser who
20 presents plans satisfactory to the President for using the
21 loan for the purpose of engaging in debt-for-equity swaps,
22 debt-for-development swaps, or debt-for-nature swaps.

23 (d) DEBTOR CONSULTATIONS.—Before the sale to
24 any eligible purchaser, or any reduction or cancellation
25 pursuant to this section, of any loan made to an eligible

1 country, the President should consult with the country
2 concerning the amount of loans to be sold, reduced, or
3 canceled and their uses for debt-for-equity swaps, debt-
4 for-development swaps, or debt-for-nature swaps.

5 (e) AVAILABILITY OF FUNDS.—The authority pro-
6 vided by subsection (a) may be used only with regard to
7 funds appropriated by this Act under the heading “Debt
8 restructuring”.

9 GUATEMALA

10 SEC. 564. (a) Funds provided in this Act may be
11 made available for the Guatemalan military forces, and
12 the restriction on Guatemala under the heading “Foreign
13 Military Financing Program” shall not apply, only if the
14 President determines and certifies to the Congress that
15 the Guatemalan military is cooperating fully with efforts
16 to resolve human rights abuses which elements of the Gu-
17 temalan military forces are alleged to have committed, or-
18 dered or attempted to thwart the investigation of, and to
19 implement the peace settlement.

20 (b) The prohibition contained in subsection (a) shall
21 not apply to funds made available to implement a ceasefire
22 or peace agreement.

23 (c) Any funds made available pursuant to subsections
24 (a) or (b) shall be subject to the regular notification proce-
25 dures of the Committees on Appropriations.

1 SANCTIONS AGAINST COUNTRIES HARBORING WAR

2 CRIMINALS

3 SEC. 565. (a) BILATERAL ASSISTANCE.—The Presi-
4 dent is authorized to withhold funds appropriated by this
5 Act under the Foreign Assistance Act of 1961 or the Arms
6 Export Control Act for any country described in sub-
7 section (e).

8 (b) MULTILATERAL ASSISTANCE.—The Secretary of
9 the Treasury should instruct the United States executive
10 directors of the international financial institutions to work
11 in opposition to, and vote against, any extension by such
12 institutions of financing or financial or technical assist-
13 ance to any country described in subsection (e).

14 (c) SANCTIONED COUNTRIES.—A country described
15 in this subsection is a country the government of which
16 knowingly grants sanctuary to persons in its territory for
17 the purpose of evading prosecution, where such persons—

18 (1) have been indicted by the International
19 Criminal Tribunal for the former Yugoslavia, the
20 International Criminal Tribunal for Rwanda, or any
21 other international tribunal with similar standing
22 under international law; or

23 (2) have been indicted for war crimes or crimes
24 against humanity committed during the period be-

1 ginning March 23, 1933 and ending on May 8, 1945
2 under the direction of, or in association with—
3 (A) the Nazi government of Germany;
4 (B) any government in any area occupied
5 by the military forces of the Nazi government
6 of Germany;
7 (C) any government which was established
8 with the assistance or cooperation of the Nazi
9 government; or
10 (D) any government which was an ally of
11 the Nazi government of Germany.

12 **LIMITATION ON ASSISTANCE FOR HAITI**

13 SEC. 566. (a) **LIMITATION.**—None of the funds ap-
14 propriated or otherwise made available by this Act, may
15 be provided to the Government of Haiti until the President
16 reports to Congress that—

17 (1) the Government is conducting thorough in-
18 vestigations of extrajudicial and political killings
19 that have taken place in Haiti since February 12,
20 1996; and

21 (2) the Government has completed privatization
22 of (or placed under long-term private management
23 contract) at least three major public enterprises.

24 (b) Nothing in this section shall be construed to re-
25 strict the provision of humanitarian, law enforcement,
26 antinarcotics, or electoral assistance.

1 (e) The President may waive the requirements of this
2 section on a semiannual basis if he determines and cer-
3 tifies to the appropriate committees of Congress that it
4 is in the national interest of the United States.

5 REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN
6 REPORT OF SECRETARY OF STATE

7 SEC. 567. (a) FOREIGN AID REPORTING REQUIRE-

8 MENT.—In addition to the voting practices of a foreign
9 country, the report required to be submitted to Congress
10 under section 406(a) of the Foreign Relations Authoriza-
11 tion Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a),
12 shall include a side-by-side comparison of individual coun-
13 tries' overall support for the United States at the United
14 Nations and the amount of United States assistance pro-
15 vided to such country in fiscal year 1997.

16 (b) UNITED STATES ASSISTANCE.—For purposes of
17 this section, the term “United States assistance” has the
18 meaning given the term in section 481(e)(4) of the For-
19 eign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

~~RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO~~

21 UNITED NATIONS AGENCIES

22 SEC. 568. (a) PROHIBITION ON VOLUNTARY CON-
23 TRIBUTIONS FOR THE UNITED NATIONS.—None of the
24 funds appropriated or otherwise made available by this
25 Act may be made available to pay any voluntary contribu-
26 tion of the United States to the United Nations (including

1 the United Nations Development Program) if the United
2 Nations implements or imposes any taxation on any Unit-
3 ed States persons.

4 (b) CERTIFICATION REQUIRED FOR DISBURSEMENT

5 OF FUNDS.—None of the funds appropriated or otherwise
6 made available under this Act may be made available to
7 pay any voluntary contribution of the United States to the
8 United Nations (including the United Nations Develop-
9 ment Program) unless the President certifies to the Con-
10 gress 15 days in advance of such payment that the United
11 Nations is not engaged in any effort to implement or im-
12 pose any taxation on United States persons in order to
13 raise revenue for the United Nations or any of its special-
14 ized agencies.

15 (e) DEFINITIONS.—As used in this section the term
16 “United States person” refers to—

(1) a natural person who is a citizen or national
of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

NORTH KOREA

24 SEC. 569. Ninety days after the date of enactment
25 of this Act, and every 180 days thereafter, the Secretary
26 of State, in consultation with the Secretary of Defense,

1 shall provide a report in a classified or unclassified form
2 to the Committee on Appropriations including the follow-
3 ing information:

4 (a) a best estimate on fuel used by the military
5 forces of the Democratic People's Republic of Korea
6 (DPRK);

7 (b) the deployment position and military train-
8 ing and activities of the DPRK forces and best esti-
9 mate of the associated costs of these activities;

10 (c) steps taken to reduce the DPRK level of
11 forces; and

12 (d) cooperation, training, or exchanges of infor-
13 mation, technology or personnel between the DPRK
14 and any other nation supporting the development or
15 deployment of a ballistic missile capability.

16 ASSISTANCE TO TURKEY

17 SEC. 570. (a) Not more than \$40,000,000 of the
18 funds appropriated in this Act under the heading "Eco-
19 nomic Support Fund" may be made available for Turkey.

20 (b) Of the funds made available under the heading
21 "Economic Support Fund" for Turkey, not less than fifty
22 percent of these funds shall be made available for the pur-
23 pose of supporting private nongovernmental organizations
24 engaged in strengthening democratic institutions in Tur-
25 key, providing economic assistance for individuals and
26 communities affected by civil unrest, and supporting and

1 promoting peaceful solutions and economic development
2 which will contribute to the settlement of regional prob-
3 lems in Turkey.

4 LIMITATION ON ASSISTANCE TO THE P.L.O. AND THE

PALESTINIAN AUTHORITY

6 SEC. 571. (a) SENSE OF THE CONGRESS.—It is the
7 sense of the Congress that the Palestine Liberation Orga-
8 nization (hereafter the “P.L.O.”) should do far more to
9 demonstrate an irrevocable denunciation of terrorism and
10 to ensure a peaceful settlement of the Middle East dispute,
11 and in particular it should—

1 (3) prohibit participation in the P.L.O. or the
2 Palestinian Authority or its successors of any groups
3 or individuals which promote or commit acts of ter-
4 rrorism;

5 (4) cease all anti-Israel rhetoric, which poten-
6 tially undermines the peace process;

7 (5) confiscate all unlicensed weapons and re-
8 strict the issuance of licenses to those with legiti-
9 mate need;

10 (6) transfer and cooperate in transfer proceed-
11 ings relating to any person accused by Israel or the
12 United States of having committed acts of terrorism
13 against Israeli or United States nationals; and

14 (7) respect civil liberties, human rights and
15 democratic norms as applied equally to all persons
16 regardless of ethnic, religious, or national origin.

17 **(b) LIMITATION ON ASSISTANCE.—**

18 **(1) IN GENERAL.** Notwithstanding any other
19 provision of law, funds appropriated or otherwise
20 made available by this Act may be obligated for as-
21 sistance to the P.L.O. or the Palestinian Authority
22 only for the period beginning 3 months after the
23 date of the enactment of this Act and for 6 months
24 thereafter, and only if—

1 (A) the President has exercised the authority under section 604(a) of the Middle East
2 Peace Facilitation Act of 1995 (title VI of Public
3 Law 104-107) or any other legislation to
4 suspend or make inapplicable section 307 of the
5 Foreign Assistance Act of 1961 and that sus-
6 pension is still in effect; and
7

8 (B) in addition to the requirements con-
9 tained in such Act or other legislation, the
10 President prepares and transmits to the Con-
11 gress a report described in paragraph (2).

12 (2) REPORT.—A report described in this para-
13 graph is a report containing the following:

14 (A) A description of all efforts being made
15 to apprehend, prosecute, or have extradited to
16 the United States Mohammad Deif (allegedly
17 responsible for the death of Nachshon
18 Wachsman, a United States citizen), Amjad
19 Hinawi (allegedly responsible for the death of
20 David Boim, a United States citizen), Abu
21 Abbas (responsible for the death of Leon
22 Klinghoffer, a United States citizen), Amid al-
23 Hindi (allegedly responsible for death of David
24 Berger, a United States citizen), and Nafez
25 Mahmoud Sabih (who helped plan the February

1 1996 attack on a Jerusalem bus in which Jew-
2 ish Theological Seminary students Sara Duker
3 and Matthew Eisenfeld, both United States citi-
4 zens, were murdered).

5 (B) An official, updated, and revised copy
6 of the Palestinian National Charter (Covenant)
7 showing which specific articles have been re-
8 scinded by the decision taken on April 24, 1996
9 by the P.L.O. Executive Committee.

10 (C) A description of all actions being taken
11 by the Palestinian Authority to eradicate and
12 prevent the use of the map of Israel to rep-
13 resent “Palestine”.

14 (D) A certification that the Palestinian
15 Authority has established a court system that
16 respects due process requirements, including
17 the right to a lawyer, the right to confront wit-
18 nesses, the right to be informed of the charges
19 under which one is accused, and the right to a
20 jury trial.

21 (E) A certification that the Palestinian Au-
22 thority has established humane prison condi-
23 tions.

24 (F) A certification that the Palestinian Au-
25 thority has taken all measures to rescind the

1 death penalty imposed for the sale of land to
2 Jews, has eliminated the practice of incarcerat-
3 ing real estate agents for the sale of land to
4 Jews or Israelis, and has actively sought the
5 perpetrators of such actions.

6 SENSE OF THE CONGRESS RELATING TO INTERNATIONAL

7 ADOPTION LAWS AND PRACTICES OF PARAGUAY

8 SEC. 572. It is the sense of the Congress that the
9 President and the Secretary of State should use all oppor-
10 tunities and means to express directly to all appropriate
11 officials of the Government of Paraguay that—

12 (1) the United States respects and supports the
13 commitment of the Government of Paraguay to re-
14 form its laws and practices regarding international
15 adoptions;

16 (2) the pending international adoption cases
17 filed by United States families at or prior to the es-
18 tablishment by the Government of Paraguay of a
19 moratorium on international adoptions, including the
20 11 adoption cases commonly referred to as the “win-
21 dow of opportunity” adoption cases, should be al-
22 lowed to continue and complete the adoption process
23 in a fair, unbiased, and timely fashion;

24 (3) such United States adoption cases should be
25 determined on the basis of the two key tenets for
26 international adoption in Paraguay, namely the fit-

1 ness of the petitioning family to be parents and what
2 is in the best interests and welfare of the child; and
3 (4) any international adoption reform legisla-
4 tion approved by the Government of Paraguay
5 should allow such United States adoption cases to
6 complete the adoption process.

7 SEC. 573. None of the funds appropriated or other-
8 wise made available by this Act under the heading "NON-
9 PROLIFERATION, ANTI-TERRORISM, DEMINING AND RE-
10 LATED PROGRAMS" that are made available for the Inter-
11 national Atomic Energy Agency shall be made available
12 for programs and projects of such Agency in Cuba.

13 PROHIBITION OF ASSISTANCE TO CAMBODIA

14 SEC. 574. (a) None of the funds appropriated in this
15 Act may be made available to the Government of Cam-
16 bodia.

17 (b) None of the funds appropriated in this Act for
18 the International Development Association, the Inter-
19 national Monetary Fund, or the Asian Development Bank
20 may be used for any loan to the Government of Cambodia.

21 LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF

22 CROATIA

23 SEC. 575. None of the funds appropriated or other-
24 wise made available by title H of this Act may be made
25 available to the Government of Croatia to relocate the re-

1 mains of Croatian Ustashe soldiers, at the site of the
2 World War II concentration camp at Jasenovac, Croatia.

3 **LIMITATION ON PROCUREMENT OUTSIDE THE UNITED**

4 **STATES**

5 **SEC. 576.** Funds appropriated or otherwise made
6 available by this Act may be used for procurement outside
7 the United States or less developed countries only if—

8 (1) such funds are used for the procurement of
9 commodities or services, or defense articles or de-
10 fense services, produced in the country in which the
11 assistance is to be provided, except that this para-
12 graph only applies if procurement in that country
13 would cost less than procurement in the United
14 States or less developed countries;

15 (2) the provision of such assistance requires
16 commodities or services, or defense articles or de-
17 fense services, of a type that are not produced in,
18 and available for purchase from, the United States,
19 less developed countries, or the country in which the
20 assistance is to be provided; or

21 (3) the President determines on a case-by-case
22 basis that procurement outside the United States or
23 less developed countries would result in the more ef-
24 ficient use of United States foreign assistance re-
25 sources.

1 SEC. 577. None of the funds in this Act may be used
2 to pay for ~~NATO~~ expansion not authorized by law.

3 SEC. 578. None of the funds appropriated in this Act
4 may be made available directly to the government of Cam-
5 bodia.

6 SEC. 579. The amounts otherwise provided by this
7 Act are revised by reducing the amount made available
8 for "ECONOMIC SUPPORT FUND", and increasing the
9 amount made available for "CONTRIBUTION TO THE AFRI-
10 CAN DEVELOPMENT FUND" (as authorized by section
11 526(e) of Public Law 103-306; 108 Stat. 1632), by
12 \$25,000,000.

13 SENSE OF THE CONGRESS REGARDING COSTS OF THE
14 PARTNERSHIP FOR PEACE PROGRAM AND ~~NATO~~ EX-
15 PANSION

16 SEC. 580. It is the sense of the Congress that all
17 member nations of the North Atlantic Treaty Organiza-
18 tion (~~NATO~~) should contribute their proportionate share
19 to pay for the costs of the Partnership for Peace program
20 and for any future costs attributable to the expansion of
21 ~~NATO~~.

1 FOREIGN ORGANIZATIONS THAT PERFORM OR PROMOTE
2 ABORTION OVERSEAS; FORCED ABORTION IN THE
3 PEOPLE'S REPUBLIC OF CHINA

4 SEE. 581. (a) Section 104 of the Foreign Assistance
5 Act of 1961 is amended by adding at the end the following
6 new subsection:

7 "(h) RESTRICTION ON ASSISTANCE TO FOREIGN OR-
8 GANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE
9 ABORTIONS.—

10 "(1) PERFORMANCE OF ABORTIONS.—

11 "(A) Notwithstanding section 614 of this
12 Act or any other provision of law, no funds ap-
13 propriated for population planning activities or
14 other population assistance may be made avail-
15 able for any foreign private, nongovernmental,
16 or multilateral organization until the organiza-
17 tion certifies that it will not, during the period
18 for which the funds are made available, perform
19 abortions in any foreign country, except where
20 the life of the mother would be endangered if
21 the pregnancy were carried to term or in cases
22 of forcible rape or incest.

23 "(B) Subparagraph (A) may not be con-
24 strued to apply to the treatment of injuries or
25 illnesses caused by legal or illegal abortions or

1 to assistance provided directly to the govern-
2 ment of a country.

3 “(2) LOBBYING ACTIVITIES.—(A) Notwith-
4 standing section 614 of this Act or any other provi-
5 tion of law, no funds appropriated for population
6 planning activities or other population assistance
7 may be made available for any foreign private, non-
8 governmental, or multilateral organization until the
9 organization certifies that it will not, during the pe-
10 riod for which the funds are made available, violate
11 the laws of any foreign country concerning the cir-
12 cumstances under which abortion is permitted, regu-
13 lated, or prohibited, or engage in any activity or ef-
14 fort to alter the laws or governmental policies of any
15 foreign country concerning the circumstances under
16 which abortion is permitted, regulated, or prohibited.

17 “(B) Subparagraph (A) shall not apply to ac-
18 tivities in opposition to coercive abortion or involun-
19 tary sterilization.

20 “(3) APPLICATION TO FOREIGN ORGANIZA-
21 TIONS.—The prohibitions of this subsection apply to
22 funds made available to a foreign organization either
23 directly or as a subcontractor or subgrantee, and the
24 certifications required by paragraphs (1) and (2)
25 apply to activities in which the organization engages

1 either directly or through a subcontractor or sub-
2 grantee.”.

3 (b) Section 301 of the Foreign Assistance Act of
4 1961 is amended by adding at the end the following new
5 subsection:

6 “(i) LIMITATION RELATING TO FORCED ABORTIONS
7 IN THE PEOPLE’S REPUBLIC OF CHINA.—Notwithstand-
8 ing section 614 of this Act or any other provision of law,
9 no funds may be made available for the United Nations
10 Population Fund (UNFPA) in any fiscal year unless the
11 President certifies that—

12 “(1) UNFPA has terminated all activities in
13 the People’s Republic of China, and the United
14 States has received assurances that UNFPA will
15 conduct no such activities during the fiscal year for
16 which the funds are to be made available; or

17 “(2) during the 12 months preceding such cer-
18 tification there have been no abortions as the result
19 of coercion associated with the family planning poli-
20 cies of the national government or other govern-
21 mental entities within the People’s Republic of
22 China.

23 As used in this section, the term ‘coercion’ includes phys-
24 ical duress or abuse, destruction or confiscation of prop-

1 erty, loss of means of livelihood, or severe psychological
2 pressure.”.

3 This Act may be cited as the “Foreign Operations,
4 Export Financing, and Related Programs Appropriations
5 Act, 1998”.

6 That the following sums are appropriated, out of any
7 money in the Treasury not otherwise appropriated, for the
8 fiscal year ending September 30, 1998, and for other pur-
9 poses, namely:

10 **TITLE I—EXPORT AND INVESTMENT ASSISTANCE**

11 **EXPORT-IMPORT BANK OF THE UNITED STATES**

12 The Export-Import Bank of the United States is au-
13 thorized to make such expenditures within the limits of
14 funds and borrowing authority available to such corpora-
15 tion, and in accordance with law, and to make such con-
16 tracts and commitments without regard to fiscal year limi-
17 tations, as provided by section 104 of the Government Cor-
18 poration Control Act, as may be necessary in carrying out
19 the program for the current fiscal year for such corporation:

20 Provided, That none of the funds available during the cur-
21 rent fiscal year may be used to make expenditures, con-
22 tracts, or commitments for the export of nuclear equipment,
23 fuel, or technology to any country other than a nuclear-
24 weapon State as defined in Article IX of the Treaty on the
25 Non-Proliferation of Nuclear Weapons eligible to receive

1 economic or military assistance under this Act that has de-
2 onated a nuclear explosive after the date of enactment of
3 this Act.

4 **SUBSIDY APPROPRIATION**

5 For the cost of direct loans, loan guarantees, insurance,
6 and tied-aid grants as authorized by section 10 of the Ex-
7 port-Import Bank Act of 1945, as amended, \$700,000,000
8 to remain available until September 30, 1999: Provided,
9 That such costs, including the cost of modifying such loans,
10 shall be as defined in section 502 of the Congressional Budg-
11 et Act of 1974: Provided further, That such sums shall re-
12 main available until 2013 for the disbursement of direct
13 loans, loan guarantees, insurance and tied-aid grants obli-
14 gated in fiscal years 1998 and 1999: Provided further, That
15 up to \$50,000,000 of funds appropriated by this paragraph
16 shall remain available until expended and may be used for
17 tied-aid grant purposes: Provided further, That none of the
18 funds appropriated by this Act or any prior Act appro-
19 priating funds for foreign operations, export financing, or
20 related programs for tied-aid credits or grants may be used
21 for any other purpose except through the regular notifica-
22 tion procedures of the Committees on Appropriations.

23 **ADMINISTRATIVE EXPENSES**

24 For administrative expenses to carry out the direct
25 and guaranteed loan and insurance programs (to be com-
26 puted on an accrual basis), including hire of passenger

1 motor vehicles and services as authorized by 5 U.S.C. 3109,
2 and not to exceed \$20,000 for official reception and rep-
3 resentation expenses for members of the Board of Directors,
4 \$46,614,000: Provided, That necessary expenses (including
5 special services performed on a contract or fee basis, but
6 not including other personal services) in connection with
7 the collection of moneys owed the Export-Import Bank, re-
8 possession or sale of pledged collateral or other assets ac-
9 quired by the Export-Import Bank in satisfaction of mon-
10 eys owed the Export-Import Bank, or the investigation or
11 appraisal of any property, or the evaluation of the legal
12 or technical aspects of any transaction for which an appli-
13 cation for a loan, guarantee or insurance commitment has
14 been made, shall be considered nonadministrative expenses
15 for the purposes of this heading: Provided further, That,
16 notwithstanding subsection (b) of section 117 of the Export
17 Enhancement Act of 1992, subsection (a) thereof shall re-
18 main in effect until October 1, 1998.

