

104TH CONGRESS
2^D SESSION

H. R. 3540

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 1996

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, 1997, 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, 1997, 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-

1 appropriated by this paragraph shall remain available
2 until expended and may be used for tied-aid grant pur-
3 poses: *Provided further*, That none of the funds appro-
4 priated by this paragraph may be used for tied-aid credits
5 or grants except through the regular notification proce-
6 dures of the Committees on Appropriations: *Provided fur-*
7 *ther*, That funds appropriated by this paragraph are made
8 available notwithstanding section 2(b)(2) of the Export-
9 Import Bank Act of 1945, in connection with the purchase
10 or lease of any product by any East European country,
11 any Baltic State, or any agency or national thereof.

12 ADMINISTRATIVE EXPENSES

13 For administrative expenses to carry out the direct
14 and guaranteed loan and insurance programs (to be com-
15 puted on an accrual basis), including hire of passenger
16 motor vehicles and services as authorized by 5 U.S.C.
17 3109, and not to exceed \$20,000 for official reception and
18 representation expenses for members of the Board of Di-
19 rectors, \$47,614,000 (reduced by \$1,000,000): *Provided*,
20 That necessary expenses (including special services per-
21 formed on a contract or fee basis, but not including other
22 personal services) in connection with the collection of mon-
23 eys owed the Export-Import Bank, repossession or sale of
24 pledged collateral or other assets acquired by the Export-
25 Import Bank in satisfaction of moneys owed the Export-
26 Import Bank, or the investigation or appraisal of any

1 property, or the evaluation of the legal or technical aspects
 2 of any transaction for which an application for a loan,
 3 guarantee or insurance commitment has been made, shall
 4 be considered nonadministrative expenses for the purposes
 5 of this heading: *Provided further*, That, notwithstanding
 6 subsection (b) of section 117 of the Export Enhancement
 7 Act of 1992, subsection (a) thereof shall remain in effect
 8 until October 1, 1997.

9 OVERSEAS PRIVATE INVESTMENT CORPORATION

10 NONCREDIT ACCOUNT

11 The Overseas Private Investment Corporation is au-
 12 thorized to make, without regard to fiscal year limitations,
 13 as provided by 31 U.S.C. 9104, such expenditures and
 14 commitments within the limits of funds available to it and
 15 in accordance with law as may be necessary: *Provided*,
 16 That the amount available for administrative expenses to
 17 carry out the credit and insurance programs (including an
 18 amount for official reception and representation expenses
 19 which shall not exceed \$35,000) shall not exceed
 20 \$30,000,000: *Provided further*, That project-specific trans-
 21 action costs, including direct and indirect costs incurred
 22 in claims settlements, and other direct costs associated
 23 with services provided to specific investors or potential in-
 24 vestors pursuant to section 234 of the Foreign Assistance
 25 Act of 1961, shall not be considered administrative ex-
 26 penses for the purposes of this heading.

1 PROGRAM ACCOUNT

2 For the cost of direct and guaranteed loans,
3 \$72,000,000, as authorized by section 234 of the Foreign
4 Assistance Act of 1961: *Provided*, That such costs, includ-
5 ing the cost of modifying such loans, shall be as defined
6 in section 502 of the Congressional Budget Act of 1974:
7 *Provided further*, That such sums shall be available for di-
8 rect loan obligations and loan guaranty commitments in-
9 curred or made during fiscal years 1997 and 1998: *Pro-*
10 *vided further*, That such sums shall remain available
11 through fiscal year 2005 for the disbursement of direct
12 and guaranteed loans obligated in fiscal year 1997, and
13 through fiscal year 2006 for the disbursement of direct
14 and guaranteed loans obligated in fiscal year 1998. In ad-
15 dition, such sums as may be necessary for administrative
16 expenses to carry out the credit program may be derived
17 from amounts available for administrative expenses to
18 carry out the credit and insurance programs in the Over-
19 seas Private Investment Corporation Noncredit Account
20 and merged with said account.

21 FUNDS APPROPRIATED TO THE PRESIDENT

22 TRADE AND DEVELOPMENT AGENCY

23 For necessary expenses to carry out the provisions
24 of section 661 of the Foreign Assistance Act of 1961,
25 \$38,000,000, to remain available for obligation until Sep-

1 tember 30, 1998: *Provided*, That the Trade and Develop-
 2 ment Agency may receive reimbursements from corpora-
 3 tions and other entities for the costs of grants for feasibil-
 4 ity studies and other project planning services, to be de-
 5 posited as an offsetting collection to this account and to
 6 be available for obligation until September 30, 1998, for
 7 necessary expenses under this paragraph: *Provided fur-*
 8 *ther*, That such reimbursements shall not cover, or be allo-
 9 cated against, direct or indirect administrative costs of the
 10 agency.

11 TITLE II—BILATERAL ECONOMIC ASSISTANCE

12 FUNDS APPROPRIATED TO THE PRESIDENT

13 For expenses necessary to enable the President to
 14 carry out the provisions of the Foreign Assistance Act of
 15 1961, and for other purposes, to remain available until
 16 September 30, 1997, unless otherwise specified herein, as
 17 follows:

18 AGENCY FOR INTERNATIONAL DEVELOPMENT

19 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

20 For necessary expenses to carry out the provisions
 21 of part I and chapter 4 of part II of the Foreign Assist-
 22 ance Act of 1961, for child survival, basic education, as-
 23 sistance to combat tropical and other diseases, and related
 24 activities, in addition to funds otherwise available for such
 25 purposes, \$600,000,000, to remain available until ex-
 26 pende*d*: *Provided*, That this amount shall be made avail-

1 able for such activities as (1) immunization programs, (2)
2 oral rehydration programs, (3) health and nutrition pro-
3 grams, and related education programs, which address the
4 needs of mothers and children, (4) water and sanitation
5 programs, (5) assistance for displaced and orphaned chil-
6 dren, (6) programs for the prevention, treatment, and con-
7 trol of, and research on, tuberculosis, HIV/AIDS, polio,
8 malaria and other diseases, (7) not to exceed \$98,000,000
9 for basic education programs for children, and (8) a con-
10 tribution on a grant basis to the United Nations Chil-
11 dren's Fund (UNICEF) pursuant to section 301 of the
12 Foreign Assistance Act of 1961.

13 DEVELOPMENT ASSISTANCE

14 (INCLUDING TRANSFER OF FUNDS)

15 For necessary expenses to carry out the provisions
16 of sections 103 through 106 and chapter 10 of part I of
17 the Foreign Assistance Act of 1961, \$1,150,000,000, to
18 remain available until September 30, 1998: *Provided*,
19 That none of the funds made available in this Act nor
20 any unobligated balances from prior appropriations may
21 be made available to any organization or program which,
22 as determined by the President of the United States, sup-
23 ports or participates in the management of a program of
24 coercive abortion or involuntary sterilization: *Provided fur-*
25 *ther*, That none of the funds made available under this
26 heading may be used to pay for the performance of abor-

1 tion as a method of family planning or to motivate or co-
2 erce any person to practice abortions; and that in order
3 to reduce reliance on abortion in developing nations, funds
4 shall be available only to voluntary family planning
5 projects which offer, either directly or through referral to,
6 or information about access to, a broad range of family
7 planning methods and services: *Provided further,* That in
8 awarding grants for natural family planning under section
9 104 of the Foreign Assistance Act of 1961 no applicant
10 shall be discriminated against because of such applicant's
11 religious or conscientious commitment to offer only natu-
12 ral family planning; and, additionally, all such applicants
13 shall comply with the requirements of the previous proviso:
14 *Provided further,* That for purposes of this or any other
15 Act authorizing or appropriating funds for foreign oper-
16 ations, export financing, and related programs, the term
17 "motivate", as it relates to family planning assistance,
18 shall not be construed to prohibit the provision, consistent
19 with local law, of information or counseling about all preg-
20 nancy options: *Provided further,* That nothing in this para-
21 graph shall be construed to alter any existing statutory
22 prohibitions against abortion under section 104 of the
23 Foreign Assistance Act of 1961: *Provided further,* That
24 the total amount of funds appropriated under this heading
25 and under the heading "Child Survival and Disease Pro-

1 grams Fund'' should be made available for each of the
2 sub-Saharan Africa and Latin America and Caribbean re-
3 gions in at least the same proportion as the total amount
4 identified in the fiscal year 1997 draft congressional pres-
5 entation document for development assistance for each
6 such region is to the total amount requested for develop-
7 ment assistance for such fiscal year.

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 II 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 II 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, \$10,000,000, to remain available
26 until expended: *Provided*, That none of the funds appro-

1 priated under this heading shall be obligated or expended
2 except as provided through the regular notification proce-
3 dures of the Committees on Appropriations.

4 MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM
5 ACCOUNT

6 For the cost of direct loans and loan guarantees,
7 \$1,500,000, as authorized by section 108 of the Foreign
8 Assistance Act of 1961, as amended: *Provided*, That such
9 costs shall be as defined in section 502 of the Congres-
10 sional Budget Act of 1974: *Provided further*, That guaran-
11 tees of loans made under this heading in support of micro-
12 enterprise activities may guarantee up to 70 percent of
13 the principal amount of any such loans notwithstanding
14 section 108 of the Foreign Assistance Act of 1961. In ad-
15 dition, for administrative expenses to carry out programs
16 under this heading, \$500,000, all of which may be trans-
17 ferred to and merged with the appropriation for Operating
18 Expenses of the Agency for International Development:
19 *Provided further*, That funds made available under this
20 heading shall remain available until September 30, 1998.

21 HOUSING GUARANTY PROGRAM ACCOUNT

22 For the cost, as defined in section 502 of the Con-
23 gressional Budget Act of 1974, of guaranteed loans au-
24 thorized by sections 221 and 222 of the Foreign Assist-
25 ance Act of 1961, \$500,000, to remain available until Sep-
26 tember 30, 1998: *Provided*, That these funds are available

1 to subsidize loan principal, 100 percent of which shall be
2 guaranteed, pursuant to the authority of such sections. In
3 addition, for administrative expenses to carry out guaran-
4 teed loan programs, \$6,000,000, all of which may be
5 transferred to and merged with the appropriation for Op-
6 erating Expenses of the Agency for International Develop-
7 ment: *Provided further*, That commitments to guarantee
8 loans under this heading may be entered into notwith-
9 standing the second and third sentences of section 222(a)
10 and, with regard to programs for the benefit of South Af-
11 ricans disadvantaged by apartheid, section 223(j) of the
12 Foreign Assistance Act of 1961: *Provided further*, That
13 funds appropriated under this heading for the cost of
14 guaranteed loans may be made available for obligation
15 only for activities in South Africa.

16 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND
17 DISABILITY FUND

18 For payment to the “Foreign Service Retirement and
19 Disability Fund”, as authorized by the Foreign Service
20 Act of 1980, \$43,826,000.

21 OPERATING EXPENSES OF THE AGENCY FOR
22 INTERNATIONAL DEVELOPMENT

23 For necessary expenses to carry out the provisions
24 of section 667, \$465,750,000: *Provided*, That of this
25 amount not more than \$1,475,000 may be made available
26 to pay for printing costs: *Provided further*, That none of

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

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

11 For necessary expenses to carry out the provisions
 12 of section 667, \$30,000,000, to remain available until Sep-
 13 tember 30, 1998, which sum shall be available for the Of-
 14 fice of the Inspector General of the Agency for Inter-
 15 national Development.

16 OTHER BILATERAL ECONOMIC ASSISTANCE
 17 ECONOMIC SUPPORT FUND

18 For necessary expenses to carry out the provisions
 19 of chapter 4 of part II, \$2,336,000,000, to remain avail-
 20 able until September 30, 1998: *Provided*, That any funds
 21 appropriated under this heading that are made available
 22 for Israel shall be available on a grant basis as a cash
 23 transfer and shall be disbursed within thirty days of enact-
 24 ment of this Act or by October 31, 1996, whichever is
 25 later: *Provided further*, That none of the funds appro-

1 priated under this heading shall be made available for
2 Zaire.

3 INTERNATIONAL FUND FOR IRELAND

4 For necessary expenses to carry out the provisions
5 of chapter 4 of part II of the Foreign Assistance Act of
6 1961, \$19,600,000, which shall be available for the United
7 States contribution to the International Fund for Ireland
8 and shall be made available in accordance with the provi-
9 sions of the Anglo-Irish Agreement Support Act of 1986
10 (Public Law 99-415): *Provided*, That such amount shall
11 be expended at the minimum rate necessary to make time-
12 ly payment for projects and activities: *Provided further*,
13 That funds made available under this heading shall re-
14 main available until September 30, 1998.

15 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
16 STATES

17 (a) For necessary expenses to carry out the provisions
18 of the Foreign Assistance Act of 1961 and the Support
19 for East European Democracy (SEED) Act of 1989,
20 \$475,000,000, to remain available until September 30,
21 1998, which shall be available, notwithstanding any other
22 provision of law, for economic assistance and for related
23 programs for Eastern Europe and the Baltic States.

24 (b) Funds appropriated under this heading or in prior
25 appropriations Acts that are or have been made available
26 for an Enterprise Fund may be deposited by such Fund

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

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

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

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

1 commercial contracts, and equitable treatment of
2 foreign private investment; and

3 ~~(2)~~ if that Government applies or transfers
4 United States assistance to any entity for the pur-
5 pose of expropriating or seizing ownership or control
6 of assets, investments, or ventures.

7 (c) Funds may be furnished without regard to sub-
8 section (b) if the President determines that to do so is
9 in the national interest.

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

24 (e) None of the funds appropriated under this head-
25 ing for the new independent states of the former Soviet

1 Union shall be made available for any state to enhance
2 its military capability: *Provided*, That this restriction does
3 not apply to demilitarization or nonproliferation programs.

4 (f) Funds appropriated under this heading shall be
5 subject to the regular notification procedures of the Com-
6 mittees on Appropriations.

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

12 (h) Funds appropriated under this heading may be
13 made available for assistance for Mongolia.

14 (i) Funds made available in this Act for assistance
15 to the New Independent States of the former Soviet Union
16 shall be provided to the maximum extent feasible through
17 the private sector, including small- and medium-size busi-
18 nesses, entrepreneurs, and others with indigenous private
19 enterprises in the region, intermediary development orga-
20 nizations committed to private enterprise, and private vol-
21 untary organizations: *Provided*, That grantees and con-
22 tractors should, to the maximum extent possible, place in
23 key staff positions specialists with prior on the ground ex-
24 pertise in the region of activity and fluency in one of the
25 local languages.

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

12 (k)(1) None of the funds appropriated under this
13 heading may be made available for Russia unless the
14 President determines and certifies in writing to the Com-
15 mittees on Appropriations that the Government of Russia
16 has terminated implementation of arrangements to pro-
17 vide Iran with technical expertise, training, technology, or
18 equipment necessary to develop a nuclear reactor or relat-
19 ed nuclear research facilities or programs.

20 (2) Subparagraph (1) shall not apply if the President
21 determines and reports to the Committees on Appropria-
22 tions that making such funds available is important to the
23 national security interest of the United States. Any such
24 determination shall cease to be effective six months after
25 being made unless the President determines that its con-

1 continuation is important to the national security interest of
2 the United States.

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

14 (m)(1) Notwithstanding section 907 of the FREE-
15 DOM Support Act or any other provision of law, non-
16 governmental organizations and private voluntary organi-
17 zations shall not be precluded from using facilities or vehi-
18 cles of the Government of Azerbaijan to provide humani-
19 tarian assistance to refugees and internally displaced per-
20 sons in Azerbaijan with funds made available under this
21 heading, or from using such assistance to make necessary
22 repairs to such facilities (such as health clinics and hous-
23 ing) or vehicles that are used to provide the assistance.

24 (2) Humanitarian assistance may be provided with
25 funds made available under this heading to refugees and

1 internally displaced persons in Azerbaijan only if humani-
2 tarian assistance is also provided to refugees and inter-
3 nally displaced persons in Nagorno-Karabagh with funds
4 made available under this heading, in accordance with
5 paragraph (3).

6 (3) Humanitarian assistance may be provided with
7 funds made available under this heading to refugees and
8 internally displaced persons in Azerbaijan and Nagorno-
9 Karabagh only in the proportion that the number of refu-
10 gees and internally displaced persons in Azerbaijan and
11 Nagorno-Karabagh, respectively, bears to the total num-
12 ber of refugees and internally displaced persons in both
13 Azerbaijan and Nagorno-Karabagh, but in no case more
14 than \$7 to Azerbaijan for every dollar to Nagorno-
15 Karabagh.

16 INDEPENDENT AGENCIES

17 AFRICAN DEVELOPMENT FOUNDATION

18 For necessary expenses to carry out the provisions
19 of title V of the International Security and Development
20 Cooperation Act of 1980, Public Law 96-533, and to
21 make such contracts and commitments without regard to
22 fiscal year limitations, as provided by 31 U.S.C. 9104,
23 \$11,500,000: *Provided*, That when, with the permission
24 of the President of the Foundation, funds made available
25 to a grantee are invested pending disbursement, the re-

1 sulting interest is not required to be deposited in the Unit-
2 ed States Treasury if the grantee uses the resulting inter-
3 est for the purpose for which the grant was made: *Pro-*
4 *vided further*, That this provision applies with respect to
5 both interest earned before and interest earned after the
6 enactment of this provision: *Provided further*, That not-
7 withstanding section 505(a)(2) of the African Develop-
8 ment Foundation Act, in exceptional circumstances the
9 board of directors of the Foundation may waive the
10 \$250,000 limitation contained in that section with respect
11 to a project: *Provided further*, That the Foundation shall
12 provide a report to the Committees on Appropriations
13 after each time such waiver authority is exercised.