19 OVERSEAS PRIVATE INVESTMENT CORPORATION

20 NONCREDIT ACCOUNT

21 The Overseas Private Investment Corporation is au-
22 thorized to make, without regard to fiscal year limitations,
23 as provided by 31 U.S.C. 9104, such expenditures and com-
24 mitments within the limits of funds available to it and in
25 accordance with law as may be necessary: Provided, That
26 the amount available for administrative expenses to carry

1 out the credit and insurance programs (including an
2 amount for official reception and representation expenses
3 which shall not exceed \$35,000) shall not exceed
4 \$32,000,000: Provided further, That project-specific trans-
5 action costs, including direct and indirect costs incurred
6 in claims settlements, and other direct costs associated with
7 services provided to specific investors or potential investors
8 pursuant to section 234 of the Foreign Assistance Act of
9 1961, shall not be considered administrative expenses for
10 the purposes of this heading.

PROGRAM ACCOUNT

12 For the cost of direct and guaranteed loans,
13 \$60,000,000, as authorized by section 234 of the Foreign
14 Assistance Act of 1961 to be derived by transfer from the
15 Overseas Private Investment Corporation noncredit ac-
16 count: Provided, That such costs, including the cost of modi-
17 fying such loans, shall be as defined in section 502 of the
18 Congressional Budget Act of 1974: Provided further, That
19 such sums shall be available for direct loan obligations and
20 loan guaranty commitments incurred or made during fiscal
21 years 1998 and 1999: Provided further, That such sums
22 shall remain available through fiscal year 2006 for the dis-
23 bursement of direct and guaranteed loans obligated in fiscal
24 year 1998, and through fiscal year 2007 for the disburse-
25 ment of direct and guaranteed loans obligated in fiscal year
26 1999: Provided further, That in addition, such sums as may

1 *be necessary for administrative expenses to carry out the*
2 *credit program may be derived from amounts available for*
3 *administrative expenses to carry out the credit and insur-*
4 *ance programs in the Overseas Private Investment Corpora-*
5 *tion Noncredit Account and merged with said account.*

6 **FUNDS APPROPRIATED TO THE PRESIDENT**

7 **TRADE AND DEVELOPMENT AGENCY**

8 *For necessary expenses to carry out the provisions of*
9 *section 661 of the Foreign Assistance Act of 1961,*
10 *\$43,000,000, to remain available until September 30, 1999:*
11 *Provided, That the Trade and Development Agency may re-*
12 *ceive reimbursements from corporations and other entities*
13 *for the costs of grants for feasibility studies and other*
14 *project planning services, to be deposited as an offsetting*
15 *collection to this account and to be available for obligation*
16 *until September 30, 1999, for necessary expenses under this*
17 *paragraph: Provided further, That such reimbursements*
18 *shall not cover, or be allocated against, direct or indirect*
19 *administrative costs of the agency.*

20 **TITLE II—BILATERAL ECONOMIC ASSISTANCE**

21 **FUNDS APPROPRIATED TO THE PRESIDENT**

22 *For expenses necessary to enable the President to carry*
23 *out the provisions of the Foreign Assistance Act of 1961,*
24 *and for other purposes, to remain available until September*
25 *30, 1998, unless otherwise specified herein, as follows:*

1 ~~AGENCY FOR INTERNATIONAL DEVELOPMENT~~

2 ~~DEVELOPMENT ASSISTANCE~~

3 ~~(INCLUDING TRANSFER OF FUNDS)~~

4 *For necessary expenses to carry out the provisions of*

5 *sections 103 through 106 and chapter 10 of part I of the*

6 *Foreign Assistance Act of 1961, title V of the International*

7 *Security and Development Cooperation Act of 1980 (Public*

8 *Law 96-533) and the provisions of section 401 of the For-*

9 *eign Assistance Act of 1969, \$1,358,093,020, to remain*

10 *available until September 30, 1999: Provided, That of the*

11 *amount appropriated under this heading, up to*

12 *\$18,000,000 may be made available for the Inter-American*

13 *Foundation and shall be apportioned directly to that Agen-*

14 *cy: Provided further, That of the amount appropriated*

15 *under this heading, up to \$10,500,000 may be made avail-*

16 *able for the African Development Foundation and shall be*

17 *apportioned directly to that agency: Provided further, That*

18 *of the funds appropriated under title II of this Act that*

19 *are administered by the Agency for International Develop-*

20 *ment and made available for family planning assistance,*

21 *not less than 65 per centum shall be made available directly*

22 *to the agency's central Office of Population and shall be*

23 *programmed by that office for family planning activities:*

24 *Provided further, That of the funds made available under*

25 *this heading, not less than \$30,000,000, above the amount*

26 *of funds made available to combat infectious diseases in the*

1 fiscal year 1997, shall be made available to strengthen glob-
2 al surveillance and control of infectious diseases: Provided
3 further, That such funds shall be subject to the regular noti-
4 fication procedures of the Committees on Appropriations:
5 Provided further, That none of the funds made available
6 in this Act nor any unobligated balances from prior appro-
7 priations may be made available to any organization or
8 program which, as determined by the President of the Unit-
9 ed States, supports or participates in the management of
10 a program of coercive abortion or involuntary sterilization:
11 Provided further, That none of the funds made available
12 under this heading may be used to pay for the performance
13 of abortion as a method of family planning or to motivate
14 or coerce any person to practice abortions; and that in order
15 to reduce reliance on abortion in developing nations, funds
16 shall be available only to voluntary family planning
17 projects which offer, either directly or through referral to,
18 or information about access to, a broad range of family
19 planning methods and services: Provided further, That in
20 awarding grants for natural family planning under section
21 104 of the Foreign Assistance Act of 1961 no applicant shall
22 be discriminated against because of such applicant's reli-
23 gious or conscientious commitment to offer only natural
24 family planning; and, additionally, all such applicants
25 shall comply with the requirements of the previous proviso:

1 *Provided further, That for purposes of this or any other*
2 *Act authorizing or appropriating funds for foreign oper-*
3 *ations, export financing, and related programs, the term*
4 *“motivate”, as it relates to family planning assistance,*
5 *shall not be construed to prohibit the provision, consistent*
6 *with local law, of information or counseling about all preg-*
7 *nancy options: Provided further, That nothing in this para-*
8 *graph shall be construed to alter any existing statutory pro-*
9 *hibitions against abortion under section 104 of the Foreign*
10 *Assistance Act of 1961: Provided further, That, notwith-*
11 *standing section 109 of the Foreign Assistance Act of 1961,*
12 *of the funds appropriated under this heading in this Act,*
13 *and of the unobligated balances of funds previously appro-*
14 *priated under this heading, \$2,500,000 shall be transferred*
15 *to “International Organizations and Programs” for a con-*
16 *tribution to the International Fund for Agricultural Devel-*
17 *opment (IFAD), and that any such transfer of funds shall*
18 *be subject to the regular notification procedures of the Com-*
19 *mittees on Appropriations: Provided further, That of the*
20 *funds appropriated under this heading that are made avail-*
21 *able for assistance programs for displaced and orphaned*
22 *children and victims of war, not to exceed \$25,000, in addi-*
23 *tion to funds otherwise available for such purposes, may*
24 *be used to monitor and provide oversight of such programs:*
25 *Provided further, That of the funds appropriated under this*

1 heading, not less than \$15,000,000 shall be available for the
2 American Schools and Hospitals Abroad Program: Pro-
3 vided further, That not less than \$500,000 of the funds ap-
4 propriated under this heading shall be made available only
5 for support of the United States Telecommunications
6 Training Institute: Provided further, That of the funds
7 made available under this heading for Haiti, up to
8 \$250,000 may be made available to support a program to
9 assist Haitian children in orphanages.

10 POPULATION, DEVELOPMENT ASSISTANCE

11 For necessary expenses to carry out the provisions of
12 section 104(b) of the Foreign Assistance Act of 1961,
13 \$435,000,000, to remain available until September 30,
14 1999.

15 CYPRUS

16 Of the funds appropriated under the headings "Devel-
17 opment Assistance" and "Economic Support Fund", not
18 less than \$15,000,000 shall be made available for Cyprus
19 to be used only for scholarships, administrative support of
20 the scholarship program, bicultural projects, and meas-
21 ures aimed at reunification of the island and designed to
22 reduce tensions and promote peace and cooperation between
23 the two communities on Cyprus.

24 BURMA

25 Of the funds appropriated under the heading "Devel-
26 opment Assistance", not less than \$5,000,000 shall be made

1 available to support activities in Burma, along the Burma-
2 Thailand border, and for activities of Burmese student
3 groups and other organizations located outside Burma: Pro-
4 vided, That \$3,000,000 of these funds shall be made avail-
5 able for the purposes of fostering democracy, including not
6 less than \$200,000 to be made available for newspapers,
7 media, and publications promoting democracy for Burma:
8 Provided further, That \$2,000,000 of these funds shall be
9 made available to support the provision of medical supplies
10 and services and other humanitarian assistance to Burmese
11 located in Burma or displaced Burmese along the borders:
12 Provided further, That funds made available for Burma re-
13 lated activities under this heading may be made available
14 notwithstanding any other provision of law: Provided fur-
15 ther, That provision of such funds shall be made available
16 subject to the regular notification procedures of the Commit-
17 tees on Appropriations.

CAMBODIA

19 *None of the funds appropriated by this Act may be*
20 *made available for activities or programs in Cambodia*
21 *until the Secretary of State determines and reports to the*
22 *Committees on Appropriations that the Government of*
23 *Cambodia has (1) not been established in office by the use*
24 *of force or a coup d'etat; (2) discontinued all political vio-*
25 *lence and intimidation of journalists and members of oppo-*
26 *sition parties; (3) established an independent election com-*

1 mission; (4) protected the rights of voters, candidates, and
2 election observers and participants by establishing laws and
3 procedures guaranteeing freedom of speech and assembly;
4 (5) eliminated corruption and collaboration with narcotics
5 smugglers; and (6) been elected in a free and fair demo-
6 cratic election: Provided, That restrictions on funds made
7 available under this heading shall not apply to humani-
8 tarian programs or other activities administered by non-
9 governmental organizations: Provided further, That 30 days
10 after enactment of this Act, the Secretary of State, in con-
11 sultation with the Director of the Federal Bureau of Inves-
12 tigation, shall report to the Committees on Appropriations
13 on the results of the FBI investigation into the bombing
14 attack in Phnom Penh on March 30, 1997.

15 **GUATEMALA CLARIFICATION COMMISSION**

16 *Of the funds made available under the headings “De-*
17 *velopment Assistance” and “Economic Support Fund”, not*
18 *less than \$1,000,000 shall be made available to support the*
19 *Guatemala Clarification Commission.*

20 **INTERNATIONAL DISASTER ASSISTANCE**

21 *For necessary expenses for international disaster relief,*
22 *rehabilitation, and reconstruction assistance pursuant to*
23 *section 491 of the Foreign Assistance Act of 1961, as amend-*
24 *ed, \$195,000,000, to remain available until expended.*

1 DEBT RESTRUCTURING

2 *For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, and of modifying concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as authorized under subsection (a) under the heading “Debt Reduction for Jordan” in title VI of Public Law 103–306 and (b) direct loans extended to least developed countries, as authorized under section 411 of the Agriculture Trade and Assistance Act of 1954 as amended; \$34,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading shall be obligated except as provided through the regular notification procedures of the Committees on Appropriations.*

1 *MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM*2 *ACCOUNT*

3 *For the cost of direct loans and loan guarantees,*
4 \$1,500,000, *as authorized by section 108 of the Foreign As-*
5 *sistance Act of 1961, as amended: Provided, That such costs*
6 *shall be as defined in section 502 of the Congressional Budg-*
7 *et Act of 1974: Provided further, That guarantees of loans*
8 *made under this heading in support of microenterprise ac-*
9 *tivities may guarantee up to 70 per centum of the principal*
10 *amount of any such loans notwithstanding section 108 of*
11 *the Foreign Assistance Act of 1961. In addition, for admin-*
12 *istrative expenses to carry out programs under this head-*
13 *ing, \$500,000, all of which may be transferred to and*
14 *merged with the appropriation for Operating Expenses of*
15 *the Agency for International Development: Provided fur-*
16 *ther, That funds made available under this heading shall*
17 *remain available until September 30, 1999.*

18 *URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT*

19 *For the cost, as defined in section 502 of the Congres-*
20 *sional Budget Act of 1974, of guaranteed loans authorized*
21 *by sections 221 and 222 of the Foreign Assistance Act of*
22 *1961, \$3,000,000, to remain available until September 30,*
23 *1999: Provided, That these funds are available to subsidize*
24 *loan principal, 100 per centum of which shall be guaran-*
25 *teed, pursuant to the authority of such sections. In addition,*
26 *for administrative expenses to carry out guaranteed loan*

1 programs, \$6,000,000, all of which may be transferred to
2 and merged with the appropriation for Operating Expenses
3 of the Agency for International Development: Provided fur-
4 ther, That commitments to guarantee loans under this head-
5 ing may be entered into notwithstanding the second and
6 third sentences of section 222(a) and, with regard to pro-
7 grams for Central and Eastern Europe and programs for
8 the benefit of South Africans disadvantaged by apartheid,
9 section 223(j) of the Foreign Assistance Act of 1961.

10 PRIVATE AND VOLUNTARY ORGANIZATIONS

11 None of the funds appropriated or otherwise made
12 available by this Act for development assistance may be
13 made available to any United States private and voluntary
14 organization, except any cooperative development organiza-
15 tion, which obtains less than 20 per centum of its total an-
16 nual funding for international activities from sources other
17 than the United States Government: Provided, That the re-
18 quirements of the provisions of section 123(g) of the Foreign
19 Assistance Act of 1961 and the provisions on private and
20 voluntary organizations in title II of the "Foreign Assist-
21 ance and Related Programs Appropriations Act, 1985" (as
22 enacted in Public Law 98-473) shall be superseded by the
23 provisions of this section, except that the authority con-
24 tained in the last sentence of section 123(g) may be exer-
25 cised by the Administrator with regard to the requirements
26 of this paragraph.

1 *Funds appropriated or otherwise made available*
2 *under title II of this Act should be made available to private*
3 *and voluntary organizations at a level which is at least*
4 *equivalent to the level provided in fiscal year 1995. Such*
5 *private and voluntary organizations shall include those*
6 *which operate on a not-for-profit basis, receive contribu-*
7 *tions from private sources, receive voluntary support from*
8 *the public and are deemed to be among the most cost-effic-*
9 *tive and successful providers of development assistance.*

10 **PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND**

11 **DISABILITY FUND**

12 *For payment to the “Foreign Service Retirement and*
13 *Disability Fund”, as authorized by the Foreign Service Act*
14 *of 1980, \$44,208,000.*

15 **OPERATING EXPENSES OF THE AGENCY FOR**

16 **INTERNATIONAL DEVELOPMENT**

17 *For necessary expenses to carry out the provisions of*
18 *section 667, \$473,000,000, to remain available until Sep-*
19 *tember 30, 1999: Provided, That none of the funds appro-*
20 *priated by this Act for programs administered by the Agen-*
21 *cy for International Development may be used to finance*
22 *printing costs of any report or study (except feasibility, de-*
23 *sign, or evaluation reports or studies) in excess of \$25,000*
24 *without the approval of the Administrator of the Agency*
25 *or the Administrator’s designee.*

1 OPERATING EXPENSES OF THE AGENCY FOR INTER-
2 NATIONAL DEVELOPMENT OFFICE OF INSPECTOR GEN-
3 ERAL

4 For necessary expenses to carry out the provisions of
5 section 667, \$29,047,000, to remain available until Septem-
6 ber 30, 1999, which sum shall be available for the Office
7 of the Inspector General of the Agency for International De-
8 velopment.

9 OTHER BILATERAL ECONOMIC ASSISTANCE

10 ECONOMIC SUPPORT FUND

11 For necessary expenses to carry out the provisions of
12 chapter 4 of part II, \$2,541,150,000, to remain available
13 until September 30, 1999: Provided, That of the funds ap-
14 propriated under this heading, not less than \$1,200,000,000
15 shall be available only for Israel, which sum shall be avail-
16 able on a grant basis as a cash transfer and shall be dis-
17 bursed within thirty days of enactment of this Act or by
18 October 31, 1997, whichever is later: Provided further, That
19 not less than \$815,000,000 shall be available only for
20 Egypt, which sum shall be provided on a grant basis, and
21 of which sum cash transfer assistance may be provided,
22 with the understanding that Egypt will undertake signifi-
23 cant economic reforms which are additional to those which
24 were undertaken in previous fiscal years: Provided further,
25 That in exercising the authority to provide cash transfer

1 assistance for Israel, the President shall ensure that the level
2 of such assistance does not cause an adverse impact on the
3 total level of nonmilitary exports from the United States
4 to such country: Provided further, That of the funds appro-
5 priated under this heading, not less than \$150,000,000 shall
6 be made available for Jordan: Provided further, That of the
7 amount appropriated under this heading, not less than
8 \$500,000 shall be available only for the Special Investiga-
9 tive Unit (SIU) of the Haitian National Police.

10 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC

11 STATES

12 (a) For necessary expenses to carry out the provisions
13 of the Foreign Assistance Act of 1961 and the Support for
14 East European Democracy (SEED) Act of 1989,
15 \$485,000,000, to remain available until September 30,
16 1999, which shall be available, notwithstanding any other
17 provision of law, for economic assistance and for related
18 programs for Eastern Europe and the Baltic States.

19 (b) Funds appropriated under this heading or in prior
20 appropriations Acts that are or have been made available
21 for an Enterprise Fund may be deposited by such Fund
22 in interest-bearing accounts prior to the Fund's disburse-
23 ment of such funds for program purposes. The Fund may
24 retain for such program purposes any interest earned on
25 such deposits without returning such interest to the Treas-
26 ury of the United States and without further appropriation

1 by the Congress. Funds made available for Enterprise
2 Funds shall be expended at the minimum rate necessary
3 to make timely payment for projects and activities.

4 (c) Funds appropriated under this heading shall be
5 considered to be economic assistance under the Foreign As-
6 sistance Act of 1961 for purposes of making available the
7 administrative authorities contained in that Act for the use
8 of economic assistance.

9 (d) With regard to funds appropriated or otherwise
10 made available under this heading for the economic revital-
11 ization program in Bosnia and Herzegovina, and local cur-
12 rencies generated by such funds (including the conversion
13 of funds appropriated under this heading into currency
14 used by Bosnia and Herzegovina as local currency and local
15 currency returned or repaid under such program)—

16 (1) the Administrator of the Agency for Inter-
17 national Development shall provide written approval
18 for grants and loans prior to the obligation and ex-
19 penditure of funds for such purposes, and prior to the
20 use of funds that have been returned or repaid to any
21 lending facility or grantee; and

22 (2) the provisions of section 533 of this Act shall
23 apply.

24 (e) Funds appropriated under this heading may not
25 be made available for economic revitalization programs in

1 *Bosnia and Herzegovina, if the President determines and*
2 *certifies to the Committees on Appropriations that the Fed-*
3 *eration of Bosnia and Herzegovina has not complied with*
4 *article III of annex 1-A of the General Framework Agree-*
5 *ment for Peace in Bosnia and Herzegovina concerning the*
6 *withdrawal of foreign forces, and that intelligence coopera-*
7 *tion on training, investigations, and related activities be-*
8 *tween Iranian officials and Bosnian officials has not been*
9 *terminated.*

10 ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE
11 FORMER SOVIET UNION

12 (a) *For necessary expenses to carry out the provisions*
13 *of chapter 11 of part I of the Foreign Assistance Act of 1961*
14 *and the FREEDOM Support Act, for assistance for the New*
15 *Independent States of the former Soviet Union and for re-*
16 *lated programs, \$800,000,000, to remain available until*
17 *September 30, 1999: Provided, That the provisions of such*
18 *chapter shall apply to funds appropriated by this para-*
19 *graph: Provided further, That up to \$22,000,000 made*
20 *available under this heading may be transferred to the Ex-*
21 *port Import Bank of the United States, and up to*
22 *\$8,000,000 of the funds made available under this heading*
23 *may be transferred to the Micro and Small Enterprise De-*
24 *velopment Program, to be used for the cost of direct loans*
25 *and loan guarantees for the furtherance of programs under*
26 *this heading: Provided further, That such costs, including*

1 *the cost of modifying such loans, shall be as defined in sec-*
2 *tion 502 of the Congressional Budget Act of 1974.*

3 *(b) None of the funds appropriated under this heading*
4 *shall be made available to a Government of the New Inde-*
5 *pendent States of the former Soviet Union—*

6 *(1) unless that Government is making progress*
7 *in implementing comprehensive economic reforms*
8 *based on market principles, private ownership, nego-*
9 *tiating repayment of commercial debt, respect for*
10 *commercial contracts, and equitable treatment of for-*
11 *eign private investment; and*

12 *(2) if that Government applies or transfers Unit-*
13 *ed States assistance to any entity for the purpose of*
14 *expropriating or seizing ownership or control of as-*
15 *sets, investments, or ventures.*

16 *(3) Funds may be furnished without regard to*
17 *this subsection if the President determines that to do*
18 *so is in the national interest.*

19 *(c) None of the funds appropriated under this heading*
20 *shall be made available to any government of the New Inde-*
21 *pendent States of the former Soviet Union if that govern-*
22 *ment directs any action in violation of the territorial integ-*
23 *rity or national sovereignty of any other new independent*
24 *state, such as those violations included in the Helsinki*
25 *Final Act: Provided, That such funds may be made avail-*

1 able without regard to the restriction in this subsection if
2 the President determines that to do so is in the national
3 security interest of the United States: Provided further,
4 That the restriction of this subsection shall not apply to
5 the use of such funds for the provision of assistance for pur-
6 poses of humanitarian and refugee relief.

7 (d) None of the funds appropriated under this heading
8 for the New Independent States of the former Soviet Union
9 shall be made available for any state to enhance its military
10 capability: Provided, That this restriction does not apply
11 to demilitarization or nonproliferation programs.

12 (e) Funds appropriated under this heading shall be
13 subject to the regular notification procedures of the Commit-
14 tees on Appropriations.

15 (f) Funds made available in this Act for assistance to
16 the New Independent States of the former Soviet Union
17 shall be subject to the provisions of section 117 (relating
18 to environment and natural resources) of the Foreign As-
19 sistance Act of 1961.

20 (g) Of the funds appropriated under title II of this
21 Act, including funds appropriated under this heading, not
22 less than \$12,000,000 shall be available only for assistance
23 for Mongolia: Provided, That funds made available for as-
24 sistance for Mongolia may be made available in accordance

1 with the purposes and utilizing the authorities provided in
2 chapter 11 of part I of the Foreign Assistance Act of 1961.

3 (h) Funds made available in this Act for assistance
4 to the New Independent States of the former Soviet Union
5 shall be provided to the maximum extent feasible through
6 the private sector, including small- and medium-size busi-
7 nesses, entrepreneurs, and others with indigenous private
8 enterprises in the region, intermediary development organi-
9 zations committed to private enterprise, and private vol-
10 untary organizations: Provided, That grantees and contrac-
11 tors should, to the maximum extent possible, place in key
12 staff positions specialists with prior on the ground expertise
13 in the region of activity and fluency in one of the local
14 languages.

15 (i) In issuing new task orders, entering into contracts,
16 or making grants, with funds appropriated under this
17 heading or in prior appropriations Acts, for projects or ac-
18 tivities that have as one of their primary purposes the fos-
19 tering of private sector development, the Coordinator for
20 United States Assistance to the New Independent States
21 and the implementing agency shall encourage the participa-
22 tion of and give significant weight to contractors and grant-
23 ees who propose investing a significant amount of their own
24 resources (including volunteer services and in-kind con-
25 tributions) in such projects and activities.

1 (j) Of the funds appropriated under this heading, not
2 less than \$225,000,000 shall be made available for Ukraine:
3 Provided, That of the funds made available for Ukraine
4 under this subsection, not less than \$25,000,000 shall be
5 available only for comprehensive legal restructuring nec-
6 essary to support a decentralized market-oriented economic
7 system, including the enactment of all necessary substantive
8 commercial law and procedures, the implementation of re-
9 forms necessary to establish an independent judiciary and
10 bar, the education of judges, attorneys, and law students
11 in the comprehensive commercial law reforms, and public
12 education designed to promote understanding of commercial
13 law necessary to Ukraine's economic independence: Pro-
14 vided further, That of this amount not less than \$8,000,000
15 shall be made available to support law enforcement institu-
16 tions and training, not less than \$25,000,000 shall be made
17 available for nuclear reactor safety programs, and not less
18 than \$5,000,000 shall be made available for political party
19 and related institutional development: Provided further,
20 That 50 per centum of the amount made available for
21 Ukraine by this subsection, exclusive of funds made avail-
22 able in the previous proviso, shall be withheld from obliga-
23 tion and expenditure until the Secretary of State deter-
24 mines and certifies that the Government of Ukraine has
25 taken meaningful steps: (1) to enforce the April 10, 1997

1 *Anti-Corruption Presidential decree; (2) to privatize state*
2 *owned agricultural storage, distribution, equipment and*
3 *supply monopolies; and (3) to resolve cases involving U.S.*
4 *business complaints and establish a permanent legal mecha-*
5 *nism for commercial dispute resolution: Provided further,*
6 *That the Secretary shall submit such determination and*
7 *certification prior to March 31, 1998.*

8 *(k) Of the funds appropriated under this heading, not*
9 *less than \$100,000,000 shall be made available for Georgia,*
10 *of which not less than \$10,000,000 shall be made available*
11 *to support energy development and privatization initia-*
12 *tives: Provided, That not less than \$15,000,000 shall be*
13 *made available for development of border security tele-*
14 *communications infrastructure: Provided further, That not*
15 *less than \$7,000,000 shall be available for judicial reform*
16 *and law enforcement training: Provided further, That not*
17 *less than \$5,000,000 shall be made available to support*
18 *training for border and customs control: Provided further,*
19 *That not less than \$3,000,000 shall be made available to*
20 *support political party and related institutional develop-*
21 *ment: Provided further, That not less than \$5,000,000 shall*
22 *be available for Supsa urban and commercial development:*
23 *Provided further, That up to \$7,000,000 may be made*
24 *available for business and education exchanges and related*
25 *activities.*

1 (l) Of the funds made available under this heading,
2 not less than \$95,000,000 shall be made available for Arme-
3 nia.

4 (m) Funds appropriated under this heading or in
5 prior appropriations Acts that are or have been made avail-
6 able for an Enterprise Fund may be deposited by such Fund
7 in interest-bearing accounts prior to the disbursement of
8 such funds by the Fund for program purposes. The Fund
9 may retain for such program purposes any interest earned
10 on such deposits without returning such interest to the
11 Treasury of the United States and without further appro-
12 priation by the Congress. Funds made available for Enter-
13 prise Funds shall be expended at the minimum rate nec-
14 essary to make timely payment for projects and activities.

15 (n) None of the funds appropriated under this heading
16 may be made available for Russia unless the President de-
17 termines and certifies in writing to the Committees on Ap-
18 propriations that the Government of Russia has terminated
19 implementation of arrangements to provide Iran with tech-
20 nical expertise, training, technology, or equipment nec-
21 essary to develop a nuclear reactor or ballistic missiles or
22 related nuclear research facilities or programs.

23 (o) Of the funds appropriated under this heading, not
24 less than \$10,000,000 shall be made available for a United
25 States contribution to the Trans-Caucasus Enterprise

1 *Fund: Provided, That to further the development of the pri-*
2 *vate sector in the Trans-Caucasus, such amount may be in-*
3 *vested in a Trans-Caucasus Enterprise Fund or invested*
4 *in other funds established by public or private organiza-*
5 *tions, or transferred to the Overseas Private Investment*
6 *Corporation to be available, subject to the requirements of*
7 *the Federal Credit Reform Act, to subsidize the costs of di-*
8 *rect and guaranteed loans.*

9 *(p) Funds made available under this Act or any other*
10 *Act may not be provided for assistance to the Government*
11 *of Azerbaijan until the President determines, and so reports*
12 *to the Congress, that the Government of Azerbaijan is taking*
13 *demonstrable steps to cease all blockades and other offensive*
14 *uses of force against Armenia and Nagorno-Karabakh: Pro-*
15 *vided, That the restriction of this subsection and section 907*
16 *of the FREEDOM Support Act shall not apply to—*

17 *(1) activities to support electoral and political*
18 *reforms or assistance under title V of the FREEDOM*
19 *Support Act and section 1424 of the “National De-*
20 *fense Authorization Act for Fiscal Year 1997”;*

21 *(2) any insurance, reinsurance, guarantee, or*
22 *other assistance provided by the Overseas Private In-*
23 *vestment Corporation under title IV of chapter 2 of*
24 *part I of the Foreign Assistance Act of 1961 (22*
25 *U.S.C. 2191 et seq.);*

(3) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

6 (5) any activity carried out by a member of the
7 Foreign Commercial Service while acting within his
8 or her official capacity.

9 (q) None of the funds appropriated under this heading
10 or in prior appropriations legislation may be made avail-
11 able to establish a joint public-private entity or organiza-
12 tion engaged in the management of activities or projects
13 supported by the Defense Enterprise Fund.

14 (r) 60 days after the date of enactment of this Act,
15 the Administrator of AID shall report to the Committees
16 on Appropriations on the rate of obligation and risk and
17 anticipated returns associated with commitments made by
18 the United States-Russia Investment Fund. The report shall
19 include a recommendation on the continued relevance and
20 advisability of the initial planned life of project commit-
21 ment.

INDEPENDENT AGENCY

PEACE CORPS

24 *For expenses necessary to carry out the provisions of*
25 *the Peace Corps Act (75 Stat. 612), \$206,000,000, including*

1 *the purchase of not to exceed five passenger motor vehicles*
2 *for administrative purposes for use outside of the United*
3 *States: Provided, That none of the funds appropriated*
4 *under this heading shall be used to pay for abortions: Pro-*
5 *vided further, That funds appropriated under this heading*
6 *shall remain available until September 30, 1999.*

7 *DEPARTMENT OF STATE*

8 *INTERNATIONAL NARCOTICS CONTROL*

9 *For necessary expenses to carry out section 481 of the*
10 *Foreign Assistance Act of 1961, \$216,200,000: Provided,*
11 *That of these funds not less than \$10,000,000 shall be made*
12 *available for Law Enforcement Training and Demand Re-*
13 *duction: Provided further, That not less than \$22,000,000*
14 *shall be made available for anti-crime programs: Provided*
15 *further, That none of the funds appropriated under this*
16 *heading that are made available for counter-narcotics ac-*
17 *tivities may be obligated or expended until the Secretary*
18 *of State submits a report to the Committees on Appropria-*
19 *tions containing: (1) a list of all countries in which the*
20 *United States carries out international counter-narcotics*
21 *activities; (2) the number, mission and agency affiliation*
22 *of U.S. personnel assigned to each such country; and (3)*
23 *all costs and expenses obligated for each program, project*
24 *or activity by each U.S. agency in each country: Provided*
25 *further, That of this amount not to exceed \$5,000,000 shall*

1 *be allocated to operate the Western Hemisphere Inter-*
2 *national Law Enforcement Academy under the auspices of*
3 *the Organization of American States with full oversight by*
4 *the Department of State: Provided further, That funds ap-*
5 *propriated under this heading shall be provided subject to*
6 *the regular notification procedures of the Committees on*
7 *Appropriations.*

8 *MIGRATION AND REFUGEE ASSISTANCE*

9 *For expenses, not otherwise provided for, necessary to*
10 *enable the Secretary of State to provide, as authorized by*
11 *law, a contribution to the International Committee of the*
12 *Red Cross, assistance to refugees, including contributions*
13 *to the International Organization for Migration and the*
14 *United Nations High Commissioner for Refugees, and other*
15 *activities to meet refugee and migration needs; salaries and*
16 *expenses of personnel and dependents as authorized by the*
17 *Foreign Service Act of 1980; allowances as authorized by*
18 *sections 5921 through 5925 of title 5, United States Code;*
19 *purchase and hire of passenger motor vehicles; and services*
20 *as authorized by section 3109 of title 5, United States Code,*
21 *\$650,000,000: Provided, That not more than \$12,000,000*
22 *shall be available for administrative expenses: Provided fur-*
23 *ther, That not less than \$80,000,000 shall be made available*
24 *for refugees from the former Soviet Union and Eastern Eu-*
25 *rope and other refugees resettling in Israel.*

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

3 For necessary expenses to carry out the provisions of
4 section 2(c) of the Migration and Refugee Assistance Act
5 of 1962, as amended (22 U.S.C. 260(c)), \$50,000,000, to
6 remain available until expended: Provided, That the funds
7 made available under this heading are appropriated not-
8 withstanding the provisions contained in section 2(c)(2) of
9 the Migration and Refugee Assistance Act of 1962 which
10 would limit the amount of funds which could be appro-
11 priated for this purpose.

12 *NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND*
13 *RELATED PROGRAMS*

14 For necessary expenses for nonproliferation, anti-ter-
15 rorism and related programs and activities, \$129,000,000,
16 to carry out the provisions of chapter 8 of part II of the
17 Foreign Assistance Act of 1961 for anti-terrorism assist-
18 ance, section 504 of the *FREEDOM* Support Act for the
19 Nonproliferation and Disarmament Fund, section 23 of the
20 Arms Export Control Act or the Foreign Assistance Act of
21 1961 for demining activities, notwithstanding any other
22 provision of law, including activities implemented through
23 nongovernmental and international organizations, section
24 301 of the Foreign Assistance Act of 1961 for a voluntary
25 contribution to the International Atomic Energy Agency
26 (IAEA) and a voluntary contribution to the Korean Penin-

1 sula Energy Development Organization (KEDO): Provided,
2 That of this amount not to exceed \$15,000,000, to remain
3 available until expended, may be made available for the
4 Nonproliferation and Disarmament Fund, notwithstanding
5 any other provision of law, to promote bilateral and multi-
6 lateral activities relating to nonproliferation and disar-
7 mament: Provided further, That such funds may also be
8 used for such countries other than the New Independent
9 States of the former Soviet Union and international organi-
10 zations when it is in the national security interest of the
11 United States to do so: Provided further, That such funds
12 shall be subject to the regular notification procedures of the
13 Committees on Appropriations: Provided further, That
14 funds appropriated under this heading may be made avail-
15 able for the International Atomic Energy Agency only if
16 the Secretary of State determines (and so reports to the
17 Congress) that Israel is not being denied its right to partici-
18 pate in the activities of that Agency: Provided further, That
19 not to exceed \$30,000,000 may be made available to the Ko-
20 rean Peninsula Energy Development Organization
21 (KEDO) only for the administrative expenses and heavy
22 fuel oil costs associated with the Agreed Framework: Pro-
23 vided further, That such funds may be obligated to KEDO
24 only if, thirty days prior to such obligation of funds, the
25 President certifies and so reports to Congress that: (1)(A)

1 *the parties to the Agreed Framework are taking steps to*
2 *assure that progress is made on the implementation of the*
3 *January 1, 1992, Joint Declaration on the*
4 *Denuclearization of the Korean Peninsula and the imple-*
5 *mentation of the North-South dialogue, and (B) North*
6 *Korea is complying with the other provisions of the Agreed*
7 *Framework between North Korea and the United States and*
8 *with the Confidential Minute; (2) North Korea is cooperat-*
9 *ing fully in the canning and safe storage of all spent fuel*
10 *from its graphite-moderated nuclear reactors and that such*
11 *canning and safe storage is scheduled to be completed by*
12 *the end of fiscal year 1997; and (3) North Korea has not*
13 *significantly diverted assistance provided by the United*
14 *States for purposes for which it was not intended: Provided*
15 *further, That the President may waive the certification re-*
16 *quirements of the preceding proviso if the President deter-*
17 *mines that it is vital to the national security interests of*
18 *the United States: Provided further, That no funds may be*
19 *obligated for KEDO until 30 days after submission to Con-*
20 *gress of the waiver permitted under the preceding proviso:*
21 *Provided further, That the obligation of any funds for*
22 *KEDO shall be subject to the regular notification procedures*
23 *of the Committees on Appropriations: Provided further,*
24 *That the Secretary of State shall submit to the appropriate*
25 *congressional committees an annual report (to be submitted*

1 with the annual presentation for appropriations) providing
2 a full and detailed accounting of the fiscal year request for
3 the United States contribution to KEDO, the expected oper-
4 ating budget of the Korean Peninsula Energy Development
5 Organization, to include unpaid debt, proposed annual
6 costs associated with heavy fuel oil purchases, and the
7 amount of funds pledged by other donor nations and orga-
8 nizations to support KEDO activities on a per country
9 basis, and other related activities: Provided further, That
10 of the funds made available under this heading, up to
11 \$14,000,000 may be made available to the Korean Penin-
12 sula Economic Development Organization (KEDO), in ad-
13 dition to funds otherwise made available under this heading
14 for KEDO, if the Secretary of State certifies and reports
15 to the Committees on Appropriations that, except for the
16 funds made available under this proviso, funds sufficient
17 to cover all outstanding debts owed by KEDO for heavy
18 fuel oil have been provided to KEDO: Provided further,
19 That the additional \$14,000,000 made available to KEDO
20 under this heading may not be obligated or expended until
21 the Secretary of State certifies and reports to Congress that
22 North Korea has not violated the Military Armistice Agree-
23 ment of 1953 during the preceding nine months.

1 **TITLE III—MILITARY ASSISTANCE**2 **FUNDS APPROPRIATED TO THE PRESIDENT**3 **INTERNATIONAL MILITARY EDUCATION AND TRAINING**

4 *For necessary expenses to carry out the provisions of*
5 *section 541 of the Foreign Assistance Act of 1961,*
6 *\$47,000,000: Provided, That none of the funds appropriated*
7 *under this heading shall be available for Guatemala: Pro-*
8 *vided further, That the civilian personnel for whom mili-*
9 *tary education and training may be provided under this*
10 *heading may include civilians who are not members of a*
11 *government whose participation would contribute to im-*
12 *proved civil-military relations, civilian control of the mili-*
13 *tary, or respect for human rights.*

14 **FOREIGN MILITARY FINANCING PROGRAM**

15 *For expenses necessary for grants to enable the Presi-*
16 *dent to carry out the provisions of section 23 of the Arms*
17 *Export Control Act, \$3,308,950,000: Provided, That of the*
18 *funds appropriated under this heading, not less than*
19 *\$1,800,000,000 shall be available for grants only for Israel,*
20 *and not less than \$1,300,000,000 shall be made available*
21 *for grants only for Egypt: Provided further, That the funds*
22 *appropriated by this paragraph for Israel shall be disbursed*
23 *within thirty days of enactment of this Act or by October*
24 *31, 1997, whichever is later: Provided further, That to the*
25 *extent that the Government of Israel requests that funds be*
26 *used for such purposes, grants made available for Israel by*

1 this paragraph may, as agreed by Israel and the United
2 States, be available for advanced weapons systems, of which
3 not less than \$475,000,000 shall be available for the pro-
4 curement in Israel of defense articles and defense services,
5 including research and development: Provided further, That
6 of the funds appropriated by this paragraph, not less than
7 \$100,000,000 shall be available for assistance for Jordan:
8 Provided further, That of the funds appropriated by this
9 paragraph, a total of \$12,000,000 shall be available for as-
10 sistance for Estonia, Latvia, and Lithuania: Provided fur-
11 ther, That funds appropriated by this paragraph shall be
12 nonrepayable notwithstanding any requirement in section
13 23 of the Arms Export Control Act: Provided further, That
14 funds made available under this paragraph shall be obli-
15 gated upon apportionment in accordance with paragraph
16 (5)(C) of title 31, United States Code, section 1501(a): Pro-
17 vided further, That \$60,000,000 of the funds appropriated
18 or otherwise made available under this heading shall be
19 made available for the purpose of facilitating the integra-
20 tion of Poland, Hungary, and the Czech Republic into the
21 North Atlantic Treaty Organization: Provided further,
22 That, to carry out funding the previous proviso, all or part
23 of the \$60,000,000 may be derived by transfer, notwith-
24 standing any other provision of law, from titles I, II, III,
25 and IV of this Act.

1 For the cost, as defined in section 502 of the Congressional
2 Budget Act of 1974, of direct loans authorized by
3 section 23 of the Arms Export Control Act as follows: cost
4 of direct loans, \$74,000,000: Provided, That these funds are
5 available to subsidize gross obligations for the principal
6 amount of direct loans of not to exceed \$759,500,000: Pro-
7 vided further, That the rate of interest charged on such
8 loans shall be not less than the current average market yield
9 on outstanding marketable obligations of the United States
10 of comparable maturities: Provided further, That of the
11 funds appropriated under this paragraph, a total of
12 \$8,000,000 shall be available for assistance to Estonia, Lat-
13 via, and Lithuania: Provided further, That funds appro-
14 priated under this paragraph shall be made available for
15 Greece and Turkey only on a loan basis, and the principal
16 amount of direct loans for each country shall not exceed
17 the following: \$122,500,000 only for Greece and
18 \$175,000,000 only for Turkey.

19 None of the funds made available under this heading
20 shall be available to finance the procurement of defense arti-
21 cles, defense services, or design and construction services
22 that are not sold by the United States Government under
23 the Arms Export Control Act unless the foreign country pro-
24 posing to make such procurements has first signed an agree-
25 ment with the United States Government specifying the

1 conditions under which such procurements may be financed
2 with such funds: Provided, That all country and funding
3 level increases in allocations shall be submitted through the
4 regular notification procedures of section 515 of this Act:
5 Provided further, That none of the funds appropriated
6 under this heading shall be available for Sudan, Liberia,
7 and Guatemala: Provided further, That funds made avail-
8 able under this heading may be used, notwithstanding any
9 other provision of law, for activities related to the clearance
10 of landmines and unexploded ordnance, and may include
11 activities implemented through nongovernmental and inter-
12 national organizations: Provided further, That only those
13 countries for which assistance was justified for the "Foreign
14 Military Sales Financing Program" in the fiscal year 1989
15 congressional presentation for security assistance programs
16 may utilize funds made available under this heading for
17 procurement of defense articles, defense services or design
18 and construction services that are not sold by the United
19 States Government under the Arms Export Control Act:
20 Provided further, That, subject to the regular notification
21 procedures of the Committees on Appropriations, funds
22 made available under this heading for the cost of direct
23 loans may also be used to supplement the funds available
24 under this heading for grants, and funds made available
25 under this heading for grants may also be used to supple-

1 ment the funds available under this heading for the cost
2 of direct loans: Provided further, That funds appropriated
3 under this heading shall be expended at the minimum rate
4 necessary to make timely payment for defense articles and
5 services: Provided further, That not more than \$23,250,000
6 of the funds appropriated under this heading may be obli-
7 gated for necessary expenses, including the purchase of pas-
8 senger motor vehicles for replacement only for use outside
9 of the United States, for the general costs of administering
10 military assistance and sales: Provided further, That not
11 more than \$355,000,000 of funds realized pursuant to sec-
12 tion 21(e)(1)(A) of the Arms Export Control Act may be
13 obligated for expenses incurred by the Department of De-
14 fense during fiscal year 1998 pursuant to section 43(b) of
15 the Arms Export Control Act, except that this limitation
16 may be exceeded only through the regular notification pro-
17 cedures of the Committees on Appropriations.