14 INTER-AMERICAN FOUNDATION

15 For expenses necessary to carry out the functions of
16 the Inter-American Foundation in accordance with the
17 provisions of section 401 of the Foreign Assistance Act
18 of 1969, and to make such contracts and commitments
19 without regard to fiscal year limitations, as provided by
20 31 U.S.C. 9104, \$20,000,000.

21 PEACE CORPS

22 For expenses necessary to carry out the provisions
23 of the Peace Corps Act (75 Stat. 612), \$212,000,000, in-
24 cluding the purchase of not to exceed five passenger motor
25 vehicles for administrative purposes for use outside of the
26 United States: *Provided*, That none of the funds appro-

1 priated under this heading shall be used to pay for abor-
2 tions: *Provided further*, That funds appropriated under
3 this heading shall remain available until September 30,
4 1998.

5 DEPARTMENT OF STATE

6 INTERNATIONAL NARCOTICS CONTROL

7 For necessary expenses to carry out section 481 of
8 the Foreign Assistance Act of 1961, \$150,000,000: *Pro-*
9 *vided*, That during fiscal year 1997, the Department of
10 State may also use the authority of section 608 of the
11 Act, without regard to its restrictions, to receive non-lethal
12 excess property from an agency of the United States Gov-
13 ernment for the purpose of providing it to a foreign coun-
14 try under chapter 8 of part I of that Act subject to the
15 regular notification procedures of the Committees on Ap-
16 propriations.

17 MIGRATION AND REFUGEE ASSISTANCE

18 For expenses, not otherwise provided for, necessary
19 to enable the Secretary of State to provide, as authorized
20 by law, a contribution to the International Committee of
21 the Red Cross, assistance to refugees, including contribu-
22 tions to the International Organization for Migration and
23 the United Nations High Commissioner for Refugees, and
24 other activities to meet refugee and migration needs; sala-
25 ries and expenses of personnel and dependents as author-
26 ized by the Foreign Service Act of 1980; allowances as

1 authorized by sections 5921 through 5925 of title 5, Unit-
 2 ed States Code; purchase and hire of passenger motor ve-
 3 hicles; and services as authorized by section 3109 of title
 4 5, United States Code, \$650,000,000: *Provided*, That not
 5 more than \$12,000,000 shall be available for administra-
 6 tive expenses: *Provided further*, That obligations of funds
 7 to the United Nations High Commissioner for Refugees
 8 for support of refugees from Rwanda shall be subject to
 9 the regular notification procedures of the Committees on
 10 Appropriations.

11 REFUGEE RESETTLEMENT ASSISTANCE

12 For necessary expenses for the targeted assistance
 13 program authorized by title IV of the Immigration and
 14 Nationality Act and section 501 of the Refugee Education
 15 Assistance Act of 1980 and administered by the Office of
 16 Refugee Resettlement of the Department of Health and
 17 Human Services, in addition to amounts otherwise avail-
 18 able for such purposes, \$5,000,000.

19 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
 20 ASSISTANCE FUND

21 For necessary expenses to carry out the provisions
 22 of section 2(e) of the Migration and Refugee Assistance
 23 Act of 1962, as amended (22 U.S.C. 260(e)),
 24 \$50,000,000, to remain available until expended: *Pro-*
 25 *vided*, That the funds made available under this heading
 26 are appropriated notwithstanding the provisions contained

1 in section 2(c)(2) of the Act which would limit the amount
2 of funds which could be appropriated for this purpose.

3 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
4 RELATED PROGRAMS

5 For necessary expenses for nonproliferation, anti-ter-
6 rorism and related programs and activities, \$135,000,000,
7 to carry out the provisions of chapter 8 of part II of the
8 Foreign Assistance Act of 1961 for anti-terrorism assist-
9 ance, section 504 of the FREEDOM Support Act for the
10 Nonproliferation and Disarmament Fund, section 23 of the
11 Arms Export Control Act for demining activities, notwith-
12 standing any other provision of law, including activities
13 implemented through nongovernmental and international
14 organizations, section 301 of the Foreign Assistance Act
15 of 1961 for a voluntary contribution to the International
16 Atomic Energy Agency (IAEA) and a voluntary contribu-
17 tion to the Korean Peninsula Energy Development Orga-
18 nization (KEDO), and for the acquisition and provision
19 of goods and services, or for grants to Israel necessary
20 to support the eradication of terrorism in and around Is-
21 rael: *Provided*, That of this amount not to exceed
22 \$15,000,000, to remain available until expended, may be
23 made available for the Nonproliferation and Disarmament
24 Fund, notwithstanding any other provision of law, to pro-
25 mote bilateral and multilateral activities relating to non-
26 proliferation and disarmament: *Provided further*, That

1 such funds may also be used for such countries other than
2 the new independent states of the former Soviet Union
3 and international organizations when it is in the national
4 security interest of the United States to do so: *Provided*
5 *further*, That such funds shall be subject to the regular
6 notification procedures of the Committees on Appropria-
7 tions: *Provided further*, That funds appropriated under
8 this heading may be made available for the International
9 Atomic Energy Agency only if the Secretary of State de-
10 termines (and so reports to the Congress) that Israel is
11 not being denied its right to participate in the activities
12 of that Agency: *Provided further*, That not to exceed
13 \$13,000,000 may be made available to the Korean Penin-
14 sula Energy Development Organization (KEDO) only for
15 administrative expenses and heavy fuel oil costs associated
16 with the Agreed Framework: *Provided further*, That such
17 funds shall be subject to the regular notification proce-
18 dures of the Committees on Appropriations.

19 TITLE III—MILITARY ASSISTANCE

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 INTERNATIONAL MILITARY EDUCATION AND TRAINING

22 For necessary expenses to carry out the provisions
23 of section 541 of the Foreign Assistance Act of 1961,
24 \$45,000,000 (reduced by \$1,525,000): *Provided*, That
25 none of the funds appropriated under this heading shall

1 be available for Zaire and Guatemala: *Provided further,*
2 That funds appropriated under this heading for grant fi-
3 nanced military education and training for Indonesia may
4 only be available for expanded international military edu-
5 cation and training.

6 FOREIGN MILITARY FINANCING PROGRAM

7 For expenses necessary for grants to enable the
8 President to carry out the provisions of section 23 of the
9 Arms Export Control Act, \$3,222,250,000: *Provided,* That
10 funds appropriated by this paragraph that are made avail-
11 able for Israel and Egypt shall be made available only as
12 grants: *Provided further,* That the funds appropriated by
13 this paragraph that are made available for Israel shall be
14 disbursed within thirty days of enactment of this Act or
15 by October 31, 1996, whichever is later: *Provided further,*
16 That to the extent that the Government of Israel requests
17 that funds be used for such purposes, grants made avail-
18 able for Israel by this paragraph shall, as agreed by Israel
19 and the United States, be available for advanced weapons
20 systems, of which not less than \$475,000,000 shall be
21 available for the procurement in Israel of defense articles
22 and defense services, including research and development:
23 *Provided further,* That funds made available under this
24 paragraph shall be nonrepayable notwithstanding any re-
25 quirement in section 23 of the Arms Export Control Act:
26 *Provided further,* That none of the funds made available

1 under this heading shall be available for any non-NATO
2 country participating in the Partnership for Peace Pro-
3 gram except through the regular notification procedures
4 of the Committees on Appropriations.

5 For the cost, as defined in section 502 of the Con-
6 gressional Budget Act of 1974, of direct loans authorized
7 by section 23 of the Arms Export Control Act as follows:
8 cost of direct loans, \$35,000,000: *Provided*, That these
9 funds are available to subsidize gross obligations for the
10 principal amount of direct loans of not to exceed
11 \$323,815,000: *Provided further*, That the rate of interest
12 charged on such loans shall be not less than the current
13 average market yield on outstanding marketable obliga-
14 tions of the United States of comparable maturities: *Pro-*
15 *vided further*, That funds appropriated under this heading
16 shall be made available for Greece and Turkey only on
17 a loan basis, and the principal amount of direct loans for
18 each country shall not exceed the following: \$103,471,000
19 only for Greece and \$147,816,000 only for Turkey.

20 None of the funds made available under this heading
21 shall be available to finance the procurement of defense
22 articles, defense services, or design and construction serv-
23 ices that are not sold by the United States Government
24 under the Arms Export Control Act unless the foreign
25 country proposing to make such procurements has first

1 signed an agreement with the United States Government
2 specifying the conditions under which such procurements
3 may be financed with such funds: *Provided*, That all coun-
4 try and funding level increases in allocations shall be sub-
5 mitted through the regular notification procedures of sec-
6 tion 515 of this Act: *Provided further*, That funds made
7 available under this heading shall be obligated upon appor-
8 tionment in accordance with paragraph (5)(C) of title 31,
9 United States Code, section 1501(a): *Provided further*,
10 That none of the funds appropriated under this heading
11 shall be available for Zaire, Sudan, Liberia, and Guate-
12 mala: *Provided further*, That only those countries for
13 which assistance was justified for the “Foreign Military
14 Sales Financing Program” in the fiscal year 1989 con-
15 gressional 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
6 \$23,250,000 of the funds appropriated under this heading
7 may be obligated for necessary expenses, including the
8 purchase of passenger motor vehicles for replacement only
9 for use outside of the United States, for the general costs
10 of administering military assistance and sales: *Provided*
11 *further,* That not more than \$355,000,000 of funds real-
12 ized pursuant to section 21(e)(1)(A) of the Arms Export
13 Control Act may be obligated for expenses incurred by the
14 Department of Defense during fiscal year 1997 pursuant
15 to section 43(b) of the Arms Export Control Act, except
16 that this limitation may be exceeded only through the reg-
17 ular notification procedures of the Committees on Appro-
18 priations.

19 PEACEKEEPING OPERATIONS

20 For necessary expenses to carry out the provisions
21 of section 551 of the Foreign Assistance Act of 1961,
22 \$65,000,000: *Provided,* That none of the funds appro-
23 priated under this paragraph shall be obligated or ex-
24 pended except as provided through the regular notification
25 procedures of the Committees on Appropriations.

1 TITLE IV—MULTILATERAL ECONOMIC
2 ASSISTANCE

3 FUNDS APPROPRIATED TO THE PRESIDENT
4 INTERNATIONAL FINANCIAL INSTITUTIONS
5 CONTRIBUTION TO THE INTERNATIONAL BANK FOR
6 RECONSTRUCTION AND DEVELOPMENT

7 For payment to the International Bank for Recon-
8 struction and Development by the Secretary of the Treas-
9 ury, for the United States contribution to the Global Envi-
10 ronment Facility (GEF), \$30,000,000, to remain available
11 until September 30, 1998.

12 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT
13 ASSOCIATION

14 For payment to the International Development Asso-
15 ciation by the Secretary of the Treasury, \$525,000,000,
16 for the United States contribution to the tenth replenish-
17 ment, to remain available until expended: *Provided*, That
18 none of the funds made available for the International De-
19 velopment Association may be obligated until the Sec-
20 retary of the Treasury submits a report to the Committees
21 on Appropriations detailing the efforts made by United
22 States officials, during discussions leading to an agree-
23 ment to undertake the eleventh replenishment of the Asso-
24 ciation, to oppose the formation of an Interim Trust Fund,
25 and fully describing the adverse impacts to the United
26 States resulting from the Interim Trust Fund and other

1 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS
2 MULTILATERAL INVESTMENT FUND

3 For payment to the Enterprise for the Americas Mul-
4 tilateral Investment Fund by the Secretary of the Treas-
5 ury, for the United States contribution to the Fund to
6 be administered by the Inter-American Development
7 Bank, \$27,500,000 to remain available until expended.

8 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

9 For payment to the Asian Development Bank by the
10 Secretary of the Treasury for the United States share of
11 the paid-in portion of the increase in capital stock,
12 \$13,221,596, to remain available until expended.

13 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

14 The United States Governor of the Asian Develop-
15 ment Bank may subscribe without fiscal year limitation
16 to the callable capital portion of the United States share
17 of such capital stock in an amount not to exceed
18 \$647,858,204.

19 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

20 For the United States contribution by the Secretary
21 of the Treasury to the increases in resources of the Asian
22 Development Fund, as authorized by the Asian Develop-
23 ment Bank Act, as amended (Public Law 89-369),
24 \$100,000,000, to remain available until expended.

1 CONTRIBUTION TO THE EUROPEAN BANK FOR
2 RECONSTRUCTION AND DEVELOPMENT

3 For payment to the European Bank for Reconstre-
4 tion and Development by the Secretary of the Treasury,
5 \$11,916,447, for the United States share of the paid-in
6 share portion of the initial capital subscription, to remain
7 available until expended.

8 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9 The United States Governor of the European Bank
10 for Reconstruction and Development may subscribe with-
11 out 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 \$27,805,043.

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 \$50,625,000, 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, \$136,000,000: *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 none of the funds appropriated under this
16 heading shall be made available to the UNFPA unless the
17 Secretary of State determines and reports to the Congress
18 that UNFPA programs in the People's Republic of China
19 have ended and the United States has received assurances
20 that the UNFPA will not resume such programs during
21 fiscal year 1997: *Provided further*, That none of the funds
22 appropriated under this heading may be made available
23 to the Korean Peninsula Energy Development Organiza-
24 tion (KEDO).

1 TITLE V—GENERAL PROVISIONS

2 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

3 SEC. 501. Except for the appropriations entitled
4 “International Disaster Assistance”, and “United States
5 Emergency Refugee and Migration Assistance Fund”, not
6 more than 15 per centum of any appropriation item made
7 available by this Act shall be obligated during the last
8 month of availability.

9 PROHIBITION OF BILATERAL FUNDING FOR
10 INTERNATIONAL 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 avail-
16 able pursuant to this Act, not to exceed \$126,500 shall
17 be for official residence expenses of the Agency for Inter-
18 national Development during the current fiscal year: *Pro-*
19 *vided,* 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 LIMITATION ON EXPENSES

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

1 LIMITATION ON REPRESENTATIONAL ALLOWANCES

2 SEC. 505. Of the funds appropriated or made avail-
3 able pursuant to this Act, not to exceed \$95,000 shall be
4 available for representation allowances for the Agency for
5 International Development during the current fiscal year:
6 *Provided*, 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 *Provided further*, That of the funds made available by this
10 Act for general costs of administering military assistance
11 and sales under the heading "Foreign Military Financing
12 Program", not to exceed \$2,000 shall be available for en-
13 tertainment expenses and not to exceed \$50,000 shall be
14 available for representation allowances: *Provided further*,
15 That of the funds made available by this Act under the
16 heading "International Military Education and Training",
17 not to exceed \$50,000 shall be available for entertainment
18 allowances: *Provided further*, That of the funds made
19 available by this Act for the Inter-American Foundation,
20 not to exceed \$2,000 shall be available for entertainment
21 and representation allowances: *Provided further*, That of
22 the funds made available by this Act for the Peace Corps,
23 not to exceed a total of \$4,000 shall be available for enter-
24 tainment expenses: *Provided further*, That of the funds
25 made available by this Act under the heading "Trade and

1 Development Agency”, not to exceed \$2,000 shall be avail-
2 able for representation 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, Anti-
6 terrorism, Demining and Related Programs”) pursuant to
7 this Act, for carrying out the Foreign Assistance Act of
8 1961, may be used, except for purposes of nuclear safety,
9 to finance the export of nuclear equipment, fuel, or tech-
10 nology.

11 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
12 COUNTRIES

13 SEC. 507. None of the funds appropriated or other-
14 wise made available pursuant to this Act shall be obligated
15 or expended to finance directly any assistance or repara-
16 tions to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or
17 Syria: *Provided*, That for purposes of this section, the pro-
18 hibition on obligations or expenditures shall include direct
19 loans, credits, insurance and guarantees of the Export-Im-
20 port Bank or its agents.

21 MILITARY COUPS

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

1 resumed to such country if the President determines and
2 reports to the Committees on Appropriations that subse-
3 quent to the termination of assistance a democratically
4 elected 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
9 specifically provided for in this Act, unless the President,
10 prior to the exercise of any authority contained in the For-
11 eign Assistance Act of 1961 to transfer funds, consults
12 with and provides a written policy justification to the
13 Committees on Appropriations of the House of Represent-
14 atives and the 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
20 of 1961 for the same general purpose as any of the head-
21 ings under title II of this Act are, if deobligated, hereby
22 continued available for the same period as the respective
23 appropriations under such headings or until September
24 30, 1997, whichever is later, and for the same general pur-
25 pose, and for countries within the same region as origi-
26 nally obligated: *Provided*, That the Appropriations Com-

1 mittees of both Houses of the Congress are notified fifteen
2 days in advance of the reobligation of such funds in ac-
3 cordance with regular notification procedures of the Com-
4 mittees 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 1997.

13 ~~AVAILABILITY OF FUNDS~~

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

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

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 cal-
15 endar year in payment to the United States of principal
16 or interest on any loan made to such country by the Unit-
17 ed States pursuant to a program for which funds are ap-
18 propriated under this Act: *Provided*, That this section and
19 section 620(q) of the Foreign Assistance Act of 1961 shall
20 not apply to funds made available in this Act or during
21 the current fiscal year for Nicaragua, and for any narcot-
22 ics-related assistance for Colombia, Bolivia, and Peru au-
23 thorized by the Foreign Assistance Act of 1961 or the
24 Arms Export Control Act.

1 COMMERCE AND TRADE

2 SEC. 513. (a) None of the funds appropriated or
3 made available pursuant to this Act for direct assistance
4 and none of the funds otherwise made available pursuant
5 to this Act to the Export-Import Bank and the Overseas
6 Private Investment Corporation shall be obligated or ex-
7 pended to finance any loan, any assistance or any other
8 financial commitments for establishing or expanding pro-
9 duction of any commodity for export by any country other
10 than the United States, if the commodity is likely to be
11 in surplus on world markets at the time the resulting pro-
12 ductive capacity is expected to become operative and if the
13 assistance will cause substantial injury to United States
14 producers of the same, similar, or competing commodity:
15 *Provided*, That such prohibition shall not apply to the Ex-
16 port-Import Bank if in the judgment of its Board of Direc-
17 tors the benefits to industry and employment in the Unit-
18 ed States are likely to outweigh the injury to United
19 States producers of the same, similar, or competing com-
20 modity, and the Chairman of the Board so notifies the
21 Committees on Appropriations.

22 (b) None of the funds appropriated by this or any
23 other Act to carry out chapter 1 of part I of the Foreign
24 Assistance Act of 1961 shall be available for any testing
25 or breeding feasibility study, variety improvement or intro-

1 the production or extraction of any commodity or mineral
2 for export, if it is in surplus on world markets and if the
3 assistance will cause substantial injury to United States
4 producers of the same, similar, or competing commodity.

5 NOTIFICATION REQUIREMENTS

6 SEC. 515. For the purposes of providing the Execu-
7 tive Branch with the necessary administrative flexibility,
8 none of the funds made available under this Act for “Child
9 Survival and Disease Programs Fund”, “Development As-
10 sistance”, “Debt restructuring”, “International organiza-
11 tions and programs”, “Trade and Development Agency”,
12 “International narcotics control”, “Assistance for Eastern
13 Europe and the Baltic States”, “Assistance for the New
14 Independent States of the Former Soviet Union”, “Eco-
15 nomic Support Fund”, “Peacekeeping operations”, “Oper-
16 ating expenses of the Agency for International Develop-
17 ment”, “Operating expenses of the Agency for Inter-
18 national Development Office of Inspector General”, “Non-
19 proliferation, anti-terrorism, demining and related pro-
20 grams”, “Foreign Military Financing Program”, “Inter-
21 national military education and training”, “Inter-Amer-
22 ican Foundation”, “African Development Foundation”,
23 “Peace Corps”, “Migration and refugee assistance”, shall
24 be available for obligation for activities, programs,
25 projects, type of materiel assistance, countries, or other
26 operations not justified or in excess of the amount justi-

1 fied to the Appropriations Committees for obligation
2 under any of these specific headings unless the Appropria-
3 tions Committees of both Houses of Congress are pre-
4 viously notified fifteen days in advance: *Provided*, That the
5 President shall not enter into any commitment of funds
6 appropriated for the purposes of section 23 of the Arms
7 Export Control Act for the provision of major defense
8 equipment, other than conventional ammunition, or other
9 major defense items defined to be aircraft, ships, missiles,
10 or combat vehicles, not previously justified to Congress or
11 20 per centum in excess of the quantities justified to Con-
12 gress unless the Committees on Appropriations are noti-
13 fied fifteen days in advance of such commitment: *Provided*
14 *further*, That this section shall not apply to any re-
15 programming for an activity, program, or project under
16 chapter 1 of part I of the Foreign Assistance Act of 1961
17 of less than 10 per centum of the amount previously justi-
18 fied to the Congress for obligation for such activity, pro-
19 gram, or project for the current fiscal year: *Provided fur-*
20 *ther*, That the requirements of this section or any similar
21 provision of this Act or any other Act, including any prior
22 Act requiring notification in accordance with the regular
23 notification procedures of the Committees on Appropria-
24 tions, may be waived if failure to do so would pose a sub-
25 stantial risk to human health or welfare: *Provided further*,

1 That in case of any such waiver, notification to the Con-
2 gress, or the appropriate congressional committees, shall
3 be provided as early as practicable, but in no event later
4 than three days after taking the action to which such noti-
5 fication requirement was applicable, in the context of the
6 circumstances necessitating such waiver: *Provided further,*
7 That any notification provided pursuant to such a waiver
8 shall contain an explanation of the emergency cir-
9 cumstances.

10 Drawdowns made pursuant to section 506(a) (2) of
11 the Foreign Assistance Act of 1961 shall be subject to the
12 regular notification procedures of the Committees on Ap-
13 propriations.

14 LIMITATION ON AVAILABILITY OF FUNDS FOR
15 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

16 SEC. 516. Notwithstanding any other provision of law
17 or of this Act, none of the funds provided for “Inter-
18 national Organizations and Programs” shall be available
19 for the United States proportionate share, in accordance
20 with section 307(e) of the Foreign Assistance Act of 1961,
21 for any programs identified in section 307, or for Libya,
22 Iran, or, at the discretion of the President, Communist
23 countries listed in section 620(f) of the Foreign Assistance
24 Act of 1961, as amended: *Provided,* That, subject to the
25 regular notification procedures of the Committees on Ap-
26 propriations, funds appropriated under this Act or any

1 previously enacted Act making appropriations for foreign
2 operations, export financing, and related programs, which
3 are returned or not made available for organizations and
4 programs because of the implementation of this section
5 or any similar provision of law, shall remain available for
6 obligation through September 30, 1998.

7 ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

8 SEC. 517. The Congress finds that progress on the
9 peace process in the Middle East is vitally important to
10 United States security interests in the region. The Con-
11 gress recognizes that, in fulfilling its obligations under the
12 Treaty of Peace Between the Arab Republic of Egypt and
13 the State of Israel, done at Washington on March 26,
14 1979, Israel incurred severe economic burdens. Further-
15 more, the Congress recognizes that an economically and
16 militarily secure Israel serves the security interests of the
17 United States, for a secure Israel is an Israel which has
18 the incentive and confidence to continue pursuing the
19 peace process. Therefore, the Congress declares that, sub-
20 ject to the availability of appropriations, it is the policy
21 and the intention of the United States that the funds pro-
22 vided in annual appropriations for the Economic Support
23 Fund which are allocated to Israel shall not be less than
24 the annual debt repayment (interest and principal) from
25 Israel to the United States Government in recognition that

1 such a principle serves United States interests in the re-
2 gion.

3 PROHIBITION ON FUNDING FOR ABORTIONS AND
4 INVOLUNTARY STERILIZATION

5 SEC. 518. None of the funds made available to carry
6 out part I of the Foreign Assistance Act of 1961, as
7 amended, may be used to pay for the performance of abor-
8 tions as a method of family planning or to motivate or
9 coerce any person to practice abortions. None of the funds
10 made available to carry out part I of the Foreign Assist-
11 ance Act of 1961, as amended, may be used to pay for
12 the performance of involuntary sterilization as a method
13 of family planning or to coerce or provide any financial
14 incentive to any person to undergo sterilizations. None of
15 the funds made available to carry out part I of the Foreign
16 Assistance Act of 1961, as amended, may be used to pay
17 for any biomedical research which relates in whole or in
18 part, to methods of, or the performance of, abortions or
19 involuntary sterilization as a means of family planning.
20 None of the funds made available to carry out part I of
21 the Foreign Assistance Act of 1961, as amended, may be
22 obligated or expended for any country or organization if
23 the President certifies that the use of these funds by any
24 such country or organization would violate any of the
25 above provisions related to abortions and involuntary steri-
26 lizations: *Provided*, That none of the funds made available

1 under this Act may be used to lobby for or against abor-
2 tion.

3 POPULATION ASSISTANCE FUNDING LIMITATIONS

4 SEC. 518A. (a) IN GENERAL.—

5 (1) Notwithstanding any other provision of this
6 Act, funds appropriated by this Act for population
7 assistance activities may be made available for a for-
8 eign private or nongovernmental organization only if
9 the organization certifies that it will not during the
10 period for which the funds are made available, per-
11 form abortions in any foreign country, except where
12 the life of the mother would be endangered if the
13 fetus were carried to term or in cases of forcible
14 rape or incest.

15 (2) Paragraph (1) may not be construed to
16 apply to the treatment of injuries or illnesses caused
17 by legal or illegal abortions or to assistance provided
18 directly to the government of a country.

19 (b) LOBBYING ACTIVITIES.—

20 (1) None of the funds made available under this
21 Act may be used to lobby for or against abortion,
22 and, notwithstanding any other provision of this Act
23 or other law, none of the funds appropriated by this
24 Act for population assistance activities may be made
25 available for any foreign private or nongovernmental
26 organization until the organization certifies that it

1 will not during the period for which the funds are
2 made available, violate the laws of any foreign coun-
3 try concerning the circumstances under which abor-
4 tion is permitted, regulated, or prohibited, or engage
5 in any activity or effort in a foreign country to alter
6 the laws or governmental policies of any foreign
7 country concerning the circumstances under which
8 abortion is permitted, regulated, or prohibited.

9 (2) Notwithstanding any other provision of this
10 Act, paragraph (1) shall not apply to activities in
11 opposition to coercive abortion or involuntary steri-
12 lization.

13 (c) Notwithstanding subsections (a)(1) and (b)(1), a
14 foreign private or nongovernmental organization may re-
15 ceive funds appropriated by this Act for population assist-
16 ance activities in the absence of the certifications required
17 in said subsections, but funds made available for each such
18 organization by this Act shall not exceed 50 percent of
19 the funds made available to the organization during fiscal
20 year 1995. Funds for population assistance activities may
21 not be made available for any foreign private or non-
22 governmental organization that did not receive such funds
23 during fiscal year 1995 unless the organization meets the
24 certification requirements of subsections (a)(1) and (b)(1).

1 SPECIAL NOTIFICATION REQUIREMENTS

2 SEC. 520. None of the funds appropriated in this Act
3 shall be obligated or expended for Colombia, Dominican
4 Republic, Haiti, Liberia, Pakistan, Peru, Russia, Serbia,
5 South Africa, Sudan, or Zaire except as provided through
6 the regular notification procedures of the Committees on
7 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 Appropria-
11 tions 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(c) 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 "1996" and inserting in
13 lieu thereof "1997".

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 notwithstanding section 10 of
6 Public Law 91-672 and section 15 of the State Depart-
7 ment Basic Authorities Act of 1956.

8 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
9 COUNTRIES

10 SEC. 527. (a) Funds appropriated for bilateral assist-
11 ance under any heading of this Act and funds appro-
12 priated under any such heading in a provision of law en-
13 acted prior to enactment of this Act, shall not be made
14 available to any country which the President determines—

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

18 (2) otherwise supports international terrorism.

19 (b) The President may waive the application of sub-
20 section (a) to a country if the President determines that
21 national security or humanitarian reasons justify such
22 waiver. The President shall publish each waiver in the
23 Federal Register and, at least fifteen days before the waiv-
24 er takes effect, shall notify the Committees on Appropria-
25 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 nec-
24 essary 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 II 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 II 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 1 and 10 of

1 part I or chapter 4 of part II 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 visos 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 withstanding 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)
18 (1) only through the notification procedures of the Com-
19 mittees on Appropriations.

20 COMPENSATION FOR UNITED STATES EXECUTIVE DIREC-
21 TORS TO INTERNATIONAL FINANCING 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-
8 ule under section 5316 of title 5, United States Code.

9 (b) For purposes of this section, “international finan-
10 cial institutions” are: the International Bank for Recon-
11 struction and Development, the Inter-American Develop-
12 ment Bank, the Asian Development Bank, the Asian De-
13 velopment Fund, the African Development Bank, the Afri-
14 can Development Fund, the International Monetary Fund,
15 the North American Development Bank, and the Euro-
16 pean Bank for Reconstruction and Development.

17 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST
18 IRAQ

19 SEC. 533. (a) DENIAL OF ASSISTANCE.—None of the
20 funds appropriated or otherwise made available pursuant
21 to this Act to carry out the Foreign Assistance Act of
22 1961 (including title IV of chapter 2 of part I, relating
23 to the Overseas Private Investment Corporation) or the
24 Arms Export Control Act may be used to provide assist-
25 ance to any country that is not in compliance with the
26 United Nations Security Council sanctions against Iraq;

1 Serbia or Montenegro unless the President determines and
2 so certifies to the Congress that—

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

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

7 (3) the assistance to be provided will be human-
8 itarian assistance for foreign nationals who have fled
9 Iraq and Kuwait.

10 (b) IMPORT SANCTIONS.—If the President considers
11 that the taking of such action would promote the effective-
12 ness of the economic sanctions of the United Nations and
13 the United States imposed with respect to Iraq, Serbia,
14 or Montenegro, as the case may be, and is consistent with
15 the national interest, the President may prohibit, for such
16 a period of time as he considers appropriate, the importa-
17 tion into the United States of any or all products of any
18 foreign country that has not prohibited—

19 (1) the importation of products of Iraq, Serbia,
20 or Montenegro into its customs territory, and

21 (2) the export of its products to Iraq, Serbia,
22 or Montenegro, as the case may be.

23 POW/MIA MILITARY DRAWDOWN

24 SEC. 534. (a) Notwithstanding any other provision
25 of law, the President may direct the drawdown, without
26 reimbursement by the recipient, of defense articles from

1 the stocks of the Department of Defense, defense services
2 of the Department of Defense, and military education and
3 training, of an aggregate value not to exceed \$15,000,000
4 in fiscal year 1997, as may be necessary to carry out sub-
5 section (b).

6 (b) Such defense articles, services and training may
7 be provided to Vietnam, Cambodia and Laos, under sub-
8 section (a) as the President determines are necessary to
9 support efforts to locate and repatriate members of the
10 United States Armed Forces and civilians employed di-
11 rectly or indirectly by the United States Government who
12 remain unaccounted for from the Vietnam War, and to
13 ensure the safety of United States Government personnel
14 engaged in such cooperative efforts and to support United
15 States Department of Defense-sponsored humanitarian
16 projects associated with the POW/MIA efforts. Any air-
17 craft shall be provided under this section only to Laos and
18 only on a lease or loan basis, but may be provided at no
19 cost notwithstanding section 61 of the Arms Export Con-
20 trol Act and may be maintained with defense articles, serv-
21 ices and training provided under this section.

22 (c) The President shall, within sixty days of the end
23 of any fiscal year in which the authority of subsection (a)
24 is exercised, submit a report to the Congress which identi-

1 fies the articles, services, and training drawn down under
2 this section.

3 MEDITERRANEAN EXCESS DEFENSE ARTICLES

4 SEC. 535. For the four-year period beginning on Oc-
5 tober 1, 1996, the President shall ensure that excess de-
6 fense articles will be made available under section 516 and
7 519 of the Foreign Assistance Act of 1961 consistent with
8 the manner in which the President made available excess
9 defense articles under those sections during the four-year
10 period that began on October 1, 1992, pursuant to section
11 573(e) of the Foreign Operations, Export Financing, Re-
12 lated Programs Appropriations Act, 1990.

13 CASH FLOW FINANCING

14 SEC. 536. For each country that has been approved
15 for cash flow financing (as defined in section 25(d) of the
16 Arms Export Control Act, as added by section 112(b) of
17 Public Law 99-83) under the Foreign Military Financing
18 Program, any Letter of Offer and Acceptance or other
19 purchase agreement, or any amendment thereto, for a pro-
20 curement in excess of \$100,000,000 that is to be financed
21 in whole or in part with funds made available under this
22 Act shall be submitted through the regular notification
23 procedures to the Committees on Appropriations.

1 AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-
2 ICAN FOUNDATION AND THE AFRICAN DEVELOP-
3 MENT FOUNDATION

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

16 IMPACT ON JOBS IN THE UNITED STATES

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

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

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

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

22 AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

23 SEC. 539. (a) The President is authorized to direct
24 the transfer, subject to notification of the Committees on
25 Appropriations, to the government of Bosnia and
26 Herzegovina, without reimbursement, of defense articles

1 from the stocks of the Department of Defense and defense
2 services of the Department of Defense, of an aggregate
3 value that equals the difference between \$100,000,000
4 and the aggregate value of any such articles and services
5 that were transferred under the authority of Section 540
6 of Public Law 104–107, the Foreign Operations, Export
7 Financing, and Related Programs Appropriations Act,
8 1996: *Provided*, That the President certifies in a timely
9 fashion to the Congress that the transfer of such defense
10 articles would assist that nation in self-defense and there-
11 by promote the security and stability of the region.

12 (b) Within 60 days of any transfer under the author-
13 ity provided in subsection (b), and every 60 days there-
14 after, the President shall report in writing to the Speaker
15 of the House of Representatives and the President pro
16 tempore of the Senate concerning the articles transferred
17 and the disposition thereof.

18 (c) There are authorized to be appropriated to the
19 President such sums as may be necessary to reimburse
20 the applicable appropriation, fund, or account for defense
21 articles provided under this section.

22 RESTRICTIONS ON THE TERMINATION OF SANCTIONS

23 AGAINST SERBIA AND MONTENEGRO

24 SEC. 540. (a) RESTRICTIONS.—Notwithstanding any
25 other provision of law, no sanction, prohibition, or require-
26 ment described in section 1511 of the National Defense

1 Authorization Act for Fiscal Year 1994 (Public Law 103–
2 160), with respect to Serbia or Montenegro, may cease
3 to be effective, unless—

4 (1) the President first submits to the Congress
5 a certification described in subsection (b); and

6 (2) the requirements of section 1511 of that
7 Act are met.