18 PEACEKEEPING OPERATIONS

19 For necessary expenses to carry out the provisions of
20 section 551 of the Foreign Assistance Act of 1961,
21 \$75,000,000: Provided, That none of the funds appropriated
22 under this heading shall be obligated or expended except as
23 provided through the regular notification procedures of the
24 Committees on Appropriations: Provided further, That
25 none of the funds made available under this heading for
26 the Multilateral Force and Observers until the Secretary of

1 *State submits a report to the Committees on Appropriations*
2 *on the status of efforts to retain a new Director General*
3 *of that organization.*

4 **TITLE IV—MULTILATERAL ECONOMIC**

5 **ASSISTANCE**

6 **FUNDS APPROPRIATED TO THE PRESIDENT**

7 **INTERNATIONAL FINANCIAL INSTITUTIONS**

8 **CONTRIBUTION TO THE INTERNATIONAL BANK FOR**

9 **RECONSTRUCTION AND DEVELOPMENT**

10 *For payment to the International Bank for Recon-*
11 *struction and Development by the Secretary of the Treas-*
12 *ury, for the United States contribution to the Global Envi-*
13 *ronment Facility (GEF), \$60,000,000, to remain available*
14 *until September 30, 1999.*

15 **CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT**

16 **ASSOCIATION**

17 *For payment to the International Development Asso-*
18 *ciation by the Secretary of the Treasury, \$1,034,500,000,*
19 *to remain available until expended, of which \$234,500,000*
20 *shall be available to pay for the tenth replenishment: Pro-*
21 *vided, That none of the funds may be obligated or made*
22 *available until the Secretary of the Treasury certifies to the*
23 *Committees on Appropriations that all procurement restric-*
24 *tions imposed by the Interim Trust Fund have been lifted*
25 *and that the balance available for open competition in such*
26 *Fund approximates \$1,000,000,000.*

1 CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT

BANK

3 *For payment to the Inter-American Development Bank*
4 *by the Secretary of the Treasury, for the United States share*
5 *of the paid-in share portion of the increase in capital stock,*
6 *\$25,610,667, and for the United States share of the increase*
7 *in the resources of the Fund for Special Operations,*
8 *\$20,835,000, to remain available until expended.*

9 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

10 *The United States Governor of the Inter-American De-*
11 *velopment Bank may subscribe without fiscal year limita-*
12 *tion to the callable capital portion of the United States*
13 *share of such capital stock in an amount not to exceed*
14 *\$1,503,718,910.*

15 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS

16 MULTILATERAL INVESTMENT FUND

17 *For payment to the Enterprise for the Americas Multi-*
18 *lateral Investment Fund by the Secretary of the Treasury,*
19 *for the United States contribution to the Fund to be admin-*
20 *istered by the Inter-American Development Bank,*
21 *\$30,000,000 to remain available until expended, which shall*
22 *be available for contributions previously due.*

23 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

24 *For payment to the Asian Development Bank by the*
25 *Secretary of the Treasury for the United States share of*

1 *the paid-in portion of the increase in capital stock,*
2 *\$13,221,596, to remain available until expended.*

3 **LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS**

4 *The United States Governor of the Asian Development*
5 *Bank may subscribe without fiscal year limitation to the*
6 *callable capital portion of the United States share of such*
7 *capital stock in an amount not to exceed \$647,858,204.*

8 **CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND**

9 *For the United States contribution by the Secretary*
10 *of the Treasury to the increases in resources of the Asian*
11 *Development Fund, as authorized by the Asian Develop-*
12 *ment Bank Act, as amended (Public Law 89-369),*
13 *\$150,000,000, of which \$50,000,000 shall be available for*
14 *contributions previously due, to remain available until ex-*
15 *pended.*

16 **CONTRIBUTION TO THE EUROPEAN BANK FOR**
17 **RECONSTRUCTION AND DEVELOPMENT**

18 *For payment to the European Bank for Reconstruction*
19 *and Development by the Secretary of the Treasury,*
20 *\$35,778,717, for the United States share of the paid-in por-*
21 *tion of the increase in capital stock, to remain available*
22 *until expended.*

23 **LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS**

24 *The United States Governor of the European Bank for*
25 *Reconstruction and Development may subscribe without fis-*
26 *cal year limitation to the callable capital portion of the*

1 *United States share of such capital stock in an amount not*
2 *to exceed \$123,237,803.*

3 ***NORTH AMERICAN DEVELOPMENT BANK***

4 *For payment to the North American Development*
5 *Bank by the Secretary of the Treasury, for the United*
6 *States share of the paid-in portion of the capital stock,*
7 *\$56,500,000, to remain available until expended: Provided,*
8 *That none of the funds appropriated under this heading*
9 *that are made available for the Community Adjustment and*
10 *Investment Program shall be used for purposes other than*
11 *those set out in the binational agreement establishing the*
12 *Bank.*

13 ***LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS***

14 *The United States Governor of the North American De-*
15 *velopment Bank may subscribe without fiscal year limita-*
16 *tion to the callable capital portion of the United States*
17 *share of the capital stock of the North American Develop-*
18 *ment Bank in an amount not to exceed \$318,750,000.*

19 ***INTERNATIONAL MONETARY PROGRAMS***

20 ***LOANS TO INTERNATIONAL MONETARY FUND***

21 *For loans to the International Monetary Fund under*
22 *the New Arrangements to Borrow, the dollar equivalent of*
23 *2,462,000,000 Special Drawing Rights, to remain available*
24 *until expended; in addition, up to the dollar equivalent of*
25 *4,250,000,000 Special Drawing Rights previously appro-*
26 *priated by the Act of November 30, 1983 (Public Law 98-*

1 181), and the Act of October 23, 1962 (Public Law 87-872),
2 for the General Arrangements to Borrow, may also be used
3 for the New Arrangements to Borrow. Notwithstanding any
4 other provision of law, none of the funds appropriated
5 under this heading may be made available until the rel-
6 evant Committees of Congress have reviewed the new ar-
7 rangements for borrowing by the International Monetary
8 Fund provided for under this heading and authorizing leg-
9 islation for such borrowing has been enacted.

10 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

11 For necessary expenses to carry out the provisions of
12 section 301 of the Foreign Assistance Act of 1961, and of
13 section 2 of the United Nations Environment Program Par-
14 ticipation Act of 1973, \$277,000,000: Provided, That none
15 of the funds appropriated under this heading shall be made
16 available for the United Nations Fund for Science and
17 Technology: Provided further, That not less than \$5,000,000
18 shall be made available to the World Food Program: Pro-
19 vided further, That none of the funds appropriated under
20 this heading that are made available to the United Nations
21 Population Fund (UNFPA) shall be made available for ac-
22 tivities in the People's Republic of China: Provided further,
23 That not more than \$25,000,000 of the funds appropriated
24 under this heading may be made available to the UNFPA:
25 Provided further, That with respect to any funds appro-

1 priated under this heading that are made available to
2 UNFPA, UNFPA shall be required to maintain such funds
3 in a separate account and not commingle them with any
4 other funds: Provided further, That none of the funds appro-
5 priated under this heading may be made available to the
6 Korean Peninsula Energy Development Organization
7 (KEDO) or the International Atomic Energy Agency
8 (IAEA).

9 **AUTHORIZATION REQUIREMENT FOR INTERNATIONAL**

10 **FINANCIAL INSTITUTIONS**

11 (a) The Secretary of the Treasury may, to fulfill com-
12 mitments of the United States: (1) effect the United States
13 participation in the first general capital increase of the Eu-
14 ropean Bank for Reconstruction and Development, sub-
15 scribe to and make payment for 100,000 additional shares
16 of the capital stock of the Bank on behalf of the United
17 States; and (2) contribute on behalf of the United States
18 to the eleventh replenishment of the resources of the Inter-
19 national Development Association, to the sixth replenish-
20 ment of the resources of the Asian Development Fund, a
21 special fund of the Asian Development Bank. The following
22 amounts are authorized to be appropriated without fiscal
23 year limitation for payment by the Secretary of the Treas-
24 ury: (1) \$285,772,500 for paid-in capital, and
25 \$984,327,500 for callable capital of the European Bank for
26 Reconstruction and Development; (2) \$1,600,000,000 for the

1 *International Development Association; (3) \$400,000,000*
2 *for the Asian Development Fund; and (4) \$76,832,001 for*
3 *paid-in capital, and \$4,511,156,729 for callable capital of*
4 *the Inter-American Development Bank in connection with*
5 *the eighth general increase in the resources of that Bank.*
6 *Each such subscription or contribution shall be subject to*
7 *obtaining the necessary appropriations.*

8 *(b) The authorizations under this section are subject*
9 *to the Senate Foreign Relations Committee reporting out*
10 *an authorization bill.*

11 **TITLE V—GENERAL PROVISIONS**

12 **ENTERPRISE FUND RESTRICTIONS**

13 *SEC. 501. Section 201(l) of the Support for East Euro-*
14 *pean Democracy Act (22 U.S.C. 5421(l)) is amended to*
15 *read as follows:*

16 “*(l) LIMITATION ON PAYMENTS TO ENTERPRISE FUND*
17 *PERSONNEL.—*

18 “*(1) No part of the funds of an Enterprise Fund*
19 *shall inure to the benefit of any board member, offi-*
20 *cer, or employee of such Enterprise Fund, except as*
21 *salary or reasonable compensation for services subject*
22 *to paragraph (2).*

23 “*(2) An Enterprise Fund shall not pay com-*
24 *pensation for services to—*

1 “(A) any board member of the Enterprise
2 Fund, except for services as a board member; or
3 “(B) any firm, association, or entity in
4 which a board member of the Enterprise Fund
5 serves as partner, director, officer, or employee.
6 “(3) Nothing in paragraph (2) shall preclude
7 payment for services performed before the date of en-
8 actment of this subsection.”.

9 ***PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL***
10 ***FINANCIAL INSTITUTIONS***

11 *SEC. 502. None of the funds contained in title II of*
12 *this Act may be used to carry out the provisions of section*
13 *209(d) of the Foreign Assistance Act of 1961.*

14 ***LIMITATION ON RESIDENCE EXPENSES***

15 *SEC. 503. Of the funds appropriated or made available*
16 *pursuant to this Act, not to exceed \$126,500 shall be for*
17 *official residence expenses of the Agency for International*
18 *Development during the current fiscal year: Provided, That*
19 *appropriate steps shall be taken to assure that, to the maxi-*
20 *mum extent possible, United States-owned foreign cur-*
21 *rencies are utilized in lieu of dollars.*

22 ***LIMITATION ON EXPENSES***

23 *SEC. 504. Of the funds appropriated or made available*
24 *pursuant to this Act, not to exceed \$5,000 shall be for enter-*
25 *tainment expenses of the Agency for International Develop-*
26 *ment during the current fiscal year.*

1 *LIMITATION ON REPRESENTATIONAL ALLOWANCES*

2 *SEC. 505. Of the funds appropriated or made available*
3 *pursuant to this Act, not to exceed \$95,000 shall be avail-*
4 *able for representation allowances for the Agency for Inter-*
5 *national Development during the current fiscal year: Pro-*
6 *vided, That appropriate steps shall be taken to assure that,*
7 *to the maximum extent possible, United States-owned for-*
8 *eign currencies are utilized in lieu of dollars: Provided fur-*
9 *ther, That of the funds made available by this Act for gen-*
10 *eral costs of administering military assistance and sales*
11 *under the heading "Foreign Military Financing Program",*
12 *not to exceed \$2,000 shall be available for entertainment*
13 *expenses and not to exceed \$50,000 shall be available for*
14 *representation allowances: Provided further, That of the*
15 *funds made available by this Act under the heading "Inter-*
16 *national Military Education and Training", not to exceed*
17 *\$50,000 shall be available for entertainment allowances:*
18 *Provided further, That of the funds made available by this*
19 *Act for the Inter-American Foundation, not to exceed*
20 *\$2,000 shall be available for entertainment and representa-*
21 *tion allowances: Provided further, That of the funds made*
22 *available by this Act for the Peace Corps, not to exceed a*
23 *total of \$4,000 shall be available for entertainment expenses:*
24 *Provided further, That of the funds made available by this*
25 *Act under the heading "Trade and Development Agency",*

1 not to exceed \$2,000 shall be available for representation
2 and entertainment allowances.

3 PROHIBITION ON FINANCING NUCLEAR GOODS

4 SEC. 506. None of the funds appropriated or made
5 available (other than funds for "Nonproliferation,
6 Antiterrorism, Demining and Related Programs") pursu-
7 ant to this Act, for carrying out the Foreign Assistance Act
8 of 1961, may be used, except for purposes of nuclear safety,
9 to finance the export of nuclear equipment, fuel, or tech-
10 nology.

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

21 *MILITARY COUPS*

22 *SEC. 508. None of the funds appropriated or otherwise*
23 *made available pursuant to this Act shall be obligated or*
24 *expended to finance directly any assistance to any country*
25 *whose duly elected Head of Government is deposed by mili-*
26 *tary coup or decree: Provided, That assistance may be re-*

1 sumed to such country if the President determines and re-
2 ports to the Committees on Appropriations that subsequent
3 to the termination of assistance a democratically elected
4 government has taken office.

5 TRANSFERS BETWEEN ACCOUNTS

6 SEC. 509. None of the funds made available by this
7 Act may be obligated under an appropriation account to
8 which they were not appropriated, except for transfers spe-
9 cifically provided for in this Act, unless the President, prior
10 to the exercise of any authority contained in the Foreign
11 Assistance Act of 1961 to transfer funds, consults with and
12 provides a written policy justification to the Committees
13 on Appropriations of the House of Representatives and the
14 Senate.

15 DEOBLIGATION/REOBLIGATION AUTHORITY

16 SEC. 510. (a) Amounts certified pursuant to section
17 1311 of the Supplemental Appropriations Act, 1955, as
18 having been obligated against appropriations heretofore
19 made under the authority of the Foreign Assistance Act of
20 1961 for the same general purpose as any of the headings
21 under title II of this Act are, if deobligated, hereby contin-
22 ued available for the same period as the respective appro-
23 priations under such headings or until September 30, 1998,
24 whichever is later, and for the same general purpose, and
25 for countries within the same region as originally obligated:
26 Provided, That the Appropriations Committees of both

1 *Houses of the Congress are notified fifteen days in advance*
2 *of the reobligation of such funds in accordance with regular*
3 *notification procedures of the Committees on Appropriations.*

5 *(b) Obligated balances of funds appropriated to carry*
6 *out section 23 of the Arms Export Control Act as of the*
7 *end of the fiscal year immediately preceding the current*
8 *fiscal year are, if deobligated, hereby continued available*
9 *during the current fiscal year for the same purpose under*
10 *any authority applicable to such appropriations under this*
11 *Act: Provided, That the authority of this subsection may*
12 *not be used in fiscal year 1998.*

13 **AVAILABILITY OF FUNDS**

14 *SEC. 511. No part of any appropriation contained in*
15 *this Act shall remain available for obligation after the expi-*
16 *ration of the current fiscal year unless expressly so provided*
17 *in this Act: Provided, That funds appropriated for the pur-*
18 *poses of chapters 1, 8, and 11 of part I, section 667, and*
19 *chapter 4 of part II of the Foreign Assistance Act of 1961,*
20 *as amended, and funds provided under the heading “Assist-*
21 *ance for Eastern Europe and the Baltic States”, shall re-*
22 *main available until expended if such funds are initially*
23 *obligated before the expiration of their respective periods of*
24 *availability contained in this Act: Provided further, That,*
25 *notwithstanding any other provision of this Act, any funds*
26 *made available for the purposes of chapter 1 of part I and*

1 chapter 4 of part II of the Foreign Assistance Act of 1961
2 which are allocated or obligated for cash disbursements in
3 order to address balance of payments or economic policy
4 reform objectives, shall remain available until expended:
5 Provided further, That the report required by section 653(a)
6 of the Foreign Assistance Act of 1961 shall designate for
7 each country, to the extent known at the time of submission
8 of such report, those funds allocated for cash disbursement
9 for balance of payment and economic policy reform pur-
10 poses.

11 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

12 SEC. 512. No part of any appropriation contained in
13 this Act shall be used to furnish assistance to any country
14 which is in default during a period in excess of one calendar
15 year in payment to the United States of principal or inter-
16 est on any loan made to such country by the United States
17 pursuant to a program for which funds are appropriated
18 under this Act: Provided, That this section and section
19 620(q) of the Foreign Assistance Act of 1961 shall not apply
20 to funds made available in this Act or during the current
21 fiscal year for Nicaragua, and for any narcotics-related as-
22 sistance for Colombia, Bolivia, and Peru authorized by the
23 Foreign Assistance Act of 1961 or the Arms Export Control
24 Act.

1 *COMMERCE AND TRADE*

2 SEC. 513. (a) *None of the funds appropriated or made*
3 *available pursuant to this Act for direct assistance and*
4 *none of the funds otherwise made available pursuant to this*
5 *Act to the Export-Import Bank and the Overseas Private*
6 *Investment Corporation shall be obligated or expended to*
7 *finance any loan, any assistance or any other financial*
8 *commitments for establishing or expanding production of*
9 *any commodity for export by any country other than the*
10 *United States, if the commodity is likely to be in surplus*
11 *on world markets at the time the resulting productive ca-*
12 *pacity is expected to become operative and if the assistance*
13 *will cause substantial injury to United States producers of*
14 *the same, similar, or competing commodity.*

15 (b) *None of the funds appropriated by this or any other*
16 *Act to carry out chapter 1 of part I of the Foreign Assist-*
17 *ance Act of 1961 shall be available for any testing or breed-*
18 *ing feasibility study, variety improvement or introduction,*
19 *consultancy, publication, conference, or training in connec-*
20 *tion with the growth or production in a foreign country*
21 *of an agricultural commodity for export which would com-*
22 *pete with a similar commodity grown or produced in the*
23 *United States: Provided, That this subsection shall not pro-*
24 *hibit—*

- 1 (1) activities designed to increase food security
2 in developing countries where such activities will not
3 have a significant impact in the export of agricultural
4 commodities of the United States; or
5 (2) research activities intended primarily to benefit
6 American producers.