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

10 (1) there is substantial progress toward—

11 (A) the realization of a separate identity
12 for Kosova and the right of the people of
13 Kosova to govern themselves; or

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

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

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

20 (4) the elected government of Kosova is per-
21 mitted to meet and carry out its legitimate mandate
22 as elected representatives of the people of Kosova.

23 (c) WAIVER AUTHORITY.—The President may waive
24 the application in whole or in part, of subsection (a) if
25 the President certifies to the Congress that the President

1 has determined that the waiver is necessary to meet emer-
2 gency humanitarian needs or to achieve a negotiated set-
3 tlement of the conflict in Bosnia and Herzegovina that is
4 acceptable to the parties.

5 SPECIAL AUTHORITIES

6 SEC. 541. (a) Funds appropriated in title II 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: *Provided further,* That the President
18 shall terminate assistance to any country or organization
19 that he determines is cooperating, tactically or strategi-
20 cally, with the Khmer Rouge in their military operations,
21 or to the military of any country which the President de-
22 termines is not taking steps to prevent a pattern or prac-
23 tice of commercial relations between its members and the
24 Khmer Rouge.

25 (b) Funds appropriated by this Act to carry out the
26 provisions of sections 103 through 106 of the Foreign As-

1 sistance Act of 1961 may be used, notwithstanding any
2 other provision of law, for the purpose of supporting tropi-
3 cal forestry and energy programs aimed at reducing emis-
4 sions of greenhouse gases, and for the purpose of support-
5 ing biodiversity conservation activities: *Provided*, That
6 such assistance shall be subject to sections 116, 502B, and
7 620A of the Foreign Assistance Act of 1961.

8 (c) During fiscal year 1997, the President may use
9 up to \$50,000,000 under the authority of section 451 of
10 the Foreign Assistance Act of 1961, notwithstanding the
11 funding ceiling contained in subsection (a) of that section.

12 (d) The Agency for International Development may
13 employ personal services contractors, notwithstanding any
14 other provision of law, for the purpose of administering
15 programs for the West Bank and Gaza.

16 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT
17 OF ISRAEL

18 SEC. 542. It is the sense of the Congress that—

19 (1) the Arab League countries should imme-
20 diately and publicly renounce the primary boycott of
21 Israel and the secondary and tertiary boycott of
22 American firms that have commercial ties with Is-
23 rael; and

24 (2) the President should—

25 (A) take more concrete steps to encourage
26 vigorously Arab League countries to renounce

1 publicly the primary boycotts of Israel and the
2 secondary and tertiary boycotts of American
3 firms that have commercial relations with Israel
4 as a confidence-building measure;

5 (B) take into consideration the participa-
6 tion of any recipient country in the primary
7 boycott of Israel and the secondary and tertiary
8 boycotts of American firms that have commer-
9 cial relations with Israel when determining
10 whether to sell weapons to said country;

11 (C) report to Congress on the specific
12 steps being taken by the President to bring
13 about a public renunciation of the Arab primary
14 boycott of Israel and the secondary and tertiary
15 boycotts of American firms that have commer-
16 cial relations with Israel; and

17 (D) encourage the allies and trading part-
18 ners of the United States to enact laws prohib-
19 iting businesses from complying with the boy-
20 cott and penalizing businesses that do comply.

21 ANTI-NARCOTICS ACTIVITIES

22 SEC. 543. (a) Of the funds appropriated or otherwise
23 made available by this Act for "Economic Support Fund",
24 assistance may be provided to strengthen the administra-
25 tion of justice in countries in Latin America and the Car-
26 ibbean and in other regions consistent with the provisions

1 of section ~~534(b)~~ of the Foreign Assistance Act of 1961,
2 except that programs to enhance protection of participants
3 in judicial cases may be conducted notwithstanding section
4 ~~660~~ of that Act.

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

13 ELIGIBILITY FOR ASSISTANCE

14 SEC. 544. (a) ASSISTANCE THROUGH NONGOVERN-
15 MENTAL ORGANIZATIONS.—Restrictions contained in this
16 or any other Act with respect to assistance for a country
17 shall not be construed to restrict assistance in support of
18 programs of nongovernmental organizations from funds
19 appropriated by this Act to carry out the provisions of
20 chapters 1 and 10 of part I of the Foreign Assistance Act
21 of 1961: *Provided*, That the President shall take into con-
22 sideration, in any case in which a restriction on assistance
23 would be applicable but for this subsection, whether assist-
24 ance in support of programs of nongovernmental organiza-
25 tions is in the national interest of the United States: *Pro-*
26 *vided further*, That before using the authority of this sub-

1 section to furnish assistance in support of programs of
2 nongovernmental organizations, the President shall notify
3 the Committees on Appropriations under the regular noti-
4 fication procedures of those committees, including a de-
5 scription of the program to be assisted, the assistance to
6 be provided, and the reasons for furnishing such assist-
7 ance: *Provided further*, That nothing in this subsection
8 shall be construed to alter any existing statutory prohibi-
9 tions against abortion or involuntary sterilizations con-
10 tained in this or any other Act.

11 (b) PUBLIC LAW 480.—During fiscal year 1997, re-
12 strictions contained in this or any other Act with respect
13 to assistance for a country shall not be construed to re-
14 strict assistance under the Agricultural Trade Develop-
15 ment and Assistance Act of 1954: *Provided*, That none
16 of the funds appropriated to carry out title I of such Act
17 and made available pursuant to this subsection may be
18 obligated or expended except as provided through the reg-
19 ular notification procedures of the Committees on Appro-
20 priations.

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

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

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 cumstances 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. 545. 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. 546. 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 \$750,000 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. 547. To the maximum extent possible, assist-
6 ance 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. 548. 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 mem-
15 ber of the United Nations.

16 CONSULTING SERVICES

17 SEC. 549. The expenditure of any appropriation
18 under this Act for any consulting service through procure-
19 ment 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 pur-
24 suant to existing law.

1 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

2 SEC. 550. 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. 551. (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 the date of
23 enactment of this Act.

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 (c) 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-
7 tailed explanation of the assistance to be provided, includ-
8 ing the estimated dollar amount of such assistance, and
9 an explanation of how the assistance furthers United
10 States national interests.

11 WITHHOLDING OF ASSISTANCE FOR PARKING FINES

12 OWED BY FOREIGN COUNTRIES

13 SEC. 552. (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 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. 555. 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(c) of the Foreign Assistance Act of 1961, as
12 amended, of up to \$50,000,000 of commodities and serv-
13 ices 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(c): *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. 556. Notwithstanding any other provision of
6 law, demining equipment available to any department or
7 agency and used in support of the clearing of landmines
8 for humanitarian purposes may be disposed of on a grant
9 basis in foreign countries, subject to such terms and condi-
10 tions as the President may prescribe.

11 RESTRICTIONS CONCERNING THE PALESTINIAN

12 AUTHORITY

13 SEC. 557. None of the funds appropriated by this Act
14 may be obligated or expended to create in any part of Je-
15 rusalem a new office of any department or agency of the
16 United States Government for the purpose of conducting
17 official United States Government business with the Pal-
18 estinian Authority over Gaza and Jericho or any successor
19 Palestinian governing entity provided for in the Israel-
20 PLO Declaration of Principles: *Provided*, That this re-
21 striction shall not apply to the acquisition of additional
22 space for the existing Consulate General in Jerusalem:
23 *Provided further*, That meetings between officers and em-
24 ployees of the United States and officials of the Palestin-
25 ian Authority, or any successor Palestinian governing en-
26 tity provided for in the Israel-PLO Declaration of Prin-

1 eiples, for the purpose of conducting official United States
2 Government business with such authority should continue
3 to take place in locations other than Jerusalem. As has
4 been true in the past, officers and employees of the United
5 States Government may continue to meet in Jerusalem on
6 other subjects with Palestinians (including those who now
7 occupy positions in the Palestinian Authority); have social
8 contacts, and have incidental discussions.

9 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

10 SEC. 558. None of the funds appropriated or other-
11 wise made available by this Act under the heading
12 “INTERNATIONAL MILITARY EDUCATION AND TRAINING”
13 or “FOREIGN MILITARY FINANCING PROGRAM” for Infor-
14 mational Program activities may be obligated or expended
15 to pay for—

16 (1) alcoholic beverages;

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

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

1 HUMANITARIAN ASSISTANCE

2 SEC. 559. (a) IN GENERAL.—None of the funds
3 made available in this Act may be used for assistance in
4 support of any country when it is made known to the
5 President that the government of such country prohibits
6 or otherwise restricts, directly or indirectly, the transport
7 or delivery of United States humanitarian assistance.

8 (b) EXCEPTION.—Funds (other than funds appro-
9 priated in this Act under the heading “Economic Support
10 Fund”) may be made available without regard to the re-
11 striction in subsection (a) if the President determines that
12 to do so is in the national security interest of the United
13 States.

14 WITHHOLDING OF ASSISTANCE TO COUNTRIES
15 SUPPORTING NUCLEAR PLANT IN CUBA

16 SEC. 560. (a) WITHHOLDING.—The President shall
17 withhold from assistance made available with funds appro-
18 priated or made available pursuant to this Act an amount
19 equal to the sum of assistance and credits, if any, provided
20 on or after the date of the enactment of this Act by that
21 country, or any entity in that country, in support of the
22 completion of the Cuban nuclear facility at Juragua, near
23 Cienfuegos, Cuba.

24 (b) EXCEPTIONS.—The requirement of subsection (a)
25 to withhold assistance shall not apply with respect to—

1 SPECIAL DEBT RELIEF FOR THE POOREST

2 SEC. 565. (a) AUTHORITY TO REDUCE DEBT.—The
3 President may reduce amounts owed to the United States
4 (or any agency of the United States) by an eligible country
5 as a result of—

6 (1) guarantees issued under sections 221 and
7 222 of the Foreign Assistance Act of 1961; or

8 (2) credits extended or guarantees issued under
9 the Arms Export Control Act.

10 (b) LIMITATIONS.—

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

15 (2) The authority provided by subsection (a)
16 may be exercised only in such amounts or to such
17 extent as is provided in advance by appropriations
18 Acts.

19 (3) The authority provided by subsection (a)
20 may be exercised only with respect to countries with
21 heavy debt burdens that are eligible to borrow from
22 the International Development Association, but not
23 from the International Bank for Reconstruction and
24 Development, commonly referred to as “IDA-only”
25 countries.

1 (e) ~~CONDITIONS.~~—The authority provided by sub-
2 section (a) may be exercised only with respect to a country
3 whose government—

4 (1) does not have an excessive level of military
5 expenditures;

6 (2) has not repeatedly provided support for acts
7 of international terrorism;

8 (3) is not failing to cooperate on international
9 narcotics control matters;

10 (4) (including its military or other security
11 forces) does not engage in a consistent pattern of
12 gross violations of internationally recognized human
13 rights; and

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

17 (d) ~~AVAILABILITY OF FUNDS.~~—The authority pro-
18 vided by subsection (a) may be used only with regard to
19 funds appropriated by this Act under the heading “Debt
20 restructuring”.

21 (e) ~~CERTAIN PROHIBITIONS INAPPLICABLE.~~—A re-
22 duction of debt pursuant to subsection (a) shall not be
23 considered assistance for purposes of any provision of law
24 limiting assistance to a country. The authority provided

1 by subsection (a) may be exercised notwithstanding sec-
2 tion 620(r) of the Foreign Assistance Act of 1961.

3 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

4 SEC. 566. (a) LOANS ELIGIBLE FOR SALE, REDUC-
5 TION, OR CANCELLATION.—

6 (1) AUTHORITY TO SELL, REDUCE, OR CANCEL
7 CERTAIN LOANS.—Notwithstanding any other provi-
8 sion of law, the President may, in accordance with
9 this section, sell to any eligible purchaser any
10 concessional loan or portion thereof made before
11 January 1, 1995, pursuant to the Foreign Assist-
12 ance Act of 1961, to the government of any eligible
13 country as defined in section 702(6) of that Act or
14 on receipt of payment from an eligible purchaser, re-
15 duce or cancel such loan or portion thereof, only for
16 the purpose of facilitating—

17 (A) debt-for-equity swaps, debt-for-develop-
18 ment swaps, or debt-for-nature swaps; or

19 (B) a debt buyback by an eligible country
20 of its own qualified debt, only if the eligible
21 country uses an additional amount of the local
22 currency of the eligible country, equal to not
23 less than 40 percent of the price paid for such
24 debt by such eligible country, or the difference
25 between the price paid for such debt and the
26 face value of such debt, to support activities

1 that link conservation and sustainable use of
2 natural resources with local community develop-
3 ment, and child survival and other child devel-
4 opment, in a manner consistent with sections
5 707 through 710 of the Foreign Assistance Act
6 of 1961, if the sale, reduction, or cancellation
7 would not contravene any term or condition of
8 any prior agreement relating to such loan.

9 ~~(2) TERMS AND CONDITIONS.~~—Notwithstanding
10 any other provision of law, the President shall, in ac-
11 cordance with this section, establish the terms and
12 conditions under which loans may be sold, reduced,
13 or canceled pursuant to this section.

14 ~~(3) ADMINISTRATION.~~—The Facility, as defined
15 in section 702(8) of the Foreign Assistance Act of
16 1961, shall notify the administrator of the agency
17 primarily responsible for administering part I of the
18 Foreign Assistance Act of 1961 of purchasers that
19 the President has determined to be eligible, and
20 shall direct such agency to carry out the sale, reduc-
21 tion, or cancellation of a loan pursuant to this sec-
22 tion. Such agency shall make an adjustment in its
23 accounts to reflect the sale, reduction, or cancella-
24 tion.

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

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

11 (c) **ELIGIBLE PURCHASERS.**—A loan may be sold
12 pursuant to subsection (a)(1)(A) only to a purchaser who
13 presents plans satisfactory to the President for using the
14 loan for the purpose of engaging in debt-for-equity swaps,
15 debt-for-development swaps, or debt-for-nature swaps.

16 (d) **DEBTOR CONSULTATIONS.**—Before the sale to
17 any eligible purchaser, or any reduction or cancellation
18 pursuant to this section, of any loan made to an eligible
19 country, the President should consult with the country
20 concerning the amount of loans to be sold, reduced, or
21 canceled and their uses for debt-for-equity swaps, debt-
22 for-development swaps, or debt-for-nature swaps.

23 (e) **AVAILABILITY OF FUNDS.**—The authority pro-
24 vided by subsection (a) may be used only with regard to

1 funds appropriated by this Act under the heading “Debt
2 restructuring”.

3 LIBERIA

4 SEC. 567. Funds appropriated by this Act may be
5 made available for assistance for Liberia notwithstanding
6 section 620(q) of the Foreign Assistance Act of 1961 and
7 section 512 of this Act.

8 GUATEMALA

9 SEC. 568. (a) Funds provided in this Act may be
10 made available for the Guatemalan military forces, and
11 the restrictions on Guatemala under the headings “Inter-
12 national Military Education and Training” and “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 with efforts to re-
16 solve human rights abuses which elements of the Guate-
17 malan military forces are alleged to have committed, or
18 dered or attempted to thwart the investigation of.

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

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

25 (d) Any funds made available pursuant to subsections
26 (a) and (b) for international military education and train-

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. 570. (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, in-
19 cluding the murders of Mireille Bertin, Michel Gon-
20 zalez, and Jean Hubert Feuille; and

21 (2) the Government is cooperating with United
22 States authorities in the investigations of political
23 and extrajudicial killings.

24 (b) Nothing in this section shall be construed to re-
25 strict the provision of humanitarian or electoral assist-
26 ance.

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

5 (d) The authority contained in the previous sub-
6 section to make such a determination may be exercised
7 by the President only and may not be delegated.

8 LIMITATION OF ASSISTANCE TO TURKEY

9 SEC. 571. Not more than \$25,000,000 of the funds
10 appropriated in this Act under the heading “Economic
11 Support Fund” may be made available to the Government
12 of Turkey.

13 REPORTS REGARDING HONG KONG

14 SEC. 572. (a) Section 301 of the United States-Hong
15 Kong Policy Act of 1992 (22 U.S.C. 5731) is amended
16 in the text above paragraph (1) by inserting “March 31,
17 1997,” after “March 31, 1996.”

18 (b) In light of the deficiencies in reports submitted
19 to the Congress pursuant to section 301 of the United
20 States-Hong Kong Policy Act (22 U.S.C. 5731), the Con-
21 gress directs that the additional report required to be sub-
22 mitted under such section by subsection (a) of this section
23 include detailed information on the status of, and other
24 developments affecting, implementation of the Sino-Brit-
25 ish Joint Declaration on the Question of Hong Kong, in-
26 cluding—

1 (1) the Basic Law and its consistency with the
2 Joint Declaration;

3 (2) Beijing's plans to replace the elected legisla-
4 ture with an appointed body;

5 (3) the openness and fairness of the election of
6 the chief executive and the executive's accountability
7 to the legislature;

8 (4) the treatment of political parties;

9 (5) the independence of the Judiciary and its
10 ability to exercise the power of final judgment over
11 Hong Kong law; and

12 (6) the Bill of Rights.

13 LIMITATION ON USE OF FUNDS FOR PURCHASE OF
14 PRODUCTS NOT MADE IN AMERICA

15 SEC. 573. None of the funds appropriated in this Act
16 may be made available to the government of any foreign
17 country when it is made known to the Federal official hav-
18 ing authority to obligate or expend such funds that—

19 (1) the funds are to be used to purchase any
20 equipment or product made in a country other than
21 such foreign country or the United States; and

22 (2) substantially similar equipment or products
23 are made in the United States and available for pur-
24 chase at a price that is not more than 10 percent
25 higher.

1 LIMITATION ON ASSISTANCE TO TURKEY

2 SEC. 574. Not more than \$22,000,000 of the funds
3 appropriated in this Act under the heading “Economic
4 Support Fund” may be made available to the Government
5 of Turkey, except when it is made known to the Federal
6 official having authority to obligate or expend such funds
7 that the Government of Turkey has (1) joined the United
8 States in acknowledging the atrocity committed against
9 the Armenian population of the Ottoman Empire from
10 1915 to 1923; and (2) taken all appropriate steps to honor
11 the memory of the victims of the Armenian genocide.

12 LIMITATION ON FOREIGN MILITARY FINANCING

13 SEC. 575. None of the funds made available under
14 the heading “Foreign Military Financing Program” may
15 be made available for any country when it is made known
16 to the President that the government of such country has
17 not agreed to the Department of Defense conducting dur-
18 ing the current fiscal year nonreimbursable audits of pri-
19 vate firms whose contracts are made directly with foreign
20 governments and are financed with funds made available
21 under this heading (as well as subcontractors thereunder)
22 as requested by the Defense Security Assistance Agency.

23 LIMITATION UNDER ARMS EXPORT CONTROL ACT

24 SEC. 576. Not more than \$100,000,000 of the funds
25 made available under the heading “Foreign Military Fi-
26 nancing Program” may be made available for use in fi-

1 nancing the procurement of defense articles, defense serv-
2 ices, or design and construction services that are not sold
3 by the United States Government under the Arms Export
4 Control Act to countries other than Israel and Egypt.

5 LIMITATION ON ASSISTANCE TO MEXICO

6 SEC. 577. None of the funds appropriated or other-
7 wise made available by this Act may be obligated or ex-
8 pended for the Government of Mexico, except if it is made
9 known to the Federal entity or official to which funds are
10 appropriated under this Act that—

11 (1) the Government of Mexico is taking actions
12 to reduce the amount of illegal drugs entering the
13 United States from Mexico; and

14 (2) the Government of Mexico—

15 (A) is taking effective actions to apply vig-
16 orously all law enforcement resources to inves-
17 tigate, track, capture, incarcerate, and pros-
18 ecute individuals controlling, supervising, or
19 managing international narcotics cartels or
20 other similar entities and the accomplices of
21 such individuals, individuals responsible for, or
22 otherwise involved in, corruption, and individ-
23 uals involved in money-laundering;

24 (B) is pursuing international anti-drug
25 trafficking initiatives;

1 ~~(C)~~ is cooperating fully with international
2 efforts at narcotics interdiction; and

3 ~~(D)~~ is cooperating fully with requests by
4 the United States for assistance in investiga-
5 tions of money-laundering violations and is
6 making progress toward implementation of ef-
7 fective laws to prohibit money-laundering.

8 *That the following sums are appropriated, out of any*
9 *money in the Treasury not otherwise appropriated, for the*
10 *fiscal year ending September 30, 1997, and for other pur-*
11 *poses, namely:*

12 *TITLE I—EXPORT AND INVESTMENT ASSISTANCE*

13 *EXPORT-IMPORT BANK OF THE UNITED STATES*

14 *The Export-Import Bank of the United States is au-*
15 *thorized to make such expenditures within the limits of*
16 *funds and borrowing authority available to such corpora-*
17 *tion, and in accordance with law, and to make such con-*
18 *tracts and commitments without regard to fiscal year limi-*
19 *tations, as provided by section 104 of the Government Cor-*
20 *poration Control Act, as may be necessary in carrying out*
21 *the program for the current fiscal year for such corporation:*
22 *Provided, That none of the funds available during the cur-*
23 *rent fiscal year may be used to make expenditures, con-*
24 *tracts, or commitments for the export of nuclear equipment,*
25 *fuel, or technology to any country other than a nuclear-*

1 *weapon State as defined in Article IX of the Treaty on the*
2 *Non-Proliferation of Nuclear Weapons eligible to receive*
3 *economic or military assistance under this Act that has det-*
4 *onated a nuclear explosive after the date of enactment of*
5 *this Act.*

6 *SUBSIDY APPROPRIATION*

7 *For the cost of direct loans, loan guarantees, insurance,*
8 *and tied-aid grants as authorized by section 10 of the Ex-*
9 *port-Import Bank Act of 1945, as amended, \$730,000,000*
10 *to remain available until September 30, 1998: Provided,*
11 *That such costs, including the cost of modifying such loans,*
12 *shall be as defined in section 502 of the Congressional Budg-*
13 *et Act of 1974: Provided further, That such sums shall re-*
14 *main available until 2012 for the disbursement of direct*
15 *loans, loan guarantees, insurance and tied-aid grants obli-*
16 *gated in fiscal years 1997 and 1998: Provided further, That*
17 *up to \$50,000,000 of funds appropriated by this paragraph*
18 *shall remain available until expended and may be used for*
19 *tied-aid grant purposes: Provided further, That none of the*
20 *funds appropriated by this paragraph may be used for tied-*
21 *aid credits or grants except through the regular notification*
22 *procedures of the Committees on Appropriations: Provided*
23 *further, That funds appropriated by this paragraph are*
24 *made available notwithstanding section 2(b)(2) of the Ex-*
25 *port-Import Bank Act of 1945, in connection with the pur-*

1 *chase or lease of any product by any East European coun-*
2 *try, any Baltic State, or any agency or national thereof.*

3 *ADMINISTRATIVE EXPENSES*

4 *For administrative expenses to carry out the direct*
5 *and guaranteed loan and insurance programs (to be com-*
6 *puted on an accrual basis), including hire of passenger*
7 *motor vehicles and services as authorized by 5 U.S.C. 3109,*
8 *and not to exceed \$20,000 for official reception and rep-*
9 *resentation expenses for members of the Board of Directors,*
10 *\$40,000,000: Provided, That necessary expenses (including*
11 *special services performed on a contract or fee basis, but*
12 *not including other personal services) in connection with*
13 *the collection of moneys owed the Export-Import Bank, re-*
14 *possession or sale of pledged collateral or other assets ac-*
15 *quired by the Export-Import Bank in satisfaction of mon-*
16 *eys owed the Export-Import Bank, or the investigation or*
17 *appraisal of any property, or the evaluation of the legal*
18 *or technical aspects of any transaction for which an appli-*
19 *cation for a loan, guarantee or insurance commitment has*
20 *been made, shall be considered nonadministrative expenses*
21 *for the purposes of this heading: Provided further, That,*
22 *none of the funds made available by this or any other Act*
23 *may be made available to pay the salary and any other*
24 *expenses of the incumbent Chairman and President of the*
25 *Export-Import Bank unless and until he has been con-*
26 *firmed by the United States Senate: Provided further, That,*

1 *notwithstanding subsection (b) of section 117 of the Export*
2 *Enhancement Act of 1992, subsection (a) thereof shall re-*
3 *main in effect until October 1, 1997.*

4 *OVERSEAS PRIVATE INVESTMENT CORPORATION*

5 *NONCREDIT ACCOUNT*

6 *The Overseas Private Investment Corporation is au-*
7 *thorized to make, without regard to fiscal year limitations,*
8 *as provided by 31 U.S.C. 9104, such expenditures and com-*
9 *mitments within the limits of funds available to it and in*
10 *accordance with law as may be necessary: Provided, That*
11 *the amount available for administrative expenses to carry*
12 *out the credit and insurance programs (including an*
13 *amount for official reception and representation expenses*
14 *which shall not exceed \$35,000) shall not exceed*
15 *\$32,000,000: Provided further, That project-specific trans-*
16 *action costs, including direct and indirect costs incurred*
17 *in claims settlements, and other direct costs associated with*
18 *services provided to specific investors or potential investors*
19 *pursuant to section 234 of the Foreign Assistance Act of*
20 *1961, shall not be considered administrative expenses for*
21 *the purposes of this heading.*

22 *PROGRAM ACCOUNT*

23 *For the cost of direct and guaranteed loans,*
24 *\$72,000,000, as authorized by section 234 of the Foreign*
25 *Assistance Act of 1961, to be derived by transfer from the*
26 *Overseas Private Investment Corporation Noncredit Ac-*

1 *count: Provided, That such costs, including the cost of modi-*
2 *fying such loans, shall be as defined in section 502 of the*
3 *Congressional Budget Act of 1974: Provided further, That*
4 *such sums shall be available for direct loan obligations and*
5 *loan guaranty commitments incurred or made during fiscal*
6 *years 1997 and 1998: Provided further, That such sums*
7 *shall remain available through fiscal year 2005 for the dis-*
8 *bursement of direct and guaranteed loans obligated in fiscal*
9 *year 1997, and through fiscal year 2006 for the disburse-*
10 *ment of direct and guaranteed loans obligated in fiscal year*
11 *1998. In addition, such sums as may be necessary for ad-*
12 *ministrative expenses to carry out the credit program may*
13 *be derived from amounts available for administrative ex-*
14 *penses to carry out the credit and insurance programs in*
15 *the Overseas Private Investment Corporation Noncredit Ac-*
16 *count and merged with said account.*

17 *FUNDS APPROPRIATED TO THE PRESIDENT*

18 *TRADE AND DEVELOPMENT AGENCY*

19 *For necessary expenses to carry out the provisions of*
20 *section 661 of the Foreign Assistance Act of 1961,*
21 *\$40,000,000: Provided, That the Trade and Development*
22 *Agency may receive reimbursements from corporations and*
23 *other entities for the costs of grants for feasibility studies*
24 *and other project planning services, to be deposited as an*
25 *offsetting collection to this account and to be available for*

1 *obligation until September 30, 1997, for necessary expenses*
2 *under this paragraph: Provided further, That such reim-*
3 *bursements shall not cover, or be allocated against, direct*
4 *or indirect administrative costs of the agency.*

5 *TITLE II—BILATERAL ECONOMIC ASSISTANCE*

6 *FUNDS APPROPRIATED TO THE PRESIDENT*

7 *For expenses necessary to enable the President to carry*
8 *out the provisions of the Foreign Assistance Act of 1961,*
9 *and for other purposes, to remain available until September*
10 *30, 1997, unless otherwise specified herein, as follows:*

11 *AGENCY FOR INTERNATIONAL DEVELOPMENT*

12 *DEVELOPMENT ASSISTANCE*

13 *(INCLUDING TRANSFER OF FUNDS)*

14 *For necessary expenses to carry out the provisions of*
15 *sections 103 through 106 and chapter 10 of part I of the*
16 *Foreign Assistance Act of 1961, title V of the International*
17 *Security and Development Cooperation Act of 1980 (Public*
18 *Law 96–533) and the provisions of section 401 of the For-*
19 *ign Assistance Act of 1969, \$1,262,000,000, to remain*
20 *available until September 30, 1998: Provided, That of the*
21 *amount appropriated under this heading, up to*
22 *\$18,000,000 may be made available for the Inter-American*
23 *Foundation and shall be apportioned directly to that agen-*
24 *cy: Provided further, That of the amount appropriated*
25 *under this heading, up to \$10,500,000 may be made avail-*
26 *able for the African Development Foundation and shall be*

1 *apportioned directly to that agency: Provided further, That*
2 *of the funds appropriated under title II of this Act that*
3 *are administered by the Agency for International Develop-*
4 *ment and made available for family planning assistance,*
5 *not less than 65 percent shall be made available directly*
6 *to the agency's central Office of Population and shall be*
7 *programmed by that office for family planning activities:*
8 *Provided further, That of the funds appropriated under this*
9 *heading and under the heading "Population, Development*
10 *Assistance" that are made available by the Agency for*
11 *International Development for development assistance ac-*
12 *tivities, the amount made available to carry out chapter*
13 *10 of part I of the Foreign Assistance Act of 1961 (relating*
14 *to the Development Fund for Africa) shall be in at least*
15 *the same proportion as the amount identified in the fiscal*
16 *year 1997 draft congressional presentation document for de-*
17 *velopment assistance for sub-Saharan Africa is to the total*
18 *amount requested for development assistance for such fiscal*
19 *year: Provided further, That funds appropriated under this*
20 *heading shall be made available, notwithstanding any other*
21 *provision of law, to assist Vietnam to reform its trade regime*
22 *through, among other things, reform of its commercial and*
23 *investment legal codes: Provided further, That up to*
24 *\$5,000,000 of the funds appropriated under this heading*
25 *may be made available for necessary expenses to carry out*

1 *the provisions of section 667 of the Foreign Assistance Act*
2 *of 1961: Provided further, That none of the funds made*
3 *available in this Act nor any unobligated balances from*
4 *prior appropriations may be made available to any organi-*
5 *zation or program which, as determined by the President*
6 *of the United States, supports or participates in the man-*
7 *agement of a program of coercive abortion or involuntary*
8 *sterilization: Provided further, That none of the funds made*
9 *available under this heading or under the heading “Popu-*
10 *lation, Development Assistance”, may be used to pay for*
11 *the performance of abortion as a method of family planning*
12 *or to motivate or coerce any person to practice abortions;*
13 *and that in order to reduce reliance on abortion in develop-*
14 *ing nations, funds shall be available only to voluntary fam-*
15 *ily planning projects which offer, either directly or through*
16 *referral to, or information about access to, a broad range*
17 *of family planning methods and services: Provided further,*
18 *That in awarding grants for natural family planning*
19 *under section 104 of the Foreign Assistance Act of 1961 no*
20 *applicant shall be discriminated against because of such ap-*
21 *plicant’s religious or conscientious commitment to offer*
22 *only natural family planning; and, additionally, all such*
23 *applicants shall comply with the requirements of the pre-*
24 *vious proviso: Provided further, That for purposes of this*
25 *or any other Act authorizing or appropriating funds for*

1 *foreign operations, export financing, and related programs,*
2 *the term “motivate”, as it relates to family planning assist-*
3 *ance, shall not be construed to prohibit the provision, con-*
4 *sistent with local law, of information or counseling about*
5 *all pregnancy options: Provided further, That nothing in*
6 *this paragraph shall be construed to alter any existing stat-*
7 *utory prohibitions against abortion under section 104 of the*
8 *Foreign Assistance Act of 1961: Provided further, That, not-*
9 *withstanding section 109 of the Foreign Assistance Act of*
10 *1961, of the funds appropriated under this heading in this*
11 *Act, and of the unobligated balances of funds previously ap-*
12 *propriated under this heading, \$17,500,000 shall be trans-*
13 *ferred to “International Organizations and Programs” for*
14 *a contribution to the International Fund for Agricultural*
15 *Development (IFAD), and that any such transfer of funds*
16 *shall be subject to the regular notification procedures of the*
17 *Committees on Appropriations: Provided further, That of*
18 *the funds appropriated under this heading that are made*
19 *available for assistance programs for displaced and or-*
20 *phaned children and victims of war, not to exceed \$25,000,*
21 *in addition to funds otherwise available for such purposes,*
22 *may be used to monitor and provide oversight of such pro-*
23 *grams: Provided further, That not less than \$650,000 of the*
24 *funds made available under this heading shall be available*
25 *only for support of the United States Telecommunications*

1 *Training Institute: Provided further, That of the amount*
2 *appropriated under this heading, not less than \$15,000,000*
3 *shall be available only for the American Schools and Hos-*
4 *pitals Abroad program under section 214 of the Foreign*
5 *Assistance Act of 1961.*

6 *POPULATION, DEVELOPMENT ASSISTANCE*

7 *For necessary expenses to carry out the provisions of*
8 *section 104(b) of the Foreign Assistance Act of 1961,*
9 *\$410,000,000, to remain available until September 30,*
10 *1998.*

11 *CYPRUS*

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

20 *BURMA*

21 *Of the funds appropriated by this Act to carry out the*
22 *provisions of chapter 8 of part I and chapter 4 of part II*
23 *of the Foreign Assistance Act of 1961, not less than*
24 *\$2,500,000 shall be made available to support activities in*
25 *Burma, along the Burma-Thailand border, and for activi-*
26 *ties of Burmese student groups and other organizations lo-*

1 cated outside Burma, for the purposes of fostering democ-
2 racy in Burma, supporting the provision of medical sup-
3 plies and other humanitarian assistance to Burmese located
4 in Burma or displaced Burmese along the borders, and for
5 other purposes: Provided, That of this amount, not less than
6 \$200,000 shall be made available to support newspapers,
7 publications, and other media activities promoting democ-
8 racy inside Burma: Provided further, That funds made
9 available under this heading may be made available not-
10 withstanding any other provision of law: Provided further,
11 That provision of such funds shall be made available subject
12 to the regular notification procedures of the Committees on
13 Appropriations.