7 *SURPLUS COMMODITIES*

8 SEC. 514. *The Secretary of the Treasury shall instruct*
9 *the United States Executive Directors of the International*
10 *Bank for Reconstruction and Development, the Interna-*
11 *tional Development Association, the International Fi-*
12 *nance Corporation, the Inter-American Development Bank,*
13 *the International Monetary Fund, the Asian Development*
14 *Bank, the Inter-American Investment Corporation, the*
15 *North American Development Bank, the European Bank for*
16 *Reconstruction and Development, the African Development*
17 *Bank, and the African Development Fund to use the voice*
18 *and vote of the United States to oppose any assistance by*
19 *these institutions, using funds appropriated or made avail-*
20 *able pursuant to this Act, for the production or extraction*
21 *of any commodity or mineral for export, if it is in surplus*
22 *on world markets and if the assistance will cause substan-*
23 *tial injury to United States producers of the same, similar,*
24 *or competing commodity.*

1 NOTIFICATION REQUIREMENTS

2 SEC. 515. *For the purpose of providing the Executive*
3 *Branch with the necessary administrative flexibility, none*
4 *of the funds made available under this Act for “Development*
5 *Assistance”, “Debt restructuring”, “International or-*
6 *ganizations and programs”, “Trade and Development*
7 *Agency”, “International narcotics control”, “Assistance for*
8 *Eastern Europe and the Baltic States”, “Assistance for the*
9 *New Independent States of the Former Soviet Union”,*
10 *“Economic Support Fund”, “Peacekeeping operations”,*
11 *“Operating expenses of the Agency for International Devel-*
12 *opment”, “Operating expenses of the Agency for Inter-*
13 *national Development Office of Inspector General”, “Non-*
14 *proliferation, anti-terrorism, demining and related pro-*
15 *grams”, “Foreign Military Financing Program”, “Inter-*
16 *national military education and training”, “Inter-Amer-*
17 *ican Foundation”, “African Development Foundation”,*
18 *“Peace Corps”, “Migration and refugee assistance”, shall*
19 *be available for obligation for activities, programs, projects,*
20 *type of materiel assistance, countries, or other operations*
21 *not justified or in excess of the amount justified to the Ap-*
22 *propriations Committees for obligation under any of these*
23 *specific headings unless the Appropriations Committees of*
24 *both Houses of Congress are previously notified fifteen days*
25 *in advance: Provided, That the President shall not enter*

1 into any commitment of funds appropriated for the pur-
2 poses of section 23 of the Arms Export Control Act for the
3 provision of major defense equipment, other than conven-
4 tional ammunition, or other major defense items defined
5 to be aircraft, ships, missiles, or combat vehicles, not pre-
6 viously justified to Congress or 20 per centum in excess of
7 the quantities justified to Congress unless the Committees
8 on Appropriations are notified fifteen days in advance of
9 such commitment: Provided further, That this section shall
10 not apply to any reprogramming for an activity, program,
11 or project under chapter 1 of part I of the Foreign Assist-
12 ance Act of 1961 of less than 10 per centum of the amount
13 previously justified to the Congress for obligation for such
14 activity, program, or project for the current fiscal year:
15 Provided further, That the requirements of this section or
16 any similar provision of this Act or any other Act, includ-
17 ing any prior Act requiring notification in accordance with
18 the regular notification procedures of the Committees on
19 Appropriations, may be waived if failure to do so would
20 pose a substantial risk to human health or welfare: Provided
21 further, That in case of any such waiver, notification to
22 the Congress, or the appropriate congressional committees,
23 shall be provided as early as practicable, but in no event
24 later than three days after taking the action to which such
25 notification requirement was applicable, in the context of

1 *the circumstances necessitating such waiver: Provided fur-*
2 *ther, That any notification provided pursuant to such a*
3 *waiver shall contain an explanation of the emergency cir-*
4 *cumstances.*

5 *Drawdowns made pursuant to section 506(a)(2) of the*
6 *Foreign Assistance Act of 1961 shall be subject to the regu-*
7 *lar notification procedures of the Committees on Appropriations.*

9 **LIMITATION ON AVAILABILITY OF FUNDS FOR**

10 **INTERNATIONAL ORGANIZATIONS AND PROGRAMS**

11 *SEC. 516. Notwithstanding any other provision of law*
12 *or of this Act, none of the funds provided for “International*
13 *Organizations and Programs” shall be available for the*
14 *United States proportionate share, in accordance with sec-*
15 *tion 307(c) of the Foreign Assistance Act of 1961, for any*
16 *programs identified in section 307, or for Libya, Iran, or,*
17 *at the discretion of the President, Communist countries list-*
18 *ed in section 620(f) of the Foreign Assistance Act of 1961,*
19 *as amended: Provided, That, subject to the regular notifica-*
20 *tion procedures of the Committees on Appropriations, funds*
21 *appropriated under this Act or any previously enacted Act*
22 *making appropriations for foreign operations, export fi-*
23 *nancing, and related programs, which are returned or not*
24 *made available for organizations and programs because of*
25 *the implementation of this section or any similar provision*

1 *of law, shall remain available for obligation through Sep-*
2 *tember 30, 1999.*

3 **ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL**

4 *SEC. 517. The Congress finds that progress on the*
5 *peace process in the Middle East is vitally important to*
6 *United States security interests in the region. The Congress*
7 *recognizes that, in fulfilling its obligations, Israel has in-*
8 *curred severe economic burdens. Furthermore, the Congress*
9 *recognizes that an economically and militarily secure Israel*
10 *serves the security interests of the United States, for a secure*
11 *Israel is an Israel which has the incentive and confidence*
12 *to continue pursuing the peace process. Therefore, the Con-*
13 *gress declares that, subject to the availability of appropria-*
14 *tions, it is the policy and the intention of the United States*
15 *that the funds provided in annual appropriations for the*
16 *Economic Support Fund which are allocated to Israel shall*
17 *not be less than the annual debt repayment (interest and*
18 *principal) from Israel to the United States Government in*
19
20 *ests in the region.*

21 **PROHIBITION ON FUNDING FOR ABORTIONS AND**
22 **INVOLUNTARY STERILIZATION**

23 *SEC. 518. None of the funds made available to carry*
24 *out part I of the Foreign Assistance Act of 1961, as amend-*
25 *ed, may be used to pay for the performance of abortions*
26 *as a method of family planning or to motivate or coerce*

1 any person to practice abortions. None of the funds made
2 available to carry out part I of the Foreign Assistance Act
3 of 1961, as amended, may be used to pay for the perform-
4 ance of involuntary sterilization as a method of family
5 planning or to coerce or provide any financial incentive
6 to any person to undergo sterilizations. None of the funds
7 made available to carry out part I of the Foreign Assistance
8 Act of 1961, as amended, may be used to pay for any bio-
9 medical research which relates in whole or in part, to meth-
10 ods of, or the performance of, abortions or involuntary steri-
11 lization as a means of family planning. None of the funds
12 made available to carry out part I of the Foreign Assistance
13 Act of 1961, as amended, may be obligated or expended for
14 any country or organization if the President certifies that
15 the use of these funds by any such country or organization
16 would violate any of the above provisions related to abor-
17 tions and involuntary sterilizations: Provided, That none
18 of the funds made available under this Act may be used
19 to lobby for or against abortion.

20 *LIMITATIONS ON FUNDING FOR INTERNATIONAL FAMILY*

21 *PLANNING*

22 SEC. 519. In determining eligibility for assistance
23 from funds appropriated to carry out section 104 of the
24 Foreign Assistance Act of 1961, nongovernmental and mul-
25 tilateral organizations shall not be subjected to requirements

1 more restrictive than the requirements applicable to foreign
2 governments for such assistance.

3 ***REPORTING REQUIREMENT***

4 *SEC. 520. Section 25 of the Arms Export Control Act*
5 *is amended—*

6 *(1) in subsection (a), by striking “Congress” and*
7 *inserting in lieu thereof “appropriate congressional*
8 *committees”;*

9 *(2) in subsection (b), by striking “the Committee*
10 *on Foreign Relations of the Senate or the Committee*
11 *on Foreign Affairs of the House of Representatives”*
12 *and inserting in lieu thereof “any of the congressional*
13 *committees described in subsection (e)”;* and

14 *(3) by adding the following subsection:*

15 *“(e) As used in this section, the term ‘appropriate con-*
16 *gressional committees’ means the Committee on Foreign Re-*
17 *lations and the Committee on Appropriations of the Senate*
18 *and the Committee on International Relations and the*
19 *Committee on Appropriations of the House of Representa-*
20 *tives.”.*

21 ***SPECIAL NOTIFICATION REQUIREMENTS***

22 *SEC. 521. None of the funds appropriated in this Act*
23 *shall be obligated or expended for Colombia, Guatemala (ex-*
24 *cept that this provision shall not apply to development as-*
25 *sistance for Guatemala), Dominican Republic, Haiti, Libe-*
26 *ria, Pakistan, Peru, Serbia, Sudan, or the Democratic Re-*

1 *public of Congo except as provided through the regular noti-*
2 *fication procedures of the Committee on Appropriations.*

3 **DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY**

4 *SEC. 522. For the purpose of this Act, “program,*
5 *project, and activity” shall be defined at the Appropriations*
6 *Act account level and shall include all Appropriations and*
7 *Authorizations Acts earmarks, ceilings, and limitations*
8 *with the exception that for the following accounts: Economic*
9 *Support Fund and Foreign Military Financing Program,*
10 *“program, project, and activity” shall also be considered*
11 *to include country, regional, and central program level*
12 *funding within each such account; for the development as-*
13 *sistance accounts of the Agency for International Develop-*
14 *ment “program, project, and activity” shall also be consid-*
15 *ered to include central program level funding, either as (1)*
16 *justified to the Congress, or (2) allocated by the executive*
17 *branch in accordance with a report, to be provided to the*
18 *Committees on Appropriations within thirty days of enact-*
19 *ment of this Act, as required by section 653(a) of the For-*
20 *eign Assistance Act of 1961.*

21 **CHILD SURVIVAL, AIDS, AND OTHER ACTIVITIES**

22 *SEC. 523. Up to \$10,000,000 of the funds made avail-*
23 *able by this Act for assistance for family planning, health,*
24 *child survival, basic education and AIDS, may be used to*
25 *reimburse United States Government agencies, agencies of*
26 *State governments, institutions of higher learning, and pri-*

1 vate and voluntary organizations for the full cost of indi-
2 viduals (including for the personal services of such individ-
3 uals) detailed or assigned to, or contracted by, as the case
4 may be, the Agency for International Development for the
5 purpose of carrying out family planning activities, child
6 survival, and basic education activities, and activities re-
7 lating to research on, and the treatment and control of ac-
8 quired immune deficiency syndrome in developing coun-
9 tries: Provided, That funds appropriated by this Act that
10 are made available for child survival activities or activities
11 relating to research on, and the treatment and control of,
12 acquired immune deficiency syndrome may be made avail-
13 able notwithstanding any provision of law that restricts as-
14 sistance to foreign countries: Provided further, That funds
15 appropriated by this Act that are made available for family
16 planning activities may be made available notwithstanding
17 section 512 of this Act and section 620(q) of the Foreign
18 Assistance Act of 1961.

SEC. 524. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States

1 certifies that the withholding of these funds is contrary to
2 the national interest of the United States.

3 **RECIPROCAL LEASING**

4 *SEC. 525. Section 61(a) of the Arms Export Control*
5 *Act is amended by striking out “1997” and inserting in*
6 *lieu thereof “1998”.*

7 **NOTIFICATION ON EXCESS DEFENSE EQUIPMENT**

8 *SEC. 526. Prior to providing excess Department of De-*
9 *fense articles in accordance with section 516(a) of the For-*
10 *eign Assistance Act of 1961, the Department of Defense shall*
11 *notify the Committees on Appropriations to the same extent*
12 *and under the same conditions as are other committees pur-*
13 *suant to subsection (c) of that section: Provided, That before*
14 *issuing a letter of offer to sell excess defense articles under*
15 *the Arms Export Control Act, the Department of Defense*
16 *shall notify the Committees on Appropriations in accord-*
17 *ance with the regular notification procedures of such Com-*
18 *mittees: Provided further, That such Committees shall also*
19 *be informed of the original acquisition cost of such defense*
20 *articles.*

21 **AUTHORIZATION REQUIREMENT**

22 *SEC. 527. Funds appropriated by this Act may be obli-*
23 *gated and expended notwithstanding section 10 of Public*
24 *Law 91–672 and section 15 of the State Department Basic*
25 *Authorities Act of 1956.*

1 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST 2 COUNTRIES

*3 SEC. 528. (a) Notwithstanding any other provision of
4 law, funds appropriated for bilateral assistance under any
5 heading of this Act and funds appropriated under any such
6 heading in a provision of law enacted prior to enactment
7 of this Act, shall not be made available to any country
8 which the President determines—*

9 (1) grants sanctuary from prosecution to any in-
10 dividual or group which has committed an act of
11 international terrorism, or
12 (2) otherwise supports international terrorism.

13 (b) The President may waive the application of sub-
14 section (a) to a country if the President determines that
15 national security or humanitarian reasons justify such
16 waiver. The President shall publish each waiver in the Fed-
17 eral Register and, at least fifteen days before the waiver
18 takes effect, shall notify the Committees on Appropriations
19 of the waiver (including the justification for the waiver)
20 in accordance with the regular notification procedures of
21 the Committees on Appropriations.

22 COMMERCIAL LEASING OF DEFENSE ARTICLES

23 *SEC. 529. Notwithstanding any other provision of law,*
24 *and subject to the regular notification procedures of the*
25 *Committees on Appropriations, the authority of section*
26 *23(a) of the Arms Export Control Act may be used to pro-*

1 *vide financing to Israel, Egypt and NATO and major non-*
2 *NATO allies for the procurement by leasing (including leas-*
3 *ing with an option to purchase) of defense articles from*
4 *United States commercial suppliers, not including Major*
5 *Defense Equipment (other than helicopters and other types*
6 *of aircraft having possible civilian application), if the*
7 *President determines that there are compelling foreign pol-*
8 *icy or national security reasons for those defense articles*
9 *being provided by commercial lease rather than by govern-*
10 *ment-to-government sale under such Act.*

11 COMPETITIVE INSURANCE

12 *SEC. 530. All Agency for International Development*
13 *contracts and solicitations, and subcontracts entered into*
14 *under such contracts, shall include a clause requiring that*
15 *United States insurance companies have a fair opportunity*
16 *to bid for insurance when such insurance is necessary or*
17 *appropriate.*

18 STINGERS IN THE PERSIAN GULF REGION

19 *SEC. 531. Except as provided in section 581 of the For-*
20 *eign Operations, Export Financing, and Related Programs*
21 *Appropriations Act, 1990, the United States may not sell*
22 *or otherwise make available any Stingers to any country*
23 *bordering the Persian Gulf under the Arms Export Control*
24 *Act or chapter 2 of part II of the Foreign Assistance Act*
25 *of 1961.*

1 DEBT-FOR-DEVELOPMENT

2 SEC. 532. *In order to enhance the continued participa-*
3 *tion of nongovernmental organizations in economic assist-*
4 *ance activities under the Foreign Assistance Act of 1961,*
5 *including endowments, debt-for-development and debt-for-*
6 *nature exchanges, a nongovernmental organization which*
7 *is a grantee or contractor of the Agency for International*
8 *Development may place in interest bearing accounts funds*
9 *made available under this Act or prior Acts or local cur-*
10 *rencies which accrue to that organization as a result of eco-*
11 *nomic assistance provided under title II of this Act and*
12 *any interest earned on such investment shall be used for*
13 *the purpose for which the assistance was provided to that*
14 *organization.*

15 SEPARATE ACCOUNTS

16 SEC. 533. (a) *SEPARATE ACCOUNTS FOR LOCAL CUR-*
17 *RENCIES.—(1) If assistance is furnished to the government*
18 *of a foreign country under chapters 1 and 10 of part I or*
19 *chapter 4 of part II of the Foreign Assistance Act of 1961*
20 *under agreements which result in the generation of local*
21 *currencies of that country, the Administrator of the Agency*
22 *for International Development shall—*

23 (A) *require that local currencies be deposited in*
24 *a separate account established by that government;*
25 (B) *enter into an agreement with that govern-*
26 *ment which sets forth—*

1 (i) the amount of the local currencies to be
2 generated, and

3 (ii) the terms and conditions under which
4 the currencies so deposited may be utilized, con-
5 sistent with this section; and

6 (C) establish by agreement with that government
7 the responsibilities of the Agency for International
8 Development and that government to monitor and ac-
9 count for deposits into and disbursements from the
10 separate account.

11 (2) *USES OF LOCAL CURRENCIES.*—As may be agreed
12 upon with the foreign government, local currencies depos-
13 ited in a separate account pursuant to subsection (a), or
14 an equivalent amount of local currencies, shall be used
15 only—

16 (A) to carry out chapters 1 or 10 of part I or
17 chapter 4 of part II (as the case may be), for such
18 purposes as—

19 (i) project and sector assistance activities,
20 or

21 (ii) debt and deficit financing, or

22 (B) for the administrative requirements of the
23 United States Government.

24 (3) *PROGRAMMING ACCOUNTABILITY.*—The Agency for
25 International Development shall take all necessary steps to

1 ensure that the equivalent of the local currencies disbursed
2 pursuant to subsection (a)(2)(A) from the separate account
3 established pursuant to subsection (a)(1) are used for the
4 purposes agreed upon pursuant to subsection (a)(2).

5 (4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon
6 termination of assistance to a country under chapters 1 or
7 10 of part I or chapter 4 of part II (as the case may be),
8 any unencumbered balances of funds which remain in a
9 separate account established pursuant to subsection (a)
10 shall be disposed of for such purposes as may be agreed to
11 by the government of that country and the United States
12 Government.

13 (5) CONFORMING AMENDMENTS.—The provisions of
14 this subsection shall supersede the tenth and eleventh provi-
15 sos contained under the heading “Sub-Saharan Africa, De-
16 velopment Assistance” as included in the Foreign Oper-
17 ations, Export Financing, and Related Programs Approp-
18 priations Act, 1989 and sections 531(d) and 609 of the For-
19 eign Assistance Act of 1961.

20 (6) REPORTING REQUIREMENT.—The Administrator
21 of the Agency for International Development shall report
22 on an annual basis as part of the justification documents
23 submitted to the Committees on Appropriations on the use
24 of local currencies for the administrative requirements of
25 the United States Government as authorized in subsection

1 (a)(2)(B), and such report shall include the amount of local
2 currency (and United States dollar equivalent) used and/
3 or to be used for such purpose in each applicable country.

4 (b) *SEPARATE ACCOUNTS FOR CASH TRANSFERS.*—(1)

5 If assistance is made available to the government of a for-
6 eign country, under chapters 1 or 10 of part I or chapter
7 4 of part II of the Foreign Assistance Act of 1961, as cash
8 transfer assistance or as nonproject sector assistance, that
9 country shall be required to maintain such funds in a sepa-
10 rate account and not commingle them with any other funds.

11 (2) *APPLICABILITY OF OTHER PROVISIONS OF LAW.*—

12 Such funds may be obligated and expended notwithstanding
13 provisions of law which are inconsistent with the nature
14 of this assistance including provisions which are referenced
15 in the Joint Explanatory Statement of the Committee of
16 Conference accompanying House Joint Resolution 648 (H.
17 Report No. 98–1159).

18 (3) *NOTIFICATION.*—At least fifteen days prior to obli-
19 gating any such cash transfer or nonproject sector assist-
20 ance, the President shall submit a notification through the
21 regular notification procedures of the Committees on Approp-
22 riations, which shall include a detailed description of how
23 the funds proposed to be made available will be used, with
24 a discussion of the United States interests that will be
25 served by the assistance (including, as appropriate, a de-

1 *scription of the economic policy reforms that will be pro-*
2 *moted by such assistance).*

3 (4) *EXEMPTION.*—*Nonproject sector assistance funds*
4 *may be exempt from the requirements of subsection (b)(1)*
5 *only through the notification procedures of the Committees*
6 *on Appropriations.*

7 *COMPENSATION FOR UNITED STATES EXECUTIVE*

8 *DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS*

9 *SEC. 534. (a) No funds appropriated by this Act may*
10 *be made as payment to any international financial institu-*
11 *tion while the United States Executive Director to such in-*
12 *stitution is compensated by the institution at a rate which,*
13 *together with whatever compensation such Director receives*
14 *from the United States, is in excess of the rate provided*
15 *for an individual occupying a position at level IV of the*
16 *Executive Schedule under section 5315 of title 5, United*
17 *States Code, or while any alternate United States Director*
18 *to such institution is compensated by the institution at a*
19 *rate in excess of the rate provided for an individual occupy-*
20 *ing a position at level V of the Executive Schedule under*
21 *section 5316 of title 5, United States Code.*

22 *(b) For purposes of this section, “international finan-*
23 *cial institutions” are: the International Bank for Recon-*
24 *struction and Development, the Inter-American Develop-*
25 *ment Bank, the Asian Development Bank, the Asian Devel-*
26 *opment Fund, the African Development Bank, the African*

1 *Development Fund, the International Monetary Fund, the*
2 *North American Development Bank, and the European*
3 *Bank for Reconstruction and Development.*

4 **COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST**

5 **IRAQ**

6 *SEC. 535. None of the funds appropriated or otherwise*
7 *made available pursuant to this Act to carry out the For-*
8 *eign Assistance Act of 1961 (including title IV of chapter*
9 *2 of part I, relating to the Overseas Private Investment Cor-*
10 *poration) or the Arms Export Control Act may be used to*
11 *provide assistance to any country that is not in compliance*
12 *with the United Nations Security Council sanctions against*
13 *Iraq unless the President determines and so certifies to the*
14 *Congress that—*

15 *(1) such assistance is in the national interest of*
16 *the United States;*

17 *(2) such assistance will directly benefit the needy*
18 *people in that country; or*

19 *(3) the assistance to be provided will be humani-*
20 *tarian assistance for foreign nationals who have fled*
21 *Iraq and Kuwait.*

22 **COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES**

23 *SEC. 536. Direct costs associated with meeting a for-*
24 *eign customer's additional or unique requirements will con-*
25 *tinue to be allowable under contracts under section 22(d)*
26 *of the Arms Export Control Act. Loadings applicable to*

1 such direct costs shall be permitted at the same rates appli-
2 cable to procurement of like items purchased by the Depart-
3 ment of Defense for its own use.

4 **AUTHORITIES FOR THE PEACE CORPS**

5 SEC. 537. Unless expressly provided to the contrary,
6 provisions of this or any other Act, including provisions
7 contained in prior Acts authorizing or making appropria-
8 tions for foreign operations, export financing, and related
9 programs, shall not be construed to prohibit activities au-
10 thorized by or conducted under the Peace Corps Act. The
11 agency shall promptly report to the Committees on Approp-
12 priations whenever it is conducting activities or is propos-
13 ing to conduct activities in a country for which assistance
14 is prohibited.

15 **IMPACT ON JOBS IN THE UNITED STATES**

16 SEC. 538. None of the funds appropriated by this Act
17 may be obligated or expended to provide—

18 (a) any financial incentive to a business enter-
19 prise currently located in the United States for the
20 purpose of inducing such an enterprise to relocate
21 outside the United States if such incentive or induce-
22 ment is likely to reduce the number of employees of
23 such business enterprise in the United States because
24 United States production is being replaced by such
25 enterprise outside the United States;

1 (b) assistance for the purpose of establishing or
2 developing in a foreign country any export processing
3 zone or designated area in which the tax, tariff, labor,
4 environment, and safety laws of that country do not
5 apply, in part or in whole, to activities carried out
6 within that zone or area, unless the President deter-
7 mines and certifies that such assistance is not likely
8 to cause a loss of jobs within the United States; or

9 (c) assistance for any project or activity that
10 contributes to the violation of internationally recog-
11 nized workers rights, as defined in section 502(a)(4)
12 of the Trade Act of 1974, of workers in the recipient
13 country, including any designated zone or area in
14 that country: Provided, That in recognition that the
15 application of this subsection should be commensurate
16 with the level of development of the recipient country
17 and sector, the provisions of this subsection shall not
18 preclude assistance for the informal sector in such
19 country, micro and small-scale enterprise, and
20 smallholder agriculture.