14 *PRIVATE AND VOLUNTARY ORGANIZATIONS*

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

1 *provisions of this section, except that the authority con-*
2 *tained in the last sentence of section 123(g) may be exer-*
3 *cised by the Administrator with regard to the requirements*
4 *of this paragraph.*

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

14 *INTERNATIONAL DISASTER ASSISTANCE*

15 *For necessary expenses for international disaster relief,*
16 *rehabilitation, and reconstruction assistance pursuant to*
17 *section 491 of the Foreign Assistance Act of 1961, as amend-*
18 *ed, \$190,000,000, to remain available until expended.*

19 *DEBT RESTRUCTURING*

20 *For the cost, as defined in section 502 of the Congres-*
21 *sional Budget Act of 1974, of modifying direct loans and*
22 *loan guarantees, as the President may determine, for which*
23 *funds have been appropriated or otherwise made available*
24 *for programs within the International Affairs Budget Func-*
25 *tion 150, including the cost of selling, reducing, or canceling*
26 *amounts, through debt buybacks and swaps, owed to the*

1 *United States as a result of concessional loans made to eli-*
2 *gible Latin American and Caribbean countries, pursuant*
3 *to part IV of the Foreign Assistance Act of 1961; of modify-*
4 *ing direct loans extended to least developed countries, as*
5 *authorized under title I of the Agricultural Trade Develop-*
6 *ment and Assistance Act of 1954, as amended; and of modi-*
7 *fying concessional loans authorized under title I of the Agri-*
8 *cultural Trade Development and Assistance Act of 1954, as*
9 *amended, as authorized under subsection (a) under the*
10 *heading “Debt Reduction for Jordan” in title VI of Public*
11 *Law 103–306, \$27,000,000, to remain available until ex-*
12 *pended: Provided, That none of the funds appropriated*
13 *under this heading shall be obligated except through the reg-*
14 *ular notification procedures of the Committee on Appro-*
15 *priations.*

16 *MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM*

17 *ACCOUNT*

18 *For the subsidy cost of direct loans and loan guaran-*
19 *tees, \$1,500,000, as authorized by section 108 of the Foreign*
20 *Assistance Act of 1961, as amended: Provided, That such*
21 *costs shall be as defined in section 502 of the Congressional*
22 *Budget Act of 1974: Provided further, That guarantees of*
23 *loans made under this heading in support of microenter-*
24 *prise activities may guarantee up to 70 percent of the prin-*
25 *cipal amount of any such loans notwithstanding section*
26 *108 of the Foreign Assistance Act of 1961. In addition, for*

1 *administrative expenses to carry out programs under this*
2 *heading, \$500,000, all of which may be transferred to and*
3 *merged with the appropriation for Operating Expenses of*
4 *the Agency for International Development: Provided fur-*
5 *ther, That funds made available under this heading shall*
6 *remain available until September 30, 1998.*

7 *HOUSING GUARANTY PROGRAM ACCOUNT*

8 *For the cost, as defined in section 502 of the Congres-*
9 *sional Budget Act of 1974, of guaranteed loans authorized*
10 *by sections 221 and 222 of the Foreign Assistance Act of*
11 *1961, \$4,000,000, to remain available until September 30,*
12 *1998: Provided, That these funds are available to subsidize*
13 *loan principal, 100 percent of which shall be guaranteed,*
14 *pursuant to the authority of such sections. In addition, for*
15 *administrative expenses to carry out guaranteed loan pro-*
16 *grams, \$6,000,000, all of which may be transferred to and*
17 *merged with the appropriation for Operating Expenses of*
18 *the Agency for International Development: Provided fur-*
19 *ther, That commitments to guarantee loans under this head-*
20 *ing may be entered into notwithstanding the second and*
21 *third sentences of section 222(a) and, with regard to pro-*
22 *grams for central and Eastern Europe and programs for*
23 *the benefit of South Africans disadvantaged by apartheid,*
24 *section 223(j) of the Foreign Assistance Act of 1961.*

1 *PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND*
2 *DISABILITY FUND*

3 *For payment to the “Foreign Service Retirement and*
4 *Disability Fund”, as authorized by the Foreign Service Act*
5 *of 1980, \$43,826,000.*

6 *OPERATING EXPENSES OF THE AGENCY FOR*
7 *INTERNATIONAL DEVELOPMENT*

8 *For necessary expenses to carry out the provisions of*
9 *section 667, \$495,000,000: Provided, That notwithstanding*
10 *any other provision of law, none of the funds appropriated*
11 *or otherwise made available by this Act may be made avail-*
12 *able for expenses necessary to relocate the Agency for Inter-*
13 *national Development, or any part of that agency, to the*
14 *building at the Federal Triangle in Washington, District*
15 *of Columbia.*

16 *OPERATING EXPENSES OF THE AGENCY FOR INTER-*
17 *NATIONAL DEVELOPMENT OFFICE OF INSPECTOR GEN-*
18 *ERAL*

19 *For necessary expenses to carry out the provisions of*
20 *section 667, \$28,000,000, to remain available until ex-*
21 *pendent, which sum shall be available for the Office of the*
22 *Inspector General of the Agency for International Develop-*
23 *ment.*

1 *OTHER BILATERAL ECONOMIC ASSISTANCE*2 *ECONOMIC SUPPORT FUND*

3 *For necessary expenses to carry out the provisions of*
4 *chapter 4 of part II, \$2,340,000,000, to remain available*
5 *until September 30, 1998: Provided, That of the funds ap-*
6 *propriated under this heading, not less than \$1,200,000,000*
7 *shall be available only for Israel, which sum shall be avail-*
8 *able on a grant basis as a cash transfer and shall be dis-*
9 *bursed within thirty days of enactment of this Act or by*
10 *October 31, 1996, whichever is later: Provided further, That*
11 *not less than \$815,000,000 shall be available only for*
12 *Egypt, which sum shall be provided on a grant basis, and*
13 *of which sum cash transfer assistance may be provided,*
14 *with the understanding that Egypt will undertake signifi-*
15 *cant economic reforms which are additional to those which*
16 *were undertaken in previous fiscal years, and of which not*
17 *less than \$200,000,000 shall be provided as Commodity Im-*
18 *port Program assistance: Provided further, That in exercis-*
19 *ing the authority to provide cash transfer assistance for Is-*
20 *rael and Egypt, the President shall ensure that the level*
21 *of such assistance does not cause an adverse impact on the*
22 *total level of non-military exports from the United States*
23 *to each such country: Provided further, That it is the sense*
24 *of the Congress that the recommended levels of assistance*
25 *for Egypt and Israel are based in great measure upon their*

1 *ment of such funds for program purposes. The Fund may*
2 *retain for such program purposes any interest earned on*
3 *such deposits without returning such interest to the Treas-*
4 *ury of the United States and without further appropriation*
5 *by the Congress. Funds made available for Enterprise*
6 *Funds shall be expended at the minimum rate necessary*
7 *to make timely payment for projects and activities.*

8 *(c) Funds appropriated under this heading shall be*
9 *considered to be economic assistance under the Foreign As-*
10 *sistance Act of 1961 for purposes of making available the*
11 *administrative authorities contained in that Act for the use*
12 *of economic assistance.*

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

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

1 (2) *the provisions of section 534 of this Act shall*
2 *apply.*

3 (e) *With regard to funds appropriated under this head-*
4 *ing that are made available for economic revitalization pro-*
5 *grams in Bosnia and Hercegovina, 50 percent of such funds*
6 *shall not be available for obligation unless the President de-*
7 *termines and certifies to the Committees on Appropriations*
8 *that the Federation of Bosnia and Hercegovina has com-*
9 *plied with article III of annex 1-A of the General Frame-*
10 *work Agreement for Peace in Bosnia and Hercegovina con-*
11 *cerning the withdrawal of foreign forces, and that intel-*
12 *ligence cooperation on training, investigations, and related*
13 *activities between Iranian officials and Bosnian officials*
14 *has been terminated.*

15 *ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE*
16 *FORMER SOVIET UNION*

17 (a) *For necessary expenses to carry out the provisions*
18 *of chapter 11 of part I of the Foreign Assistance Act of 1961*
19 *and the FREEDOM Support Act, for assistance for the new*
20 *independent states of the former Soviet Union and for relat-*
21 *ed programs, \$640,000,000, to remain available until Sep-*
22 *tember 30, 1998: Provided, That the provisions of such*
23 *chapter shall apply to funds appropriated by this para-*
24 *graph: Provided further, That of the funds appropriated*
25 *under this heading \$25,000,000 shall be available for the*
26 *legal restructuring necessary to support a decentralized*

1 *market-oriented economic system, including enactment of*
2 *necessary substantive commercial law, implementation of*
3 *reforms necessary to establish an independent judiciary and*
4 *bar, legal education for judges, attorneys, and law students,*
5 *and education of the public designed to promote under-*
6 *standing of a law-based economy.*

7 *(b) None of the funds appropriated under this heading*
8 *shall be transferred to the Government of Russia—*

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

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

19 *(c) Funds may be furnished without regard to sub-*
20 *section (b) if the President determines that to do so is in*
21 *the national interest.*

22 *(d) None of the funds appropriated under this heading*
23 *shall be made available to any government of the new inde-*
24 *pendent states of the former Soviet Union if that govern-*
25 *ment directs any action in violation of the territorial integ-*

1 rity or national sovereignty of any other new independent
2 state, such as those violations included in the Helsinki
3 Final Act: Provided, That such funds may be made avail-
4 able without regard to the restriction in this subsection if
5 the President determines that to do so is in the national
6 security interest of the United States: Provided further,
7 That the restriction of this subsection shall not apply to
8 the use of such funds for the provision of assistance for pur-
9 poses of humanitarian, disaster and refugee relief.

10 (e) None of the funds appropriated under this heading
11 for the new independent states of the former Soviet Union
12 shall be made available for any state to enhance its military
13 capability: Provided, That this restriction does not apply
14 to demilitarization or nonproliferation programs.

15 (f) Funds appropriated under this heading shall be
16 subject to the regular notification procedures of the Commit-
17 tees on Appropriations.

18 (g) Funds made available in this Act for assistance
19 to the new independent states of the former Soviet Union
20 shall be subject to the provisions of section 117 (relating
21 to environment and natural resources) of the Foreign As-
22 sistance Act of 1961.

23 (h)(1) Of the funds appropriated under title II of this
24 Act, including funds appropriated under this heading, not
25 less than \$11,000,000 shall be available only for assistance

1 *for Mongolia, of which amount not less than \$6,000,000*
2 *shall be available only for the Mongolian energy sector.*

3 *(2) Funds made available for assistance for Mongolia*
4 *shall be made available in accordance with the purposes*
5 *and utilizing the authorities provided in chapter 11 of part*
6 *I of the Foreign Assistance Act of 1961.*

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

19 *(j) In issuing new task orders, entering into contracts,*
20 *or making grants, with funds appropriated under this*
21 *heading or in prior appropriations Acts, for projects or ac-*
22 *tivities that have as one of their primary purposes the fos-*
23 *tering of private sector development, the Coordinator for*
24 *United States Assistance to the New Independent States*
25 *and the implementing agency shall encourage the participa-*

1 *tion of and give significant weight to contractors and grant-*
2 *ees who propose investing a significant amount of their own*
3 *resources (including volunteer services and in-kind con-*
4 *tributions) in such projects and activities.*

5 *(k) Of the funds made available under this heading,*
6 *not less than \$225,000,000 shall be made available for*
7 *Ukraine, of which funds not less than \$25,000,000 shall be*
8 *made available to carry out United States decommissioning*
9 *obligations regarding the Chornobyl plant made in the*
10 *Memorandum of Understanding between the Government of*
11 *Ukraine and the G-7 Group: Provided, That not less than*
12 *\$35,000,000 shall be made available for agricultural*
13 *projects, including those undertaken through the Food Sys-*
14 *tems Restructuring Program, which leverage private sector*
15 *resources with United States Government assistance: Pro-*
16 *vided further, That \$5,000,000 shall be available for a small*
17 *business incubator project: Provided further, That*
18 *\$5,000,000 shall be made available for screening and treat-*
19 *ment of childhood mental and physical illnesses related to*
20 *Chornobyl radiation: Provided further, That of the amount*
21 *appropriated under this heading, \$5,000,000 shall be avail-*
22 *able only for a land and resource management institute to*
23 *identify nuclear contamination at Chornobyl..*

24 *(l) Of the funds made available for Ukraine, under this*
25 *Act or any other Act, not less than \$50,000,000 shall be*

1 *made available to improve safety at nuclear reactors: Pro-*
2 *vided, That of this amount \$20,000,000 shall be provided*
3 *for the purchase and installation of, and training for, safety*
4 *parameter display or control systems at all operational nu-*
5 *clear reactors: Provided further, That of this amount,*
6 *\$20,000,000 shall be made available for the purchase, con-*
7 *struction, installation and training for Full Scope and An-*
8 *alytical/Engineering simulators: Provided further, That of*
9 *this amount such funds as may be necessary shall be made*
10 *available to conduct Safety Analysis Reports at all oper-*
11 *ational nuclear reactors.*

12 *(m) Of the funds made available by this Act, not less*
13 *than \$95,000,000 shall be made available for Armenia.*

14 *(n) Of the funds made available by this or any other*
15 *Act, \$25,000,000 shall be made available for Georgia.*

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

24 *(p) Of the funds appropriated under this heading,*
25 *\$15,000,000 shall be provided for hospital partnership pro-*

1 *grams, medical assistance to directly reduce the incidence*
2 *of infectious diseases such as diphtheria or tuberculosis, and*
3 *a program to reduce the adverse impact of contaminated*
4 *drinking water.*

5 *(q) Of the funds appropriated under this heading and*
6 *under the heading “Assistance for Eastern Europe and the*
7 *Baltic States”, not less than \$12,000,000 shall be made*
8 *available for law enforcement training and exchanges, and*
9 *investigative and technical assistance activities related to*
10 *international criminal activities: Provided, That of this*
11 *amount, not less than \$1,000,000 shall be made available*
12 *for training and exchanges in Russia to combat violence*
13 *against women.*

14 *(r) Of the funds appropriated under this heading, not*
15 *less than \$50,000,000 should be provided to the Western NIS*
16 *and Central Asian Enterprise Funds: Provided, That obli-*
17 *gation of these funds shall be consistent with sound business*
18 *practices.*

19 *(s) Of the funds made available under this heading,*
20 *not less than \$10,000,000 shall be made available for a*
21 *United States contribution to the Trans-Caucasus Enter-*
22 *prise Fund.*

23 *(t) Funds appropriated under this heading or in prior*
24 *appropriations Acts that are or have been made available*
25 *for an Enterprise Fund may be deposited by such Fund*

1 *in interest-bearing accounts prior to the disbursement of*
2 *such funds by the Fund for program purposes. The Fund*
3 *may retain for such program purposes any interest earned*
4 *on such deposits without returning such interest to the*
5 *Treasury of the United States and without further appro-*
6 *priation by the Congress. Funds made available for Enter-*
7 *prise Funds shall be expended at the minimum rate nec-*
8 *essary to make timely payment for projects and activities.*

9 *(u) Funds appropriated under this heading may not*
10 *be made available for the Government of Ukraine if the*
11 *President determines and reports to the Committees on Ap-*
12 *propriations that the Government of Ukraine is engaged in*
13 *military cooperation with the Government of Libya.*

14 *(v) Of the funds appropriated under this heading, not*
15 *less than \$15,000,000 shall be available only for a family*
16 *planning program for the New Independent States of the*
17 *former Soviet Union comparable to the family planning*
18 *program currently administered by the Agency for Inter-*
19 *national Development in the Central Asian Republics and*
20 *focusing on population assistance which provides an alter-*
21 *native to abortion.*

22 *(w) Funds made available under this Act or any other*
23 *Act (other than assistance under title V of the FREEDOM*
24 *Support Act) may not be provided to the Government of*
25 *Azerbaijan until the President determines, and so reports*

1 *to the Congress, that the Government of Azerbaijan is taking*
2 *demonstrable steps to cease all blockades and other offensive*
3 *uses of force against Armenia and Nagorno-Karabakh.*

4 *(x) Of the funds appropriated under this heading, not*
5 *less than \$2,500,000 shall be made available for the Amer-*
6 *ican-Russian Center.*

7 *INDEPENDENT AGENCY*

8 *PEACE CORPS*

9 *For expenses necessary to carry out the provisions of*
10 *the Peace Corps Act (75 Stat. 612), \$205,000,000, including*
11 *the purchase of not to exceed five passenger motor vehicles*
12 *for administrative purposes for use outside of the United*
13 *States: Provided, That none of the funds appropriated*
14 *under this heading shall be used to pay for abortions: Pro-*
15 *vided further, That funds appropriated under this heading*
16 *shall remain available until September 30, 1998.*

17 *DEPARTMENT OF STATE*

18 *INTERNATIONAL NARCOTICS CONTROL*

19 *For necessary expenses to carry out the provisions of*
20 *section 481 of the Foreign Assistance Act of 1961,*
21 *\$213,000,000: Provided, That during fiscal year 1997, the*
22 *Department of State may also use the authority of section*
23 *608 of the Foreign Assistance Act of 1961, without regard*
24 *to its restrictions, to receive non-lethal excess property from*
25 *an agency of the United States Government for the purpose*

1 *of providing it to a foreign country under chapter 8 of part*
2 *I of that Act subject to the regular notification procedures*
3 *of the Committees on Appropriations: Provided, That, of*
4 *the funds appropriated under this heading, \$2,000,000 shall*
5 *be available only for demining operations in Afghanistan.*

6 *MIGRATION AND REFUGEE ASSISTANCE*

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

1 *UNITED STATES EMERGENCY REFUGEE AND MIGRATION*
2 *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 *(INCLUDING TRANSFERS OF FUNDS)*

15 *For necessary expenses for nonproliferation, anti-ter-*
16 *rorism and related programs and activities, \$140,000,000*
17 *to carry out the provisions of chapter 8 of part II of the*
18 *Foreign Assistance Act of 1961 for anti-terrorism assist-*
19 *ance, section 504 of the FREEDOM Support Act for the*
20 *Nonproliferation and Disarmament Fund, section 23 of the*
21 *Arms Export Control Act for demining activities, notwith-*
22 *standing any other provision of law, including activities*
23 *implemented through nongovernmental and international*
24 *organizations, section 301 of the Foreign Assistance Act of*
25 *1961 for a voluntary contribution to the International*
26 *Atomic Energy Agency (IAEA) and a voluntary contribu-*