21 RESTRICTIONS ON THE TERMINATION OF SANCTIONS

22 AGAINST SERBIA AND MONTENEGRO

23 SEC. 539. (a) RESTRICTIONS.—Notwithstanding any
24 other provision of law, no sanction, prohibition, or require-
25 ment described in section 1511 of the National Defense Au-
26 thorization Act for Fiscal Year 1994 (Public Law 103–160),

1 with respect to Serbia or Montenegro, may cease to be effec-
2 tive, unless—

3 (1) the President first submits to the Congress a
4 certification described in subsection (b); and
5 (2) the requirements of section 1511 of that Act
6 are met.

7 (b) CERTIFICATION.—A certification described in this
8 subsection is a certification that—

9 (1) there is substantial progress toward—
10 (A) the realization of a separate identity for
11 Kosova and the right of the people of Kosova to
12 govern themselves; or

13 (B) the creation of an international protec-
14 torate for Kosova;

15 (2) there is substantial improvement in the
16 human rights situation in Kosova;

17 (3) international human rights observers are al-
18 lowed to return to Kosova; and

19 (4) the elected government of Kosova is permitted
20 to meet and carry out its legitimate mandate as elect-
21 ed representatives of the people of Kosova.

22 (c) WAIVER AUTHORITY.—The President may waive
23 the application in whole or in part, of subsection (a) if the
24 President certifies to the Congress that the President has
25 determined that the waiver is necessary to meet emergency

1 humanitarian needs or to achieve a negotiated settlement
2 of the conflict in Bosnia and Herzegovina that is acceptable
3 to the parties.

4 **SPECIAL AUTHORITIES**

5 *SEC. 540. (a) Funds appropriated in title II of this*
6 *Act that are made available for Afghanistan, Lebanon, and*
7 *for victims of war, displaced children, displaced Burmese,*
8 *humanitarian assistance for Romania, and humanitarian*
9 *assistance for the peoples of Kosova, may be made available*
10 *notwithstanding any other provision of law: Provided, That*
11 *any such funds that are made available for Cambodia shall*
12 *be subject to the provisions of section 531(e) of the Foreign*
13 *Assistance Act of 1961 and section 906 of the International*
14 *Security and Development Cooperation Act of 1985.*

15 *(b) Funds appropriated by this Act to carry out the*
16 *provisions of sections 103 through 106 of the Foreign Assist-*
17 *ance Act of 1961 may be used, notwithstanding any other*
18 *provision of law, for the purpose of supporting tropical for-*
19 *estry and energy programs aimed at reducing emissions of*
20 *greenhouse gases, and for the purpose of supporting bio-*
21 *diversity conservation activities: Provided, That such as-*
22 *sistance shall be subject to sections 116, 502B, and 620A*
23 *of the Foreign Assistance Act of 1961.*

24 *(c) During fiscal year 1998, the President may use up*
25 *to \$40,000,000 under the authority of section 451 of the*

*1 Foreign Assistance Act of 1961, notwithstanding the fund-
2 ing ceiling contained in subsection (a) of that section.*

3 (d) The Agency for International Development may
4 employ personal services contractors, notwithstanding any
5 other provision of law, for the purpose of administering pro-
6 grams for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

9 *SEC. 541. It is the sense of the Congress that—*

10 (1) *the Arab League countries should imme-*
11 *dately and publicly renounce the primary boycott of*
12 *Israel and the secondary and tertiary boycott of*
13 *American firms that have commercial ties with Israel;*
14 *and*

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial

1 *relations with Israel when determining whether
2 to sell weapons to said country;*

3 *(C) report to Congress on the specific steps
4 being taken by the President to bring about a
5 public renunciation of the Arab primary boycott
6 of Israel and the secondary and tertiary boycotts
7 of American firms that have commercial rela-
8 tions with Israel; and*

9 *(D) encourage the allies and trading part-
10 ners of the United States to enact laws prohibi-
11 ting businesses from complying with the boycott
12 and penalizing businesses that do comply.*

13 **ANTI-NARCOTICS ACTIVITIES**

14 *SEC. 542. (a) Of the funds appropriated or otherwise
15 made available by this Act for "Economic Support Fund",
16 assistance may be provided to strengthen the administra-
17 tion of justice in countries in Latin America and the Carib-
18 bean and in other regions consistent with the provisions of
19 section 534(b) of the Foreign Assistance Act of 1961, except
20 that programs to enhance protection of participants in ju-
21 dicial cases may be conducted notwithstanding section 660
22 of that Act.*

23 *(b) Funds made available pursuant to this section may
24 be made available notwithstanding section 534(c) and the
25 second and third sentences of section 534(e) of the Foreign
26 Assistance Act of 1961. Funds made available pursuant to*

1 subsection (a) for Bolivia, Colombia and Peru may be made
2 available notwithstanding section 534(c) and the second
3 sentence of section 534(e) of the Foreign Assistance Act of
4 1961.

5 **ELIGIBILITY FOR ASSISTANCE**

6 SEC. 543. (a) ASSISTANCE THROUGH NONGOVERN-
7 MENTAL ORGANIZATIONS.—*Restrictions contained in this*
8 *or any other Act with respect to assistance for a country*
9 *shall not be construed to restrict assistance in support of*
10 *programs of nongovernmental organizations from funds ap-*
11 *propriated by this Act to carry out the provisions of chap-*
12 *ters 1, 10, and 11 of part I and chapter 4 of part II of*
13 *the Foreign Assistance Act of 1961, and from funds appro-*
14 *priated under the heading “Assistance for Eastern Europe*
15 *and the Baltic States”: Provided, That the President shall*
16 *take into consideration, in any case in which a restriction*
17 *on assistance would be applicable but for this subsection,*
18 *whether assistance in support of programs of nongovern-*
19 *mental organizations is in the national interest of the Unit-*
20 *ed States: Provided further, That before using the authority*
21 *of this subsection to furnish assistance in support of pro-*
22 *grams of nongovernmental organizations, the President*
23 *shall notify the Committees on Appropriations under the*
24 *regular notification procedures of those committees, includ-*
25 *ing a description of the program to be assisted, the assist-*
26 *ance to be provided, and the reasons for furnishing such*

1 assistance: Provided further, That nothing in this sub-
2 section shall be construed to alter any existing statutory
3 prohibitions against abortion or involuntary sterilizations
4 contained in this or any other Act.

5 (b) PUBLIC LAW 480.—During fiscal year 1998, re-
6 strictions contained in this or any other Act with respect
7 to assistance for a country shall not be construed to restrict
8 assistance under the Agricultural Trade Development and
9 Assistance Act of 1954: Provided, That none of the funds
10 appropriated to carry out title I of such Act and made
11 available pursuant to this subsection may be obligated or
12 expended except as provided through the regular notifica-
13 tion procedures of the Committees on Appropriations.

14 (c) EXCEPTION.—This section shall not apply—

15 (1) with respect to section 620A of the Foreign
16 Assistance Act or any comparable provision of law
17 prohibiting assistance to countries that support inter-
18 national terrorism; or

19 (2) with respect to section 116 of the Foreign As-
20 sistance Act of 1961 or any comparable provision of
21 law prohibiting assistance to countries that violate
22 internationally recognized human rights.

23 EARMARKS

24 SEC. 544. (a) Funds appropriated by this Act which
25 are earmarked may be reprogrammed for other programs
26 within the same account notwithstanding the earmark if

1 compliance with the earmark is made impossible by oper-
2 ation of any provision of this or any other Act or, with
3 respect to a country with which the United States has an
4 agreement providing the United States with base rights or
5 base access in that country, if the President determines that
6 the recipient for which funds are earmarked has signifi-
7 cantly reduced its military or economic cooperation with
8 the United States since enactment of the Foreign Oper-
9 ations, Export Financing, and Related Programs Approp-
10 priations Act, 1991; however, before exercising the authority
11 of this subsection with regard to a base rights or base access
12 country which has significantly reduced its military or eco-
13 nomic cooperation with the United States, the President
14 shall consult with, and shall provide a written policy jus-
15 tification to the Committees on Appropriations: Provided,
16 That any such reprogramming shall be subject to the regu-
17 lar notification procedures of the Committees on Appropria-
18 tions: Provided further, That assistance that is repro-
19 grammed pursuant to this subsection shall be made avail-
20 able under the same terms and conditions as originally pro-
21 vided.

22 (b) In addition to the authority contained in sub-
23 section (a), the original period of availability of funds ap-
24 propriated by this Act and administered by the Agency for
25 International Development that are earmarked for particu-

1 *lar programs or activities by this or any other Act shall*
2 *be extended for an additional fiscal year if the Adminis-*
3 *trator of such agency determines and reports promptly to*
4 *the Committees on Appropriations that the termination of*
5 *assistance to a country or a significant change in cir-*
6 *cumstances makes it unlikely that such earmarked funds*
7 *can be obligated during the original period of availability:*
8 *Provided, That such earmarked funds that are continued*
9 *available for an additional fiscal year shall be obligated*
10 *only for the purpose of such earmark.*

11 **CEILINGS AND EARMARKS**

12 *SEC. 545. Ceilings and earmarks contained in this Act*
13 *shall not be applicable to funds or authorities appropriated*
14 *or otherwise made available by any subsequent Act unless*
15 *such Act specifically so directs.*

16 **PROHIBITION ON PUBLICITY OR PROPAGANDA**

17 *SEC. 546. No part of any appropriation contained in*
18 *this Act shall be used for publicity or propaganda purposes*
19 *within the United States not authorized before the date of*
20 *enactment of this Act by the Congress.*

21 **PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS**

22 *SEC. 547. None of the funds appropriated or made*
23 *available pursuant to this Act for carrying out the Foreign*
24 *Assistance Act of 1961, may be used to pay in whole or*
25 *in part any assessments, arrearages, or dues of any member*
26 *of the United Nations.*

1 CONSULTING SERVICES

2 SEC. 548. *The expenditure of any appropriation under*
3 *this Act for any consulting service through procurement*
4 *contract, pursuant to section 3109 of title 5, United States*
5 *Code, shall be limited to those contracts where such expendi-*
6 *tures are a matter of public record and available for public*
7 *inspection, except where otherwise provided under existing*
8 *law, or under existing Executive order pursuant to existing*
9 *law.*

10 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

11 SEC. 549. *None of the funds appropriated or made*
12 *available pursuant to this Act shall be available to a private*
13 *voluntary organization which fails to provide upon timely*
14 *request any document, file, or record necessary to the audit-*
15 *ing requirements of the Agency for International Develop-*
16 *ment.*

17 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS

18 THAT EXPORT LETHAL MILITARY EQUIPMENT TO
19 COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

20 SEC. 550. (a) *None of the funds appropriated or other-*
21 *wise made available by this Act may be available to any*
22 *foreign government which provides lethal military equip-*
23 *ment to a country the government of which the Secretary*
24 *of State has determined is a terrorist government for pur-*
25 *poses of section 40(d) of the Arms Export Control Act. The*
26 *prohibition under this section with respect to a foreign gov-*

1 government shall terminate 12 months after that government
2 ceases to provide such military equipment. This section ap-
3 plies with respect to lethal military equipment provided
4 under a contract entered into after the date of enactment
5 of this Act.

6 (b) Assistance restricted by subsection (a) or any other
7 similar provision of law, may be furnished if the President
8 determines that furnishing such assistance is important to
9 the national interests of the United States.

10 (c) Whenever the waiver of subsection (b) is exercised,
11 the President shall submit to the appropriate congressional
12 committees a report with respect to the furnishing of such
13 assistance. Any such report shall include a detailed expla-
14 nation of the assistance to be provided, including the esti-
15 mated dollar amount of such assistance, and an expla-
16 nation of how the assistance furthers United States national
17 interests.

18 WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED

19 BY FOREIGN COUNTRIES

20 SEC. 551. (a) IN GENERAL.—Of the funds made avail-
21 able for a foreign country under part I of the Foreign As-
22 sistance Act of 1961, an amount equivalent to 110 per cen-
23 tum of the total unpaid fully adjudicated parking fines and
24 penalties owed to the District of Columbia by such country
25 as of the date of enactment of this Act shall be withheld
26 from obligation for such country until the Secretary of State

1 certifies and reports in writing to the appropriate congres-
2 sional committees that such fines and penalties are fully
3 paid to the government of the District of Columbia.

4 (b) DEFINITION.—For purposes of this section, the
5 term “appropriate congressional committees” means the
6 Committee on Foreign Relations and the Committee on Ap-
7 propriations of the Senate and the Committee on Inter-
8 national Relations and the Committee on Appropriations
9 of the House of Representatives.

10 LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST

11 BANK AND GAZA

12 SEC. 552. None of the funds appropriated by this Act
13 may be obligated for assistance for the Palestine Liberation
14 Organization for the West Bank and Gaza unless the Presi-
15 dent has exercised the authority under section 604(a) of the
16 Middle East Peace Facilitation Act of 1995 (title VI of Pub-
17 lic Law 104–107) or any other legislation to suspend or
18 make inapplicable section 307 of the Foreign Assistance Act
19 of 1961 and that suspension is still in effect: Provided, That
20 if the President fails to make the certification under section
21 604(b)(2) of the Middle East Peace Facilitation Act of 1995
22 or to suspend the prohibition under other legislation, funds
23 appropriated by this Act may not be obligated for assistance
24 for the Palestine Liberation Organization for the West Bank
25 and Gaza.

1 EXPORT FINANCING TRANSFER AUTHORITIES

2 *SEC. 553. Not to exceed 5 per centum of any appro-*
3 *priation other than for administrative expenses made avail-*
4 *able for fiscal year 1998 for programs under title I of this*
5 *Act may be transferred between such appropriations for use*
6 *for any of the purposes, programs and activities for which*
7 *the funds in such receiving account may be used, but no*
8 *such appropriation, except as otherwise specifically pro-*
9 *vided, shall be increased by more than 25 per centum by*
10 *any such transfer: Provided, That the exercise of such au-*
11 *thority shall be subject to the regular notification procedures*
12 *of the Committees on Appropriations.*

13 WAR CRIMES TRIBUNALS DRAWDOWN

14 *SEC. 554. If the President determines that doing so*
15 *will contribute to a just resolution of charges regarding*
16 *genocide or other violations of international humanitarian*
17 *law, the President may direct a drawdown pursuant to sec-*
18 *tion 552(c) of the Foreign Assistance Act of 1961, as amend-*
19 *ed, of up to \$25,000,000 of commodities and services for*
20 *the United Nations War Crimes Tribunal established with*
21 *regard to the former Yugoslavia by the United Nations Se-*
22 *curity Council or such other tribunals or commissions as*
23 *the Council may establish to deal with such violations,*
24 *without regard to the ceiling limitation contained in para-*
25 *graph (2) thereof: Provided, That the determination re-*
26 *quired under this section shall be in lieu of any determina-*

1 tions otherwise required under section 552(c): Provided fur-
2 ther, That sixty days after the date of enactment of this
3 Act, and every one hundred eighty days thereafter, the Sec-
4 retary of State shall submit a report to the Committees on
5 Appropriations describing the steps the United States Gov-
6 ernment is taking to collect information regarding allega-
7 tions of genocide or other violations of international law
8 in the former Yugoslavia and to furnish that information
9 to the United Nations War Crimes Tribunal for the former
10 Yugoslavia.

11 **LANDMINES**

12 SEC. 555. Notwithstanding any other provision of law,
13 demining equipment available to the Agency for Inter-
14 national Development and the Department of State and
15 used in support of the clearing of landmines and
16 unexploded ordnance for humanitarian purposes may be
17 disposed of on a grant basis in foreign countries, subject
18 to such terms and conditions as the President may pre-
19 scribe.

20 **RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY**

21 SEC. 556. None of the funds appropriated by this Act
22 may be obligated or expended to create in any part of Jeru-
23 salem a new office of any department or agency of the Unit-
24 ed States Government for the purpose of conducting official
25 United States Government business with the Palestinian
26 Authority over Gaza and Jericho or any successor Palestin-

1 ian governing entity provided for in the Israel-PLO Dec-
2 laration of Principles: Provided, That this restriction shall
3 not apply to the acquisition of additional space for the ex-
4 isting Consulate General in Jerusalem: Provided further,
5 That meetings between officers and employees of the United
6 States and officials of the Palestinian Authority, or any
7 successor Palestinian governing entity provided for in the
8 Israel-PLO Declaration of Principles, for the purpose of
9 conducting official United States Government business with
10 such authority should continue to take place in locations
11 other than Jerusalem. As has been true in the past, officers
12 and employees of the United States Government may con-
13 tinue to meet in Jerusalem on other subjects with Palestin-
14 ians (including those who now occupy positions in the Pal-
15 estinian Authority), have social contacts, and have inciden-
16 tal discussions.

17 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

18 SEC. 557. None of the funds appropriated or otherwise
19 made available by this Act under the heading “Inter-
20 national military education and training” or “Foreign
21 military financing program” for Informational Program
22 activities may be obligated or expended to pay for—
23 (1) alcoholic beverages;
24 (2) food (other than food provided at a military
25 installation) not provided in conjunction with Infor-

1 *mational Program trips where students do not stay at*
2 *a military installation; or*

3 *(3) entertainment expenses for activities that are*
4 *substantially of a recreational character, including*
5 *entrance fees at sporting events and amusement*
6 *parks.*

7 ***PURCHASE OF AMERICAN-MADE EQUIPMENT AND***
8 ***PRODUCTS***

9 *SEC. 558. (a) To the greatest extent practicable, assist-*
10 *ance provided or used for purchases should use American*
11 *equipment, services, commodities, and products.*

12 *(b) NOTICE REQUIREMENT.—In providing financial*
13 *assistance to, or entering into any contract with, any entity*
14 *using funds made available in this Act, the head of each*
15 *Federal agency, to the greatest extent practicable, shall pro-*
16 *vide to such entity a notice describing the statement made*
17 *in subsection (a) by the Congress.*

18 ***SPECIAL DEBT RELIEF FOR THE POOREST***

19 *SEC. 559. (a) AUTHORITY TO REDUCE DEBT.—The*
20 *President may reduce amounts owed to the United States*
21 *(or any agency of the United States) by an eligible country*
22 *as a result of—*

23 *(1) guarantees issued under sections 221 and 222*
24 *of the Foreign Assistance Act of 1961; or*

25 *(2) credits extended or guarantees issued under*
26 *the Arms Export Control Act.*

1 (b) *LIMITATIONS.*—

2 (1) *The authority provided by subsection (a)*
3 *may be exercised only to implement multilateral offi-*
4 *cial debt relief and referendum agreements, commonly*
5 *referred to as “Paris Club Agreed Minutes”.*

6 (2) *The authority provided by subsection (a)*
7 *may be exercised only in such amounts or to such ex-*
8 *tent as is provided in advance by appropriations*
9 *Acts.*

10 (3) *The authority provided by subsection (a)*
11 *may be exercised only with respect to countries with*
12 *heavy debt burdens that are eligible to borrow from*
13 *the International Development Association, but not*
14 *from the International Bank for Reconstruction and*
15 *Development, commonly referred to as “IDA-only”*
16 *countries.*

17 (c) *CONDITIONS.*—*The authority provided by sub-*
18 *section (a) may be exercised only with respect to a country*
19 *whose government—*

20 (1) *does not have an excessive level of military*
21 *expenditures;*

22 (2) *has not repeatedly provided support for acts*
23 *of international terrorism;*

24 (3) *is not failing to cooperate on international*
25 *narcotics control matters;*

1 (4) (including its military or other security
2 *forces) does not engage in a consistent pattern of gross*
3 *violations of internationally recognized human rights;*
4 *and*

5 (5) *is not ineligible for assistance because of the*
6 *application of section 527 of the Foreign Relations*
7 *Authorization Act, fiscal years 1994 and 1995.*

8 (d) *AVAILABILITY OF FUNDS.—The authority provided*
9 *by subsection (a) may be used only with regard to funds*
10 *appropriated by this Act under the heading “Debt restruc-*
11 *turing”.*

12 (e) *CERTAIN PROHIBITIONS INAPPLICABLE.—A reduc-*
13 *tion of debt pursuant to subsection (a) shall not be consid-*
14 *ered assistance for purposes of any provision of law limit-*
15 *ing assistance to a country. The authority provided by sub-*
16 *section (a) may be exercised notwithstanding section 620(r)*
17 *of the Foreign Assistance Act of 1961.*

18 **AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES**

19 **SEC. 560. (a) LOANS ELIGIBLE FOR SALE, REDUC-**
20 **TION, OR CANCELLATION.—**

21 (1) *AUTHORITY TO SELL, REDUCE, OR CANCEL*
22 *CERTAIN LOANS.—Notwithstanding any other provi-*
23 *sion of law, the President may, in accordance with*
24 *this section, sell to any eligible purchaser any*
25 *concessional loan or portion thereof made before Jan-*
26 *uary 1, 1995, pursuant to the Foreign Assistance Act*

1 *of 1961, to the government of any eligible country as*
2 *defined in section 702(6) of that Act or on receipt of*
3 *payment from an eligible purchaser, reduce or cancel*
4 *such loan or portion thereof, only for the purpose of*
5 *facilitating—*

6 *(A) debt-for-equity swaps, debt-for-develop-*
7 *ment swaps, or debt-for-nature swaps; or*

8 *(B) a debt buyback by an eligible country*
9 *of its own qualified debt, only if the eligible*
10 *country uses an additional amount of the local*
11 *currency of the eligible country, equal to not less*
12 *than 40 per centum of the price paid for such*
13 *debt by such eligible country, or the difference be-*
14 *tween the price paid for such debt and the face*
15 *value of such debt, to support activities that link*
16 *conservation and sustainable use of natural re-*
17 *sources with local community development, and*
18 *child survival and other child development, in a*
19 *manner consistent with sections 707 through 710*
20 *of the Foreign Assistance Act of 1961, if the sale,*
21 *reduction, or cancellation would not contravene*
22 *any term or condition of any prior agreement*
23 *relating to such loan.*

24 *(2) TERMS AND CONDITIONS.—Notwithstanding*
25 *any other provision of law, the President shall, in ac-*

1 *cordance with this section, establish the terms and*
2 *conditions under which loans may be sold, reduced, or*
3 *canceled pursuant to this section.*

4 *(3) ADMINISTRATION.—The Facility, as defined*
5 *in section 702(8) of the Foreign Assistance Act of*
6 *1961, shall notify the administrator of the agency*
7 *primarily responsible for administering part I of the*
8 *Foreign Assistance Act of 1961 of purchasers that the*
9 *President has determined to be eligible, and shall di-*
10 *rect such agency to carry out the sale, reduction, or*
11 *cancellation of a loan pursuant to this section. Such*
12 *agency shall make an adjustment in its accounts to*
13 *reflect the sale, reduction, or cancellation.*

14 *(4) LIMITATION.—The authorities of this sub-*
15 *section shall be available only to the extent that ap-*
16 *propriations for the cost of the modification, as de-*
17 *fined in section 502 of the Congressional Budget Act*
18 *of 1974, are made in advance.*

19 *(b) DEPOSIT OF PROCEEDS.—The proceeds from the*
20 *sale, reduction, or cancellation of any loan sold, reduced,*
21 *or canceled pursuant to this section shall be deposited in*
22 *the United States Government account or accounts estab-*
23 *lished for the repayment of such loan.*

24 *(c) ELIGIBLE PURCHASERS.—A loan may be sold pur-*
25 *suant to subsection (a)(1)(A) only to a purchaser who pre-*

1 sends plans satisfactory to the President for using the loan
2 for the purpose of engaging in debt-for-equity swaps, debt-
3 for-development swaps, or debt-for-nature swaps.