1 *tion to the Korean Peninsula Energy Development Organi-*
2 *zation (KEDO), and for the acquisition and provision of*
3 *goods and services, or for grants to Israel necessary to sup-*
4 *port the eradication of terrorism in and around Israel: Pro-*
5 *vided, That of this amount not to exceed \$15,000,000, to*
6 *remain available until expended, may be made available*
7 *for the Nonproliferation and Disarmament Fund, notwith-*
8 *standing any other provision of law, to promote bilateral*
9 *and multilateral activities relating to nonproliferation and*
10 *disarmament: Provided further, That such funds may also*
11 *be used for such countries other than the new independent*
12 *states of the former Soviet Union and international organi-*
13 *zations when it is in the national security interest of the*
14 *United States to do so: Provided further, That such funds*
15 *shall be subject to the regular notification procedures of the*
16 *Committees on Appropriations: Provided further, That*
17 *funds appropriated under this heading may be made avail-*
18 *able for the International Atomic Energy Agency only if*
19 *the Secretary of State determines (and so reports to the*
20 *Congress) that Israel is not being denied its right to partici-*
21 *pate in the activities of that Agency: Provided further, That,*
22 *notwithstanding any prohibitions in this or any other Act*
23 *on direct or indirect assistance to North Korea, not more*
24 *than \$25,000,000 may be made available to the Korean Pe-*
25 *ninsula Energy Development Organization (KEDO) only*

1 *for heavy fuel oil costs and other expenses associated with*
2 *the Agreed Framework, of which \$13,000,000 shall be from*
3 *funds appropriated under this heading and \$12,000,000*
4 *may be transferred from funds appropriated by this Act*
5 *under the headings “International Organization and Pro-*
6 *grams”, “Foreign Military Financing Program”, and*
7 *“Economic Support Fund”: Provided further, That such*
8 *funds may be obligated to KEDO only if, prior to such obli-*
9 *gation of funds, the President certifies and so reports to*
10 *Congress that (1)(A) the United States is taking steps to*
11 *assure that progress is made on the implementation of the*
12 *January 1, 1992, Joint Declaration on the*
13 *Denuclearization of the Korean Peninsula and the imple-*
14 *mentation of the North-South dialogue, and (B) North*
15 *Korea is complying with the other provisions of the Agreed*
16 *Framework between North Korea and the United States and*
17 *with the Confidential Minute; (2) North Korea is cooperat-*
18 *ing fully in the canning and safe storage of all spent fuel*
19 *from its graphite-moderated nuclear reactors and that such*
20 *canning and safe storage is scheduled to be completed by*
21 *the end of fiscal year 1997; and (3) North Korea has not*
22 *significantly diverted assistance provided by the United*
23 *States for purposes for which such assistance was not in-*
24 *tended: Provided further, That the President may waive the*
25 *certification requirements of the preceding proviso if the*

1 *President deems it necessary in the vital national security*
2 *interests of the United States: Provided further, That no*
3 *funds may be obligated for KEDO until 30 calendar days*
4 *after the submission to Congress of the waiver permitted*
5 *under the preceding proviso: Provided further, That before*
6 *obligating any funds for KEDO, the President shall report*
7 *to Congress on (1) the cooperation of North Korea in the*
8 *process of returning to the United States the remains of*
9 *United States military personnel who are listed as missing*
10 *in action as a result of the Korean conflict (including con-*
11 *ducting joint field activities with the United States); (2)*
12 *violations of the military armistice agreement of 1953; (3)*
13 *the actions which the United States is taking and plans*
14 *to take to assure that North Korea is consistently taking*
15 *steps to implement the Joint Declaration on*
16 *Denuclearization of the Korean Peninsula and engage in*
17 *North-South dialogue; and (4) all instances of non-compli-*
18 *ance with the agreed framework between North Korea and*
19 *the United States and the Confidential Minute, including*
20 *diversion of heating fuel oil: Provided further, That the obli-*
21 *gation of such funds shall be subject to the regular notifica-*
22 *tion procedures of the Committees on Appropriations.*

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 *\$40,000,000: Provided, That up to \$100,000 of the funds*
7 *appropriated under this heading may be made available for*
8 *grant financed military education and training for any*
9 *high income country on the condition that that country*
10 *agrees to fund from its own resources the transportation*
11 *cost and living allowances of its students: Provided further,*
12 *That the civilian personnel for whom military education*
13 *and training may be provided under this heading may also*
14 *include members of national legislatures who are respon-*
15 *sible for the oversight and management of the military, and*
16 *may also include individuals who are not members of a*
17 *government: Provided further, That none of the funds ap-*
18 *propriated under this heading shall be available for Zaire*
19 *and Guatemala: Provided further, That funds appropriated*
20 *under this heading for grant financed military education*
21 *and training for Indonesia may only be available for ex-*
22 *panded military education and training.*

23 *FOREIGN MILITARY FINANCING PROGRAM*24 *(INCLUDING TRANSFERS OF FUNDS)*

25 *For expenses necessary for grants to enable the Presi-*
26 *dent to carry out the provisions of section 23 of the Arms*

1 *Export Control Act, \$3,224,000,000: Provided, That of the*
2 *funds appropriated by this paragraph not less than*
3 *\$1,800,000,000 shall be available for grants only for Israel,*
4 *and not less than \$1,300,000,000 shall be available for*
5 *grants only for Egypt: Provided further, That the funds ap-*
6 *propriated by this paragraph for Israel shall be disbursed*
7 *within thirty days of enactment of this Act or by October*
8 *31, 1996, whichever is later: Provided further, That to the*
9 *extent that the Government of Israel requests that funds be*
10 *used for such purposes, grants made available for Israel by*
11 *this paragraph shall, as agreed by Israel and the United*
12 *States, be available for advanced weapons systems, of which*
13 *not less than \$475,000,000 shall be available for the pro-*
14 *curement in Israel of defense articles and defense services,*
15 *including research and development: Provided further, That*
16 *Poland, Hungary, and the Czech Republic shall be des-*
17 *ignated as eligible for the program established under section*
18 *203(a) of the NATO Participation Act of 1994: Provided*
19 *further, That of the funds made available under this para-*
20 *graph, \$30,000,000 shall be available for assistance on a*
21 *grant basis for Poland, Hungary, and the Czech Republic*
22 *to carry out title II of Public Law 103–477 and section*
23 *585 of Public Law 104–107: Provided further, That funds*
24 *made available under this paragraph shall be nonrepayable*
25 *notwithstanding any requirement in section 23 of the Arms*

1 *Export Control Act: Provided further, That, for the purpose*
2 *only of providing support for NATO expansion and the*
3 *Warsaw Initiative Program, of the funds appropriated by*
4 *this Act under the headings “Assistance for Eastern Europe*
5 *and the Baltic States” and “Assistance for the New Inde-*
6 *pendent States of the Former Soviet Union”, up to a total*
7 *of \$20,000,000 may be transferred, notwithstanding any*
8 *other provision of law, to the funds appropriated under this*
9 *paragraph: Provided further, That none of the funds made*
10 *available under this heading shall be available for any non-*
11 *NATO country participating in the Partnership for Peace*
12 *Program except through the regular notification procedures*
13 *of the Committees on Appropriations.*

14 *For the cost, as defined in section 502 of the Congres-*
15 *sional Budget Act of 1974, of direct loans authorized by*
16 *section 23 of the Arms Export Control Act as follows: cost*
17 *of direct loans, \$60,000,000: Provided, That these funds are*
18 *available to subsidize gross obligations for the principal*
19 *amount of direct loans of not to exceed \$540,000,000: Pro-*
20 *vided further, That the rate of interest charged on such*
21 *loans shall be not less than the current average market yield*
22 *on outstanding marketable obligations of the United States*
23 *of comparable maturities: Provided further, That of the*
24 *funds appropriated under this paragraph \$20,000,000 shall*
25 *be made available to Poland, Hungary, and the Czech Re-*

1 *public: Provided further, That funds appropriated under*
2 *this heading shall be made available for Greece and Turkey*
3 *only on a loan basis, and the principal amount of direct*
4 *loans for each country shall not exceed the following:*
5 *\$122,500,000 only for Greece and \$175,000,000 only for*
6 *Turkey.*

7 *None of the funds made available under this heading*
8 *shall be available to finance the procurement of defense arti-*
9 *cles, defense services, or design and construction services*
10 *that are not sold by the United States Government under*
11 *the Arms Export Control Act unless the foreign country pro-*
12 *posing to make such procurements has first signed an agree-*
13 *ment with the United States Government specifying the*
14 *conditions under which such procurements may be financed*
15 *with such funds: Provided, That all country and funding*
16 *level increases in allocations shall be submitted through the*
17 *regular notification procedures of section 515 of this Act:*
18 *Provided further, That funds made available under this*
19 *heading shall be obligated upon apportionment in accord-*
20 *ance with paragraph (5)(C) of title 31, United States Code,*
21 *section 1501(a): Provided further, That none of the funds*
22 *appropriated under this heading shall be available for*
23 *Zaire, Sudan, Peru, Liberia, and Guatemala: Provided fur-*
24 *ther, That none of the funds appropriated or otherwise*
25 *made available for use under this heading may be made*

1 *available for Colombia or Bolivia until the Secretary of*
2 *State certifies that such funds will be used by such country*
3 *primarily for counternarcotics activities: Provided further,*
4 *That funds made available under this heading may be used,*
5 *notwithstanding any other provision of law, for activities*
6 *related to the clearance of landmines and unexploded ord-*
7 *nance, and may include activities implemented through*
8 *nongovernmental and international organizations: Pro-*
9 *vided further, That not more than \$100,000,000 of the funds*
10 *made available under this heading shall be available for use*
11 *in financing the procurement of defense articles, defense*
12 *services, or design and construction services that are not*
13 *sold by the United States Government under the Arms Ex-*
14 *port Control Act to countries other than Israel and Egypt:*
15 *Provided further, That only those countries for which assist-*
16 *ance was justified for the "Foreign Military Sales Financ-*
17 *ing Program" in the fiscal year 1989 congressional presen-*
18 *tation for security assistance programs may utilize funds*
19 *made available under this heading for procurement of de-*
20 *fense articles, defense services or design and construction*
21 *services that are not sold by the United States Government*
22 *under the Arms Export Control Act: Provided further, That,*
23 *subject to the regular notification procedures of the Commit-*
24 *tees on Appropriations, funds made available under this*
25 *heading for the cost of direct loans may also be used to sup-*

1 plement the funds available under this heading for grants,
2 and funds made available under this heading for grants
3 may also be used to supplement the funds available under
4 this heading for the cost of direct loans: Provided further,
5 That funds appropriated under this heading shall be ex-
6 pended at the minimum rate necessary to make timely pay-
7 ment for defense articles and services: Provided further,
8 That the Department of Defense shall conduct during the
9 current fiscal year nonreimbursable audits of private firms
10 whose contracts are made directly with foreign governments
11 and are financed with funds made available under this
12 heading (as well as subcontractors thereunder) as requested
13 by the Defense Security Assistance Agency: Provided fur-
14 ther, That not more than \$23,250,000 of the funds appro-
15 priated under this heading may be obligated for necessary
16 expenses, including the purchase of passenger motor vehicles
17 for replacement only for use outside of the United States,
18 for the general costs of administering military assistance
19 and sales: Provided further, That not more than
20 \$355,000,000 of funds realized pursuant to section
21 21(e)(1)(A) of the Arms Export Control Act may be obli-
22 gated for expenses incurred by the Department of Defense
23 during fiscal year 1997 pursuant to section 43(b) of the
24 Arms Export Control Act, except that this limitation may

1 *be exceeded only through the regular notification procedures*
2 *of the Committees on Appropriations.*

3 *PEACEKEEPING OPERATIONS*

4 *For necessary expenses to carry out the provisions of*
5 *section 551 of the Foreign Assistance Act of 1961,*
6 *\$65,000,000: Provided, That none of the funds appropriated*
7 *under this paragraph shall be obligated or expended except*
8 *as provided through the regular notification procedures of*
9 *the Committees on Appropriations.*

10 *TITLE IV—MULTILATERAL ECONOMIC*

11 *ASSISTANCE*

12 *FUNDS APPROPRIATED TO THE PRESIDENT*

13 *INTERNATIONAL FINANCIAL INSTITUTIONS*

14 *CONTRIBUTION TO THE GLOBAL ENVIRONMENT FACILITY*

15 *For payment to the International Bank for Recon-*
16 *struction and Development by the Secretary of the Treas-*
17 *ury, for the United States contribution to the Global Envi-*
18 *ronment Facility (GEF), \$35,000,000, to remain available*
19 *until September 30, 1998.*

20 *CONTRIBUTION TO THE INTERIM TRUST FUND AT THE*

21 *INTERNATIONAL DEVELOPMENT ASSOCIATION*

22 *For payment to the Interim Trust Fund administered*
23 *by the International Development Association by the Sec-*
24 *retary of the Treasury, \$700,000,000, to remain available*
25 *until expended.*

1 *istered by the Inter-American Development Bank,*
2 *\$27,500,000 to remain available until expended.*

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 Development*
10 *Bank may subscribe without fiscal year limitation to the*
11 *callable capital portion of the United States share of such*
12 *capital stock in an amount not to exceed \$647,858,204.*

13 *CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND*

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

19 *CONTRIBUTION TO THE EUROPEAN BANK FOR*

20 *RECONSTRUCTION AND DEVELOPMENT*

21 *For payment to the European Bank for Reconstruction*
22 *and Development by the Secretary of the Treasury,*
23 *\$11,916,447, for the United States share of the paid-in*
24 *share portion of the initial capital subscription, to remain*
25 *available until expended.*

1 *LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS*

2 *The United States Governor of the European Bank for*
3 *Reconstruction and Development may subscribe without fis-*
4 *cal year limitation to the callable capital portion of the*
5 *United States share of such capital stock in an amount not*
6 *to exceed \$27,805,043.*

7 *NORTH AMERICAN DEVELOPMENT BANK*

8 *For payment to the North American Development*
9 *Bank by the Secretary of the Treasury, for the United*
10 *States share of the paid-in portion of the capital stock,*
11 *\$56,250,000, to remain available until expended.*

12 *LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS*

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

18 *INTERNATIONAL ORGANIZATIONS AND PROGRAMS*

19 *For necessary expenses to carry out the provisions of*
20 *section 301 of the Foreign Assistance Act of 1961, and of*
21 *section 2 of the United Nations Environment Program Par-*
22 *ticipation Act of 1973, \$270,000,000: Provided, That none*
23 *of the funds appropriated under this heading shall be made*
24 *available for the United Nations Fund for Science and*
25 *Technology: Provided further, That not less than \$3,000,000*
26 *of the funds appropriated under this heading shall be made*

1 *available for the World Food Program: Provided further,*
2 *That none of the funds appropriated under this heading*
3 *may be made available to the International Atomic Energy*
4 *Agency (IAEA): Provided further, That none of the funds*
5 *appropriated under this heading that are made available*
6 *to the United Nations Population Fund (UNFPA) shall be*
7 *made available for activities in the People's Republic of*
8 *China: Provided further, That not more than \$35,000,000*
9 *of the funds appropriated under this heading may be made*
10 *available to the UNFPA: Provided further, That not more*
11 *than one-half of this amount may be provided to UNFPA*
12 *before March 1, 1997, and that no later than February 15,*
13 *1997, the Secretary of State shall submit a report to the*
14 *Committees on Appropriations indicating the amount*
15 *UNFPA is budgeting for the People's Republic of China in*
16 *1997: Provided further, That any amount UNFPA plans*
17 *to spend in the People's Republic of China in 1997 shall*
18 *be deducted from the amount of funds provided to UNFPA*
19 *after March 1, 1997 pursuant to the previous provisos: Pro-*
20 *vided further, That with respect to any funds appropriated*
21 *under this heading that are made available to UNFPA,*
22 *UNFPA shall be required to maintain such funds in a sepa-*
23 *rate account and not commingle them with any other funds.*

1 *TITLE V—GENERAL PROVISIONS*2 *OBLIGATIONS DURING LAST MONTH OF AVAILABILITY*

3 *SEC. 501. Except for the appropriations entitled*
4 *“International Disaster Assistance”, and “United States*
5 *Emergency Refugee and Migration Assistance Fund”, not*
6 *more than 15 per centum of any appropriation item made*
7 *available by this Act shall be obligated during the last*
8 *month of availability.*

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, Anti-ter-*
6 *rorism, Demining and Related Programs”) pursuant to this*
7 *Act, for carrying out the Foreign Assistance Act of 1961,*
8 *may be used, except for purposes of nuclear safety, to fi-*
9 *nance the export of nuclear equipment, fuel, or technology.*

10 *PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN*
11 *COUNTRIES*

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

20 *MILITARY COUPS*

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

1 *ports to the Committees on Appropriations that subsequent*
2 *to the termination of assistance a democratically elected*
3 *government has taken office.*

4 *TRANSFERS BETWEEN ACCOUNTS*

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

17 *DEOBLIGATION/REOBLIGATION AUTHORITY*

18 *SEC. 510. (a) Amounts certified pursuant to section*
19 *1311 of the Supplemental Appropriations Act, 1955, as*
20 *having been obligated against appropriations heretofore*
21 *made under the authority of the Foreign Assistance Act of*
22 *1961 for the same general purpose as any of the headings*
23 *under title II of this Act are, if deobligated, hereby contin-*
24 *ued available for the same period as the respective appro-*
25 *priations under such headings or until September 30, 1997,*
26 *whichever is later, and for the same general purpose, and*