4 (d) *DEBTOR CONSULTATIONS.*—Before the sale to any
5 eligible purchaser, or any reduction or cancellation pursu-
6 ant to this section, of any loan made to an eligible country,
7 the President should consult with the country concerning
8 the amount of loans to be sold, reduced, or canceled and
9 their uses for debt-for-equity swaps, debt-for-development
10 swaps, or debt-for-nature swaps.

11 (e) *AVAILABILITY OF FUNDS.*—The authority provided
12 by subsection (a) may be used only with regard to funds
13 appropriated by this Act under the heading “Debt restruc-
14 turing”.

15 LIBERIA

16 *SEC. 561. Funds appropriated by this Act may be*
17 *made available for assistance for Liberia notwithstanding*
18 *section 620(q) of the Foreign Assistance Act of 1961 and*
19 *section 512 of this Act.*

20 GUATEMALA

21 SEC. 562. (a) Funds provided in this Act may be made
22 available for the Guatemalan military forces, and the re-
23 strictions on Guatemala under the headings "International
24 Military Education and Training" and "Foreign Military
25 Financing Program" shall not apply, only if the President
26 determines and certifies to the Congress that the Guate-

1 malan military is cooperating fully with efforts to resolve
2 human rights abuses which elements of the Guatemalan
3 military forces are alleged to have committed, ordered or
4 attempted to thwart the investigation of, and with efforts
5 to implement a peace settlement.

6 (b) The prohibition contained in subsection (a) shall
7 not apply to funds made available to implement a ceasefire
8 or peace agreement.

9 (c) Any funds made available pursuant to subsections
10 (a) and (b) for international military education and train-
11 ing may only be for expanded international military edu-
12 cation and training.

13 **SANCTIONS AGAINST COUNTRIES HARBORING WAR**

14 **CRIMINALS**

15 SEC. 563. (a) **BILATERAL ASSISTANCE.**—The Presi-
16 dent shall withhold funds appropriated by this Act under
17 the Foreign Assistance Act of 1961 or the Arms Export Con-
18 trol Act for any country described in subsection (c).

19 (b) **MULTILATERAL ASSISTANCE.**—The Secretary of
20 the Treasury shall instruct the United States executive di-
21 rectors of the international financial institutions to work
22 in opposition to, and vote against, any extension by such
23 institutions of financing or financial or technical assistance
24 to any country described in subsection (c).

25 (c) **SANCTIONED COUNTRIES.**—A country described in
26 this subsection is a country the government of which know-

1 *ingly grants sanctuary to persons in its territory, or terri-*
2 *tory within its control, for the purpose of evading prosecu-*
3 *tion, where such persons have been indicted by the Inter-*
4 *national Criminal Tribunal for Rwanda.*

5 *LIMITATION ON ASSISTANCE FOR HAITI*

6 *SEC. 564. (a) LIMITATION.—None of the funds appro-*
7 *priated or otherwise made available by this Act may be pro-*
8 *vided to the Government of Haiti unless the President re-*
9 *ports to Congress that the Government of Haiti—*

10 *(1) is conducting thorough investigations of*
11 *extrajudicial and political killings;*

12 *(2) is cooperating with United States authorities*
13 *in the investigations of political and extrajudicial*
14 *killings;*

15 *(3) has made demonstrable progress in*
16 *privatizing major governmental parastatals, includ-*
17 *ing demonstrable progress toward the material and*
18 *legal transfer of ownership of such parastatals; and*

19 *(4) has taken action to remove from the Haitian*
20 *National Police, national palace and residential*
21 *guard, ministerial guard, and any other public secu-*
22 *rity entity of Haiti those individuals who are*
23 *credibly alleged to have engaged in or conspired to*
24 *conceal gross violations of internationally recognized*
25 *human rights.*

1 (b) *EXCEPTIONS.*—*The limitation in subsection (a)*
2 *does not apply to the provision of humanitarian, electoral,*
3 *counter narcotics, or development assistance.*

4 (c) *WAIVER.*—*The President may waive the require-*
5 *ments of this section on a semiannual basis if the President*
6 *determines and certifies to the appropriate committees of*
7 *Congress that such waiver is in the national interest of the*
8 *United States.*

9 (d) *PARASTATALS DEFINED.*—*As used in this section,*
10 *the term “parastatal” means a government-owned enter-*
11 *prise.*

12 **REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN**

13 **REPORT OF SECRETARY OF STATE**

14 SEC. 565. (a) *FOREIGN AID REPORTING REQUIRE-*
15 *MENT.*—*In addition to the voting practices of a foreign*
16 *country, the report required to be submitted to Congress*
17 *under section 406(a) of the Foreign Relations Authorization*
18 *Act fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall*
19 *include a side-by-side comparison of individual countries’*
20 *overall support for the United States at the United Nations*
21 *and the amount of United States assistance provided to*
22 *such country in fiscal year 1996.*

23 (b) *UNITED STATES ASSISTANCE.*—*For purposes of*
24 *this section, the term “United States assistance” has the*
25 *meaning given the term in section 481(e)(4) of the Foreign*
26 *Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).*

1 *BURMA LABOR REPORT*

2 *SEC. 566. Not later than one hundred twenty days*
3 *after enactment of this Act, the Secretary of Labor shall*
4 *provide to the Committees on Appropriations a report ad-*
5 *dressing labor practices in Burma: Provided, That the re-*
6 *port shall provide comprehensive details on child labor*
7 *practices, worker's rights, force relocation of laborers, forced*
8 *labor performed to support the tourism industry, and forced*
9 *labor performed in conjunction with, and in support of, the*
10 *Yadonna gas pipeline: Provided further, That the report*
11 *should discuss whether the State Law and Order Restora-*
12 *tion Council (SLORC) is in compliance with international*
13 *labor standards: Provided further, That the report should*
14 *provide considerable detail regarding the U.S. government's*
15 *efforts to address the issue of forced labor in Burma.*

16 *HAITI*

17 *SEC. 567. The Government of Haiti shall be eligible*
18 *to purchase defense articles and services under the Arms*
19 *Export Control Act (22 U.S.C. 2751 et seq.), for the civil-*
20 *ian-led Haitian National Police and Coast Guard: Pro-*
21 *vided, That the authority provided by this section shall be*
22 *subject to the regular notification procedures of the Commit-*
23 *tees on Appropriations.*

24 *INTERNATIONAL FINANCIAL INSTITUTION POLICIES*

25 *SEC. 568. The Secretary of the Treasury shall instruct*
26 *the United States Executive Directors of the International*

1 Bank for Reconstruction and Development and the Inter-
2 national Development Association to use the voice and vote
3 of the United States to strongly encourage their respective
4 institutions to—

5 (1) provide timely public information on pro-
6 curement opportunities available to United States
7 suppliers, with a special emphasis on small business;
8 and

9 (2) systematically consult with local commu-
10 nities on the potential impact of loans as part of the
11 normal lending process, and expand the participation
12 of affected peoples and nongovernmental organizations
13 in decisions on the selection, design and implementa-
14 tion of policies and projects.

15 LIMITATION ON ASSISTANCE TO SECURITY FORCES

16 SEC. 569. None of the funds made available by this
17 Act may be provided to any unit of the security forces of
18 a foreign country if the Secretary of State has credible evi-
19 dence to believe such unit has committed gross violations
20 of human rights, unless the Secretary determines and re-
21 ports to the Committees on Appropriations that the govern-
22 ment of such country is taking steps to bring the responsible
23 members of the security forces unit to justice.

24 CAMBODIA

25 SEC. 570. The Secretary of the Treasury shall instruct
26 the United States Executive Directors of the international

1 financial institutions to use the voice and vote of the United
2 States to oppose loans to the Government of Cambodia, ex-
3 cept loans to support basic human needs, unless the Govern-
4 ment of Cambodia has: (1) not been established in office
5 by the use of force or a coup d'etat; (2) discontinued all
6 political violence and intimidation of journalists and mem-
7 bers of opposition parties; (3) established an independent
8 election commission; (4) protected the rights of voters, can-
9 didates, and election observers and participants by estab-
10 lishing laws and procedures guaranteeing freedom of speech
11 and assembly; (5) eliminated corruption and collaboration
12 with narcotics smugglers; and (6) been elected in a free and
13 fair election.

14 LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO

15 EAST TIMOR

16 SEC. 571. In any agreement for the sale, transfer, or
17 licensing of any lethal equipment or helicopter for Indo-
18 nesia entered into by the United States pursuant to the au-
19 thority of this Act or any other Act, the agreement shall
20 state that such items will not be used in East Timor.

21 TRANSPARENCY OF BUDGETS

22 SEC. 572. Section 576(a)(1) of the Foreign Operations,
23 Export Financing, and Related Programs Appropriations
24 Act, 1997, as contained in Public Law 104-208, is amended
25 to read as follows:

1 “(1) does not have in place a functioning system
2 for reporting to civilian authorities audits of receipts
3 and expenditures that fund activities of the armed
4 forces and security forces;”.

5 Section 576(a)(2) of the Foreign Operations, Export
6 Financing, and Related Programs Appropriations Act,
7 1997, as contained in Public Law 104–208, is amended to
8 read as follows:

9 “(2) has not provided to the institution informa-
10 tion about the audit process requested by the institu-
11 tion.”.

12 **RESTRICTIONS ON FUNDING TO COUNTRIES PROVIDING**

13 **SANCTUARY TO INDICTED WAR CRIMINALS**

14 **SEC. 573. (a) BILATERAL ASSISTANCE.**—None of the
15 funds made available by this or any prior Act making ap-
16 propriations for foreign operations, export promotion and
17 related programs, may be provided for any country de-
18 scribed in subsection (d).

19 **(b) MULTILATERAL ASSISTANCE.**—The Secretary of
20 the Treasury shall instruct the United States executive di-
21 rectors of the international financial institutions to work
22 in opposition to, and vote against, any extension by such
23 institutions of any financial or technical assistance or
24 grants of any kind to any country described in subsection
25 (d).

26 **(c) EXCEPTIONS.**—

1 (1) *IN GENERAL.*—Subject to paragraph (2), subsections (a) and (b) shall not apply to the provision
2 of—

3 (A) humanitarian assistance;
4 (B) democratization assistance; or
5 (C) assistance for physical infrastructure
6 projects involving activities in both a sanctioned
7 country and a nonsanctioned contiguous coun-
8 try, if the nonsanctioned country is the primary
9 beneficiary.

10 (2) *FURTHER LIMITATIONS.*—Notwithstanding
11 paragraph (1)—

12 (A) no assistance may be made available by
13 this Act, or any other Act making appropria-
14 tions for foreign operations, export promotion
15 and related programs, for a program, project, or
16 activity in any country described in subsection
17 (d) in which an indicted war criminal has any
18 financial or material interest or through any or-
19 ganization in which the indicted individual is
20 affiliated; and

21 (B) no assistance (other than emergency
22 foods or medical assistance or demining assist-
23 ance) may be made available by this Act, or any
24 other Act making appropriations for foreign op-

1 *erations, export promotion and related programs*
2 *to any program, project, or activity in any area*
3 *of any country described in subsection (d) in*
4 *which local authorities are not complying with*
5 *the provisions of Article IX and Annex 4, Article*
6 *II of the Dayton Agreement relating to war*
7 *crimes and the Tribunal, or with the provisions*
8 *of Annex 7 of the Dayton Agreement relating to*
9 *the rights of refugees and displaced persons to re-*
10 *turn to their homes of origin.*

11 (d) SANCTIONED COUNTRIES.—*A country described in*
12 *this section is a country the authorities of which fail to*
13 *apprehend and transfer to the Tribunal all persons in terri-*
14 *tory that is under their effective control who have been in-*
15 *dicted by the Tribunal.*

16 (e) WAIVER.—

17 (1) AUTHORITY.—*The President may waive the*
18 *application of subsection (a) or subsection (b) with*
19 *respect to a country if the President determines and*
20 *certifies to the appropriate committees of Congress*
21 *within six months after the date of enactment of this*
22 *Act that a majority of the indicted persons who are*
23 *within territory that is under the effective control of*
24 *the country have been arrested and transferred to the*
25 *Tribunal.*

1 (2) *PERIOD OF EFFECTIVENESS.*—Any waiver
2 *made pursuant to this subsection shall be effective for*
3 *a period of six months.*

4 (f) *TERMINATION OF SANCTIONS.*—The sanctions im-
5 *posed pursuant to subsection (a) or subsection (b) with re-*
6 *spect to a country shall cease to apply only if the President*
7 *determines and certifies to Congress that the authorities of*
8 *that country have apprehended and transferred to the Tri-*
9 *bunal all persons in territory that is under their effective*
10 *control who have been indicted by the Tribunal.*

11 (g) *DEFINITIONS.*—As used in this section—

12 (1) *COUNTRY.*—The term “country” shall not in-
13 *clude Bosnia and Herzegovina, and the provisions of*
14 *this Act shall be applied separately to its constituent*
15 *entities of Republika Srpska and the Federation of*
16 *Bosnia and Herzegovina.*

17 (2) *DAYTON AGREEMENT.*—The term “Dayton
18 Agreement” means the General Framework Agreement
19 for Peace in Bosnia and Herzegovina, together with
20 annexes relating thereto, done at Dayton, November
21 10 through 16, 1995.

22 (3) *DEMOCRATIZATION ASSISTANCE.*—The term
23 “democratization assistance” includes electoral assist-
24 ance and assistance used in establishing the institu-
25 tions of a democratic and civil society.

1 (4) *HUMANITARIAN ASSISTANCE*.—The term “hu-
2 manitarian assistance” includes assistance for food,
3 demining, refugees, housing, education, health care,
4 and other social services.

5 (5) *TRIBUNAL*.—The term “Tribunal” means the
6 International Criminal Tribunal for the Former
7 Yugoslavia.

8 ~~EXTENSION OF CERTAIN ADJUDICATION PROVISIONS~~

9 SEC. 574. *The Foreign Operations, Export Financing,*
10 *and Related Programs Appropriations Act, 1990* (Public
11 *Law 101–167*) is amended—

12 (1) in section 599D (8 U.S.C. 1157 note)—

13 (A) in subsection (b)(3), by striking “and
14 1997” and inserting “1997, and 1998”; and

15 (B) in subsection (e), by striking “October
16 1, 1997” each place it appears and inserting
17 “October 1, 1998”; and

18 (2) in section 599E (8 U.S.C. 1255 note) in sub-
19 section (b)(2), by striking “September 30, 1997” and
20 inserting “September 30, 1998”.

21 ~~DEVELOPMENT CREDIT AUTHORITY~~

22 SEC. 575. *For the cost, as defined in section 502 of*
23 *the Congressional Budget Act of 1974, of direct loans and*
24 *loan guarantees in support of the development objectives of*
25 *the Foreign Assistance Act of 1961 (FAA), up to*
26 *\$10,000,000, which amount may be derived by transfer*

1 from funds appropriated by this Act to carry out part I
2 of the Foreign Assistance Act of 1961 and funds appro-
3 priated by this Act under the heading "Assistance for East-
4 ern Europe and the Baltic States", to remain available
5 until expended: Provided, That of this amount, up to
6 \$1,500,000 for administrative expenses to carry out such
7 programs may be transferred to and merged with "Operat-
8 ing Expenses of the Agency for International Development":
9 Provided further, That the provisions of section 107A(d)
10 (relating to general provisions applicable to development
11 credit authority) of the Foreign Assistance Act of 1961, as
12 added by section 306 of H.R. 1486 as reported by the House
13 Committee on International Relations on May 9, 1997,
14 shall be applicable to direct loans and loan guarantees pro-
15 vided under this paragraph: Provided further, That direct
16 loans or loan guarantees under this paragraph may not be
17 provided until the Director of the Office of Management and
18 Budget has certified to the Committees on Appropriations
19 that the Agency for International Development has estab-
20 lished a credit management system capable of effectively
21 managing the credit programs funded under this heading,
22 including that such system (1) can provide accurate and
23 timely provision of loan and loan guarantee data, (2) con-
24 tains information control systems for loan and loan guar-

1 *antee data, (3) is adequately staffed, and (4) contains ap-*
2 *propriate review and monitoring procedures.*

3 EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN

4 COUNTRIES

5 ~~SEC. 576. Section 105 of Public Law 104–164 (110~~
6 ~~Stat. 1427) is amended by striking “1996 and 1997” and~~
7 ~~inserting “1998 and 1999”.~~

8 ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING

9 OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

10 ~~SEC. 577. (a) VALUE OF ADDITIONS TO STOCK-~~
11 ~~PILES.—Section 514(b)(2)(A) of the Foreign Assistance Act~~
12 ~~of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by inserting~~
13 ~~before the period at the end the following: “and \$60,000,000~~
14 ~~for fiscal year 1998”.~~

15 ~~(b) REQUIREMENTS RELATING TO THE REPUBLIC OF~~
16 ~~KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act~~
17 ~~(22 U.S.C. 2321h(b)(2)(B)) is amended by adding at the~~
18 ~~end the following: “Of the amount specified in subparagraph~~
19 ~~graph (A) for fiscal year 1998, not more than \$40,000,000~~
20 ~~may be made available for stockpiles in the Republic of~~
21 ~~Korea and not more than \$20,000,000 may be made avail-~~
22 ~~able for stockpiles in Thailand.”.~~

23 DELIVERY OF DRAWDOWN BY COMMERCIAL

24 TRANSPORTATION SERVICES

25 ~~SEC. 578. Section 506 of the Foreign Assistance Act~~
26 ~~of 1961 (22 U.S.C. 2318) is amended—~~

1 (1) in subsection (b)(2), by striking the period
2 and inserting the following: “, including providing
3 the Congress with a report detailing all defense arti-
4 cles, defense services, and military education and
5 training delivered to the recipient country or inter-
6 national organization upon delivery of such articles
7 or upon completion of such services or education and
8 training. Such report shall also include whether any
9 savings were realized by utilizing commercial trans-
10 port services rather than acquiring those services from
11 United States Government transport assets.”;

12 (2) by redesignating subsection (c) as subsection
13 (d); and

14 (3) by inserting after subsection (b) the follow-
15 ing:

16 “(c) For the purposes of any provision of law that au-
17 thorizes the drawdown of defense or other articles or com-
18 modities, or defense or other services from an agency of the
19 United States Government, such drawdown may include the
20 supply of commercial transportation and related services
21 that are acquired by contract for the purposes of the
22 drawdown in question if the cost to acquire such commer-
23 cial transportation and related services is less than the cost
24 to the United States Government of providing such services
25 from existing agency assets.”.

1 SENSE OF THE SENATE REGARDING ESTONIA, LATVIA, AND

2 LITHUANIA.

3 *SEC. 579. It is the sense of the Senate that Estonia,*4 *Latvia, and Lithuania—*5 *(1) are to be commended for their progress to-*
6 *ward political and economic reform and meeting the*
7 *guidelines for prospective NATO members;*8 *(2) would make an outstanding contribution to*
9 *furthering the goals of NATO and enhancing stabil-*
10 *ity, freedom, and peace in Europe should they become*
11 *NATO members; and*12 *(3) upon complete satisfaction of all relevant cri-*
13 *teria should be invited to become full NATO members*
14 *at the earliest possible date.*15 TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT
16 OF RUSSIA SHOULD IT ENACT LAWS WHICH WOULD
17 DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS
18 IN THE RUSSIAN FEDERATION19 *SEC. 580. (a) None of the funds appropriated under*
20 *this Act may be made available for the Government of Rus-*
21 *sian Federation unless the President determines and cer-*
22 *tifies in writing to the Committee on Appropriations and*
23 *the Committee on Foreign Relations of the Senate that the*
24 *Government of the Russian Federation has enacted no stat-*
25 *ute or promulgated no executive order that would discrimi-*
26 *nate, or would have as its principal effect discrimination,*

1 *against religious minorities in the Russian Federation in*
2 *violation of accepted international agreements on human*
3 *rights and religious freedoms to which the Russian Federa-*
4 *tion is a signatory, including the European Convention and*
5 *the 1989 Vienna Concluding Document of the Conference*
6 *on Security and Cooperation in Europe.*

7 *(b) This section shall become effective one day after the*
8 *enactment of this Act.*

9 **SENSE OF THE SENATE REGARDING SUPPORT FOR**
10 **COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA**
11 SEC. 581. (a) *FINDINGS.*—Congress makes the follow-
12 *ing findings:*

13 *(1) The ancient Silk Road, once the economic*
14 *lifeline of Central Asia and the South Caucasus, tra-*
15 *versed much of the territory now within the countries*
16 *of Armenia, Azerbaijan, Georgia, Kazakhstan,*
17 *Kyrgyzstan, Tajikistan, Turkmenistan, and*
18 *Uzbekistan.*

19 *(2) Economic interdependence spurred mutual*
20 *cooperation among the peoples along the Silk Road*
21 *and restoration of the historic relationships and eco-*
22 *nomic ties between those peoples is an important ele-*
23 *ment of ensuring their sovereignty as well as the suc-*
24 *cess of democratic and market reforms.*

25 *(3) The development of strong political and eco-*
26 *nomic ties between countries of the South Caucasus*

1 *and Central Asia and the West will foster stability in*
2 *the region.*

3 *(4) The development of open market economies*
4 *and open democratic systems in the countries of the*
5 *South Caucasus and Central Asia will provide posi-*
6 *tive incentives for international private investment,*
7 *increased trade, and other forms of commercial inter-*
8 *actions with the rest of the world.*

9 *(5) The Caspian Sea Basin, overlapping the ter-*
10 *ritory of the countries of the South Caucasus and*
11 *Central Asia, contains proven oil and gas reserves*
12 *that may exceed \$4,000,000,000,000 in value.*

13 *(6) The region of the South Caucasus and*
14 *Central Asia will produce oil and gas in sufficient*
15 *quantities to reduce the dependence of the United*
16 *States on energy from the volatile Persian Gulf re-*
17 *gion.*

18 *(7) United States foreign policy and inter-*
19 *national assistance should be narrowly targeted to*
20 *support the economic and political independence of*
21 *the countries of the South Caucasus and Central Asia.*

22 *(b) SENSE OF THE SENATE.—It is the sense of the Sen-*
23 *ate that the policy of the United States in the countries*
24 *of the South Caucasus and Central Asia should be—*

1 (1) to promote sovereignty and independence
2 with democratic government;

3 (2) to assist actively in the resolution of regional
4 conflicts;

5 (3) to promote friendly relations and economic
6 cooperation; and

7 (4) to help promote market-oriented principles
8 and practices;

9 (5) to assist in the development of infrastructure
10 necessary for communications, transportation, and
11 energy and trade on an East-West axis in order to
12 build strong international relations and commerce be-
13 tween those countries and the stable, democratic, and
14 market-oriented countries of the Euro-Atlantic Com-
15 munity; and

16 (6) to support United States business interests
17 and investments in the region.

18 (c) *DEFINITION.*—In this section, the term “countries
19 of the South Caucasus and Central Asia” means Armenia,
20 Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan,
21 Turkmenistan, and Uzbekistan.

22 **PROMOTION OF RELIGIOUS FREEDOM AND HUMAN RIGHTS**

23 SEC. 582. (a) *REPORTS.*—Not later than March 30,
24 1998, and each subsequent year thereafter, the Secretary of
25 State shall submit to the International Relations Committee
26 of the House of Representatives and the Foreign Relations

1 Committee of the Senate an annual report on religious per-
2 secution on a country-by-country basis. Reports shall in-
3 clude a list of individuals who have been materially in-
4 volved in the commission of acts of persecution that are mo-
5 tivated by a person's religion.

6 (b) PRISONER INFORMATION REGISTRY.—The Sec-
7 retary of State shall establish a Prisoner Information Reg-
8 istry which shall provide information on all political pris-
9 oners, prisoners of conscience, and prisoners of faith on a
10 country-by-country basis. Such information shall include
11 the charges, judicial processes, administrative actions, use
12 of forced labor, incidences of torture, length of imprison-
13 ment, physical and health conditions, and other matters re-
14 lated to the incarceration of such prisoners. The Secretary
15 of State is authorized to make funds available to nongovern-
16 mental organizations presently engaged in monitoring ac-
17 tivities regarding such prisoners to assist in the creation
18 and maintenance of the registry.

19 (c) SENSE OF CONGRESS CONCERNING ESTABLISH-
20 MENT OF A COMMISSION ON SECURITY AND COOPERATION
21 IN ASIA.—It is the sense of the Congress that Congress, the
22 President, and the Secretary of State should work with the
23 governments of the People's Republic of China and other
24 countries to establish a Commission on Security and Co-

1 operation in Asia which would be modeled after the Com-
2 mission on Security and Cooperation in Europe.

3 UNITED STATES INTELLIGENCE ACTIVITIES RELATED TO
4 MONITORING HUMAN RIGHTS ABUSES AND RELIGIOUS
5 PERSECUTION

6 SEC. 583. (a) IN GENERAL.—The President shall de-
7 vote additional personnel and resources to gathering intel-
8 ligence information regarding human rights abuses and
9 acts of religious persecution.

10 (b) REPORT.—Not later than March 30, 1998, the
11 President shall submit to the Permanent Select Committee
12 on Intelligence of the House of Representatives and the Se-
13 lect Committee on Intelligence of the Senate a report on
14 the number of personnel and resources that are being de-
15 voted to gathering intelligence information regarding
16 human rights abuses and acts of religious persecution.

17 WILDLIFE CONSERVATION

18 SEC. 584. Of the funds appropriated by this Act, not
19 more than \$2,900,000 may be made available for the Com-
20 munal Areas Management Programme for Indigenous Re-
21 sources (CAMPFIRE) in Zimbabwe: Provided, That none
22 of the funds appropriated by this Act may be used to di-
23 rectly finance the trophy hunting of elephants or other en-
24 dangered species as defined in the Convention on Inter-
25 national Trade in Endangered Species of Flora and Fauna
26 (CITES) or the Endangered Species Act: Provided further,

1 *That the funds appropriated by this Act that are provided*
2 *under the CAMPFIRE program may not be used for activi-*
3 *ties with the express intent to lobby or otherwise influence*
4 *international conventions or treaties, or United States Gov-*
5 *ernment decision makers: Provided further, That funds ap-*
6 *propriated by this Act that are made available for the*
7 *CAMPFIRE program may be used only in Zimbabwe for*
8 *the purpose of maximizing benefits to rural people while*
9 *strengthening natural resources management institutions:*
10 *Provided further, That not later than March 1, 1998, the*
11 *Administrator of the Agency for International Development*
12 *shall submit a report to the appropriate congressional com-*
13 *mittees describing the steps taken to implement the CAMP-*
14 *FIRE program, the impact of the program on the people*
15 *and wildlife of CAMPFIRE districts, alternatives to trophy*
16 *hunting as a means of generating income for CAMPFIRE*
17 *districts, and a description of how funds made available*
18 *for CAMPFIRE in fiscal year 1998 are to be used.*

19 **DEMOCRACY-BUILDING ACTIVITY IN PAKISTAN**

20 *SEC. 585. (a) OPIC.—Section 239(f) of the Foreign*
21 *Assistance Act of 1961 (22 U.S.C. 2199(f)) is amended by*
22 *inserting “, or Pakistan” after “China”.*

23 *(b) TRAINING ACTIVITY.—Section 638(b) of the For-*
24 *eign Assistance Act of 1961 (22 U.S.C. 2398(b)) is amend-*
25 *ed—*

1 (1) by inserting “or any activity to promote the
2 development of democratic institutions” after “activ-
3 ity”; and

4 (2) by inserting “, Pakistan,” after “Brazil”.

5 (c) *TRADE AND DEVELOPMENT*.—It is the sense of
6 Congress that the Director of the Trade and Development
7 Agency should use funds made available to carry out the
8 provisions of section 661 of the Foreign Assistance Act of
9 1961 (22 U.S.C. 2421) to promote United States exports
10 to Pakistan.

11 SENSE OF THE SENATE ON THE EUROPEAN COMMISSION’S

12 *HANDLING OF THE BOEING AND MCDONNELL DOUGLAS*

13 *MERGER*

14 SEC. 586. (a) *FINDINGS*.—(1) The Boeing Company
15 and McDonnell Douglas have announced their merger; and
16 (2) the Department of Defense has approved that merg-
17 er as consistent with the national security of the United
18 States; and

19 (3) the Federal Trade Commission has found that
20 merger not to violate the anti-trust laws of the United
21 States; and

22 (4) the European Commission has consistently criti-
23 cized and threatened the merger before, during and after
24 its consideration of the facts; and

25 (5) the sole true reason for the European Commission’s
26 criticism and imminent disapproval of the merger is to

1 gain an unfair competitive advantage for Airbus, a govern-
2 ment owned aircraft manufacturer.

3 (b) SENSE OF SENATE.—Now therefore, it is the sense
4 of the Senate that—

5 (1) any such disapproval on the part of the Eu-
6 ropean Commission would constitute an unwarranted
7 and unprecedented interference in a United States
8 business transaction that would threaten thousands of
9 American aerospace jobs; and

10 (2) the Senate suggests that the President take
11 such actions as he deems appropriate to protect Unit-
12 ed States interests in connection therewith.

13 RESTRICTION ON ASSISTANCE MADE TO THE PALESTINIAN

14 AUTHORITY

15 SEC. 587. None of the funds appropriated or otherwise
16 made available by this Act may be obligated or expended
17 with respect to providing funds to the Palestinian Author-
18 ity, unless the President certifies to Congress that—

19 (1) the Palestinian Authority is using its maxi-
20 mum efforts to combat terrorism, and, in accordance
21 with the Oslo Accords, has ceased the use of violence,
22 threat of violence, or incitement to violence as a tool
23 of the Palestinian Authority's policy toward Israel;

24 (2) after a full investigation by the Department
25 of Justice, the Executive branch of Government con-

1 *cludes that Chairman Arafat had no prior knowledge
2 of the World Trade Center bombing; and*

3 *(3) after a full inquiry by the Department of
4 State, the Executive branch of Government concludes
5 that Chairman Arafat did not authorize and did not
6 fail to use his authority to prevent the Tel Aviv cafe
7 bombing of March 21, 1997.*

8 **USE OF FUNDS FOR THE UNITED STATES-ASIA**

9 **ENVIRONMENTAL PARTNERSHIP**

10 *SEC. 588. Notwithstanding any other provision of law
11 that restricts assistance to foreign countries, funds appro-
12 priated by this or any other Act making appropriations
13 pursuant to part I of the Foreign Assistance Act of 1961
14 that are made available for the United States-Asia Envi-
15 ronmental Partnership may be made available for activities
16 for the People's Republic of China.*

17 **REQUIREMENTS FOR THE REPORTING TO CONGRESS OF
18 THE COSTS TO THE FEDERAL GOVERNMENT ASSOCI-
19 ATED WITH THE PROPOSED AGREEMENT TO REDUCE
20 GREENHOUSE GAS EMISSIONS**

21 *SEC. 589. The President shall provide to the Congress
22 a detailed account of all Federal agency obligations and ex-
23 penditures for climate change programs and activities, do-
24 mestic and international, for fiscal year 1997, planned obli-
25 gations for such activities in fiscal year 1998, and any plan
26 for programs thereafter in the context of negotiations to*

1 amend the Framework Convention on Climate Change
2 (FCCC) to be provided to the appropriate congressional
3 committees no later than October 15, 1997.

4 AUTHORITY TO ISSUE INSURANCE AND EXTEND FINANCING

5 SEC. 590. (a) IN GENERAL.—Section 235(a) of the
6 Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)) is
7 amended—

8 (1) by striking paragraphs (1) and (2)(A) and
9 inserting the following:

10 “(1) INSURANCE AND FINANCING.—(A) The max-
11 imum contingent liability outstanding at any one
12 time pursuant to insurance issued under section
13 234(a), and the amount of financing issued under sec-
14 tions 234 (b) and (c), shall not exceed in the aggre-
15 gate \$29,000,000,000.”;

16 (2) by redesignating paragraph (3) as para-
17 graph (2); and

18 (3) by amending paragraph (2) (as so redesi-
19 gnedated) by striking “1997” and inserting “1999”.

20 (b) CONFORMING AMENDMENT.—Paragraph (2) of sec-
21 tion 235(a) of that Act (22 U.S.C. 2195(a)), as redesignated
22 by subsection (a), is further amended by striking “(a) and
23 (b)” and inserting “(a), (b), and (c)”.

1 *WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING*2 *UNITED NATIONS SANCTIONS AGAINST LIBYA*

3 *SEC. 591. (a) WITHHOLDING OF ASSISTANCE.—Except*
4 *as provided in subsection (b), whenever the President deter-*
5 *mines and certifies to Congress that the government of any*
6 *country is violating any sanction against Libya imposed*
7 *pursuant to United Nations Security Council Resolution*
8 *731, 748, or 883, then not less than 5 percent of the funds*
9 *allocated for the country under section 653(a) of the Foreign*
10 *Assistance Act of 1961 out of appropriations in this Act*
11 *shall be withheld from obligation and expenditure for that*
12 *country.*

13 *(b) EXCEPTION.—The requirement to withhold funds*
14 *under subsection (a) shall not apply to funds appropriated*
15 *in this Act for allocation under section 653(a) of the For-*
16 *eign Assistance Act of 1961 for development assistance or*
17 *for humanitarian assistance.*

18 *WAR CRIMES PROSECUTION*

19 *SEC. 592. Section 2401 of title 18, United States Code*
20 *(Public Law 104–192; the War Crimes Act of 1996) is*
21 *amended as follows—*

22 *(1) in subsection (a), by striking “commits a*
23 *grave breach of the Geneva Conventions” and insert-*
24 *ing in lieu thereof “commits a war crime”;*
25 *(2) in subsection (b)—*

1 (A) by striking “the person committing such
2 breach or the victim of such breach” and inserting
3 in lieu thereof “the person committing such
4 crime or the victim of such crime”; and

5 (B) by inserting before the period at the end
6 of the subsection “or that the person committing
7 such crime is later found in the United States
8 after such crime is committed”;

9 (3) in subsection (c)—

10 (A) by striking “the term ‘grave breach of
11 the Geneva Conventions’ means conduct defined
12 as” and inserting in lieu thereof “the term ‘war
13 crime’ means conduct (1) defined as”; and

14 (B) by inserting the following before the pe-
15 riod at the end—

16 “; (2) prohibited by Articles 23, 25, 27, or 28 of
17 the Annex to the Hague Convention IV, Respecting
18 the Laws and Customs of War on Land, signed on
19 October, 1907; (3) which constitutes a violation of
20 common Article 3 of the international conventions
21 signed at Geneva on August 1949; or (4) of a person
22 who, in relation to an armed conflict and contrary to
23 the provisions of the Protocol on Prohibitions or Re-
24 strictions on the Use of Mines, Booby-traps and Other
25 Devices as amended at Geneva on 3 May 1996 (Proto-

1 *col II as amended on 3 May 1996), when the United*
2 *States is a party to such Protocol, willfully kills or*
3 *causes serious injury to civilians”;*

4 (4) by adding a new subsection (d) to read as
5 *follows:*

6 “(d) NOTIFICATION.—No prosecution of any
7 *crime prohibited in this section shall be undertaken*
8 *by the United States except upon the written notifica-*
9 *tion to the Congress by the Attorney General or his*
10 *designee that in his judgment a prosecution by the*
11 *United States is in the national interest and nec-*
12 *essary to secure substantial justice.”.*

13 **REFORM AND REVIEW OF UNITED STATES SPONSORED**
14 **TRAINING PROGRAMS**

15 SEC. 593. (a) FINDINGS.—Congress makes the follow-
16 *ing findings:*

17 (1) *United States training of members of Latin*
18 *American military and security forces that occurred*
19 *primarily at the Army School of the Americas be-*
20 *tween 1982 and 1991 has been severely criticized for*
21 *promoting practices that have contributed to the vio-*
22 *lation of human rights and have otherwise been in-*
23 *consistent with the appropriate role of the Armed*
24 *Forces in a democratic society.*

25 (2) *Numerous members of Latin American mili-*
26 *tary and security forces who have participated in*

1 *United States sponsored training programs, have sub-*
2 *sequently been identified as having masterminded,*
3 *participated in, or sought to cover up some of the*
4 *most heinous human rights abuses in the region.*

5 *(3) United States interests in Latin America*
6 *would be better served if Latin American military*
7 *personnel were exposed to training programs designed*
8 *to promote—*

9 *(A) proper management of scarce national*
10 *defense resources,*

11 *(B) improvements in national systems of*
12 *justice in accordance with internationally recog-*
13 *nized principles of human rights, and*

14 *(C) greater respect and understanding of the*
15 *principle of civilian control of the military.*

16 *(4) In 1989, Congress mandated that the Depart-*
17 *ment of Defense institute new training programs*
18 *(commonly referred to as expanded IMET) with funds*
19 *made available for international military and edu-*
20 *cation programs in order to promote the interests de-*
21 *scribed in paragraph (3). Congress also expanded the*
22 *definition of eligibility for such training to include*
23 *non-defense government personnel from countries in*
24 *Latin America.*

1 (5) Despite congressionally mandated emphasis
2 on expanded IMET training programs, only 4 of the
3 more than 50 courses offered annually at the United
4 States Army School of the Americas qualify as ex-
5 panded IMET.

6 (b) LIMITATION ON USE OF FUNDS.—Notwithstanding
7 any other provision of law, none of the funds appropriated
8 in this Act under the heading relating to international mili-
9 tary education and training may be made available for
10 training members of any Latin American military or secu-
11 rity force until—

12 (1) the Secretary of Defense has advised the Sec-
13 retary of State in writing that 30 percent of IMET
14 funds appropriated for fiscal year 1998 for the cost
15 of Latin American participants in IMET programs
16 will be disbursed only for the purpose of supporting
17 enrollment of such participants in expanded IMET
18 courses; and

19 (2) the Secretary of State has identified suffi-
20 cient numbers of qualified, non-military personnel
21 from countries in Latin America to participate in
22 IMET programs during fiscal year 1998 in consulta-
23 tion with the Secretary of Defense, and has instructed
24 United States embassies in the hemisphere to approve
25 their participation in such programs so that not less

1 than 25 percent of the individuals from Latin Amer-
2 ican countries attending United States supported
3 IMET programs are civilians.

4 (c) REPORT.—Not later than 1 year after the date of
5 enactment of this Act, the Secretary of State shall report
6 in writing to the appropriate committees of Congress on
7 the progress made to improve military training of Latin
8 American participants in the areas of human rights and
9 civilian control of the military. The Secretary shall include
10 in the report plans for implementing additional expanded
11 IMET programs for Latin America during the next 3 fiscal
12 years.

13 LIBERATION TIGERS OF TAMIL EELAM

14 SEC. 594. SENSE OF SENATE.—It is the sense of the
15 Senate that the Department of State should list the Libera-
16 tion Tigers of Tamil Eelam as a terrorist organization.

17 LIMITATION ON INTERNATIONAL MILITARY EDUCATION AND

18 TRAINING ASSISTANCE FOR PERU

19 SEC. 595. None of the funds appropriated or otherwise
20 made available by this Act may be provided to the Govern-
21 ment of Peru for international military education and
22 training under chapter 5 of part II of the Foreign Assist-
23 ance Act of 1961, unless the President certifies to Congress
24 that the Government of Peru is taking all necessary steps
25 to ensure that United States citizens held in prisons in Peru

1 are accorded timely, open, and fair legal proceedings in ci-
2 vilian courts.

3 LIMIT AID TO THE GOVERNMENT OF CONGO UNTIL

4 PRESIDENTIAL CERTIFICATION

5 SEC. 596. None of the funds appropriated or otherwise
6 made available by this Act may be provided to the Govern-
7 ment of Congo until such time as the President reports in
8 writing to the Congress that the Government of Congo is
9 cooperating fully with investigators from the United Na-
10 tions or any other international relief organizations in ac-
11 counting for human rights violations or atrocities commit-
12 ted in Congo or adjacent countries.

13 *Titles I through V of this Act may be cited as the “For-*
14 *eign Operations, Export Financing, and Related Programs*
15 *Appropriations Act, 1998”.*

Passed the House of Representatives September 4,
1997.

Attest: ROBIN H. CARLE,
Clerk.

Passed the Senate September 5, 1997.

Attest: GARY SISCO,
Secretary.