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

13 *LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT*

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

COMMERCE AND TRADE

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

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

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

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

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

10 *LIMITATION ON AVAILABILITY OF FUNDS FOR*

11 *INTERNATIONAL ORGANIZATIONS AND PROGRAMS*

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

1 *of law, shall remain available for obligation through Sep-*
2 *tember 30, 1997.*

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 under the Treaty*
8 *of Peace Between the Arab Republic of Egypt and the State*
9 *of Israel, done at Washington on March 26, 1979, Israel*
10 *incurred severe economic burdens. Furthermore, the Con-*
11 *gress recognizes that an economically and militarily secure*
12 *Israel serves the security interests of the United States, for*
13 *a secure Israel is an Israel which has the incentive and*
14 *confidence to continue pursuing the peace process. There-*
15 *fore, the Congress declares that, subject to the availability*
16 *of appropriations, it is the policy and the intention of the*
17 *United States that the funds provided in annual appropria-*
18 *tions for the Economic Support Fund which are allocated*
19 *to Israel shall not be less than the annual debt repayment*
20 *(interest and principal) from Israel to the United States*
21 *Government in recognition that such a principle serves*
22 *United States interests in the region.*

23 *PROHIBITION ON FUNDING FOR ABORTIONS AND*

24 *INVOLUNTARY STERILIZATION*

25 *SEC. 518. None of the funds made available to carry*
26 *out part I of the Foreign Assistance Act of 1961, as amend-*

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

22 *POPULATION PLANNING ASSISTANCE LIMITATIONS*

23 *SEC. 519. (a) PROHIBITION ON ABORTION FUNDING.—*
24 *None of the funds made available under this Act may be*
25 *used to pay for the performance of abortion as a method*

1 *of family planning, or to coerce or motivate any person to*
2 *practice abortions.*

3 (b) *PROHIBITION ON ABORTION LOBBYING.*—None of
4 *the funds made available under this Act may be used to*
5 *lobby for or against abortion.*

6 (c) *ELIGIBILITY.*—In determining eligibility for assist-
7 *ance from funds appropriated to carry out section 104 of*
8 *the Foreign Assistance Act of 1961, nongovernmental and*
9 *multilateral organizations shall not be subjected to require-*
10 *ments more restrictive than the requirements applicable to*
11 *foreign governments for such assistance.*

12 *REPORTING REQUIREMENT*

13 *SEC. 520. The President shall submit to the Commit-*
14 *tees on Appropriations the reports required by section*
15 *25(a)(1) of the Arms Export Control Act.*

16 *SPECIAL NOTIFICATION REQUIREMENTS*

17 *SEC. 521. None of the funds appropriated in this Act*
18 *shall be obligated or expended for Colombia, Guatemala,*
19 *Haiti, Liberia, Pakistan, Sudan, or Zaire except as pro-*
20 *vided through the regular notification procedures of the*
21 *Committees on Appropriations.*

22 *DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY*

23 *SEC. 522. For the purpose of this Act, “program,*
24 *project, and activity” shall be defined at the Appropriations*
25 *Act account level and shall include all Appropriations and*
26 *Authorizations Acts earmarks, ceilings, and limitations*

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

14 *CHILD SURVIVAL AND AIDS ACTIVITIES*

15 *SEC. 523. Up to \$8,000,000 of the funds made avail-*
16 *able by this Act for assistance for family planning, health,*
17 *child survival, and AIDS, may be used to reimburse United*
18 *States Government agencies, agencies of State governments,*
19 *institutions of higher learning, and private and voluntary*
20 *organizations for the full cost of individuals (including for*
21 *the personal services of such individuals) detailed or as-*
22 *signed to, or contracted by, as the case may be, the Agency*
23 *for International Development for the purpose of carrying*
24 *out family planning activities, child survival activities and*
25 *activities relating to research on, and the treatment and*
26 *control of, acquired immune deficiency syndrome in devel-*

1 *opening countries: Provided, That funds appropriated by this*
2 *Act that are made available for child survival activities or*
3 *activities relating to research on, and the treatment and*
4 *control of, acquired immune deficiency syndrome may be*
5 *made available notwithstanding any provision of law that*
6 *restricts assistance to foreign countries: Provided further,*
7 *That funds appropriated by this Act that are made avail-*
8 *able for family planning activities may be made available*
9 *notwithstanding section 512 of this Act and section 620(q)*
10 *of the Foreign Assistance Act of 1961.*

11 *PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN*
12 *COUNTRIES*

13 *SEC. 524. None of the funds appropriated or otherwise*
14 *made available pursuant to this Act shall be obligated to*
15 *finance indirectly any assistance or reparations to Cuba,*
16 *Iraq, Libya, Iran, Syria, North Korea, or the People's Re-*
17 *public of China, unless the President of the United States*
18 *certifies that the withholding of these funds is contrary to*
19 *the national interest of the United States.*

20 *RECIPROCAL LEASING*

21 *SEC. 525. Section 61(a) of the Arms Export Control*
22 *Act is amended by striking out "1996" and inserting in*
23 *lieu thereof "1997".*

24 *NOTIFICATION ON EXCESS DEFENSE EQUIPMENT*

25 *SEC. 526. Prior to providing excess Department of De-*
26 *fense articles in accordance with section 516(a) of the For-*

1 *oreign Assistance Act of 1961, the Department of Defense shall*
2 *notify the Committees on Appropriations to the same extent*
3 *and under the same conditions as are other committees pur-*
4 *suant to subsection (c) of that section: Provided, That before*
5 *issuing a letter of offer to sell excess defense articles under*
6 *the Arms Export Control Act, the Department of Defense*
7 *shall notify the Committees on Appropriations in accord-*
8 *ance with the regular notification procedures of such Com-*
9 *mittees: Provided further, That such Committees shall also*
10 *be informed of the original acquisition cost of such defense*
11 *articles.*

12 *AUTHORIZATION REQUIREMENT*

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

17 *PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST*

18 *COUNTRIES*

19 *SEC. 528. (a) Notwithstanding any other provision of*
20 *law, funds appropriated for bilateral assistance under any*
21 *heading of this Act and funds appropriated under any such*
22 *heading in a provision of law enacted prior to enactment*
23 *of this Act, shall not be made available to any country*
24 *which the President determines—*

1 (1) *grants sanctuary from prosecution to any in-*
2 *dividual or group which has committed an act of*
3 *international terrorism, or*

4 (2) *otherwise supports international terrorism.*

5 (b) *The President may waive the application of sub-*
6 *section (a) to a country if the President determines that*
7 *national security or humanitarian reasons justify such*
8 *waiver. The President shall publish each waiver in the Fed-*
9 *eral Register and, at least fifteen days before the waiver*
10 *takes effect, shall notify the Committees on Appropriations*
11 *of the waiver (including the justification for the waiver)*
12 *in accordance with the regular notification procedures of*
13 *the Committees on Appropriations.*

14 *COMMERCIAL LEASING OF DEFENSE ARTICLES*

15 *SEC. 529. Notwithstanding any other provision of law,*
16 *and subject to the regular notification procedures of the*
17 *Committees on Appropriations, the authority of section*
18 *23(a) of the Arms Export Control Act may be used to pro-*
19 *vide financing to Israel, Egypt and NATO and major non-*
20 *NATO allies for the procurement by leasing (including leas-*
21 *ing with an option to purchase) of defense articles from*
22 *United States commercial suppliers, not including Major*
23 *Defense Equipment (other than helicopters and other types*
24 *of aircraft having possible civilian application), if the*
25 *President determines that there are compelling foreign pol-*
26 *icy or national security reasons for those defense articles*

1 *being provided by commercial lease rather than by govern-*
2 *ment-to-government sale under such Act.*

3 *COMPETITIVE INSURANCE*

4 *SEC. 530. All Agency for International Development*
5 *contracts and solicitations, and subcontracts entered into*
6 *under such contracts, shall include a clause requiring that*
7 *United States insurance companies have a fair opportunity*
8 *to bid for insurance when such insurance is necessary or*
9 *appropriate.*

10 *STINGERS IN THE PERSIAN GULF REGION*

11 *SEC. 531. Except as provided in section 581 of the For-*
12 *ign Operations, Export Financing, and Related Programs*
13 *Appropriations Act, 1990, the United States may not sell*
14 *or otherwise make available any Stingers to any country*
15 *bordering the Persian Gulf under the Arms Export Control*
16 *Act or chapter 2 of part II of the Foreign Assistance Act*
17 *of 1961.*

18 *DEBT-FOR-DEVELOPMENT*

19 *SEC. 532. In order to enhance the continued participa-*
20 *tion of nongovernmental organizations in economic assist-*
21 *ance activities under the Foreign Assistance Act of 1961,*
22 *including endowments, debt-for-development and debt-for-*
23 *nature exchanges, a nongovernmental organization which*
24 *is a grantee or contractor of the Agency for International*
25 *Development may place in interest bearing accounts funds*
26 *made available under this Act or prior Acts or local cur-*

1 *rencies which accrue to that organization as a result of eco-*
2 *nomie assistance provided under title II of this Act and*
3 *any interest earned on such investment may be used for*
4 *the purpose for which the assistance was provided to that*
5 *organization.*

6 *COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES*

7 *SEC. 533. Direct costs associated with meeting a for-*
8 *eign customer's additional or unique requirements will con-*
9 *tinue to be allowable under contracts under section 22(d)*
10 *of the Arms Export Control Act. Loadings applicable to*
11 *such direct costs shall be permitted at the same rates appli-*
12 *cable to procurement of like items purchased by the Depart-*
13 *ment of Defense for its own use.*

14 *SEPARATE ACCOUNTS*

15 *SEC. 534. (a) SEPARATE ACCOUNTS FOR LOCAL CUR-*
16 *RENCIES.—(1) If assistance is furnished to the government*
17 *of a foreign country under chapters 1 and 10 of part I or*
18 *chapter 4 of part II of the Foreign Assistance Act of 1961*
19 *under agreements which result in the generation of local*
20 *currencies of that country, the Administrator of the Agency*
21 *for International Development shall—*

22 *(A) require that local currencies be deposited in*
23 *a separate account established by that government;*

24 *(B) enter into an agreement with that govern-*
25 *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 appropriate steps

1 to ensure that the equivalent of the local currencies dis-
2 bursed pursuant to subsection (a)(2)(A) from the separate
3 account established pursuant to subsection (a)(1) are used
4 for the 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 Appro-
18 priations Act, 1989 and sections 531(d) and 609 of the For-
19 eign Assistance Act of 1961.

20 (b) *SEPARATE ACCOUNTS FOR CASH TRANSFERS.*—(1)
21 If assistance is made available to the government of a for-
22 eign country, under chapters 1 or 10 of part I or chapter
23 4 of part II of the Foreign Assistance Act of 1961, as cash
24 transfer assistance or as nonproject sector assistance, that

1 *country shall be required to maintain such funds in a sepa-*
2 *rate account and not commingle them with any other funds.*

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

4 *Such funds may be obligated and expended notwithstanding*
5 *provisions of law which are inconsistent with the nature*
6 *of this assistance including provisions which are referenced*
7 *in the Joint Explanatory Statement of the Committee of*
8 *Conference accompanying House Joint Resolution 648 (H.*
9 *Report No. 98–1159).*

10 (3) *NOTIFICATION.—At least fifteen days prior to obli-*
11 *gating any such cash transfer or nonproject sector assist-*
12 *ance, the President shall submit a notification through the*
13 *regular notification procedures of the Committees on Appro-*
14 *priations, which shall include a detailed description of how*
15 *the funds proposed to be made available will be used, with*
16 *a discussion of the United States interests that will be*
17 *served by the assistance (including, as appropriate, a de-*
18 *scription of the economic policy reforms that will be pro-*
19 *moted by such assistance).*

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

1 *COMPENSATION FOR UNITED STATES EXECUTIVE*
2 *DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS*

3 *SEC. 535. (a) No funds appropriated by this Act may*
4 *be made as payment to any international financial institu-*
5 *tion while the United States Executive Director to such in-*
6 *stitution is compensated by the institution at a rate which,*
7 *together with whatever compensation such Director receives*
8 *from the United States, is in excess of the rate provided*
9 *for an individual occupying a position at level IV of the*
10 *Executive Schedule under section 5315 of title 5, United*
11 *States Code, or while any alternate United States Director*
12 *to such institution is compensated by the institution at a*
13 *rate in excess of the rate provided for an individual occupy-*
14 *ing a position at level V of the Executive Schedule under*
15 *section 5316 of title 5, United States Code.*

16 *(b) For purposes of this section, “international finan-*
17 *cial institutions” are: the International Bank for Recon-*
18 *struction and Development, the Inter-American Develop-*
19 *ment Bank, the Asian Development Bank, the Asian Devel-*
20 *opment Fund, the African Development Bank, the African*
21 *Development Fund, the International Monetary Fund, the*
22 *North American Development Bank, and the European*
23 *Bank for Reconstruction and Development.*

1 *period of time as he considers appropriate, the importation*
2 *into the United States of any or all products of any foreign*
3 *country that has not prohibited—*

4 *(1) the importation of products of Iraq, Serbia,*
5 *or Montenegro into its customs territory, and*

6 *(2) the export of its products to Iraq, Serbia, or*
7 *Montenegro, as the case may be.*

8 *POW/MIA MILITARY DRAWDOWN*

9 *SEC. 537. (a) Notwithstanding any other provision of*
10 *law, the President may direct the drawdown, without reim-*
11 *bursement by the recipient, of defense articles from the*
12 *stocks of the Department of Defense, defense services of the*
13 *Department of Defense, and military education and train-*
14 *ing, of an aggregate value not to exceed \$15,000,000 in fis-*
15 *cal year 1997, as may be necessary to carry out subsection*
16 *(b).*

17 *(b) Such defense articles, services and training may*
18 *be provided to Vietnam, Cambodia and Laos, under sub-*
19 *section (a) as the President determines are necessary to sup-*
20 *port efforts to locate and repatriate members of the United*
21 *States Armed Forces and civilians employed directly or in-*
22 *directly by the United States Government who remain un-*
23 *accounted for from the Vietnam War, and to ensure the safe-*
24 *ty of United States Government personnel engaged in such*
25 *cooperative efforts and to support United States Depart-*
26 *ment of Defense-sponsored humanitarian projects associated*

1 *with the POW/MIA efforts. Any aircraft shall be provided*
2 *under this section only to Laos and only on a lease or loan*
3 *basis, but may be provided at no cost notwithstanding sec-*
4 *tion 61 of the Arms Export Control Act and may be main-*
5 *tained with defense articles, services and training provided*
6 *under this section.*

7 (c) *The President shall, within sixty days of the end*
8 *of any fiscal year in which the authority of subsection (a)*
9 *is exercised, submit a report to the Congress which identifies*
10 *the articles, services, and training drawn down under this*
11 *section.*

12 *MEDITERRANEAN EXCESS DEFENSE ARTICLES*

13 *SEC. 538. For the four year period beginning on Octo-*
14 *ber 1, 1996, the President shall ensure that excess defense*
15 *articles will be made available under section 516 and 519*
16 *of the Foreign Assistance Act of 1961 consistent with the*
17 *manner in which the President made available excess de-*
18 *fense articles under those sections during the four year pe-*
19 *riod that began on October 1, 1992, pursuant to section*
20 *573(e) of the Foreign Operations, Export Financing, Relat-*
21 *ed Programs Appropriations Act, 1990.*

22 *CASH FLOW FINANCING*

23 *SEC. 539. For each country that has been approved*
24 *for cash flow financing (as defined in section 25(d) of the*
25 *Arms Export Control Act, as added by section 112(b) of*
26 *Public Law 99-83) under the Foreign Military Financing*

1 *Program, any Letter of Offer and Acceptance or other pur-*
2 *chase agreement, or any amendment thereto, for a procure-*
3 *ment in excess of \$100,000,000 that is to be financed in*
4 *whole or in part with funds made available under this Act*
5 *shall be submitted through the regular notification proce-*
6 *dures to the Committees on Appropriations.*

7 *AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-*
8 *ICAN FOUNDATION AND THE AFRICAN DEVELOPMENT*
9 *FOUNDATION*

10 *SEC. 540. Unless expressly provided to the contrary,*
11 *provisions of this or any other Act, including provisions*
12 *contained in prior Acts authorizing or making appropria-*
13 *tions for foreign operations, export financing, and related*
14 *programs, shall not be construed to prohibit activities au-*
15 *thorized by or conducted under the Peace Corps Act, the*
16 *Inter-American Foundation Act, or the African Develop-*
17 *ment Foundation Act. The appropriate agency shall*
18 *promptly report to the Committees on Appropriations*
19 *whenever it is conducting activities or is proposing to con-*
20 *duct activities in a country for which assistance is prohib-*
21 *ited.*

22 *IMPACT ON JOBS IN THE UNITED STATES*

23 *SEC. 541. None of the funds appropriated by this Act*
24 *may be obligated or expended to provide—*

25 *(a) any financial incentive to a business enter-*
26 *prise currently located in the United States for the*

1 *purpose of inducing such an enterprise to relocate*
2 *outside the United States if such incentive or induce-*
3 *ment is likely to reduce the number of employees of*
4 *such business enterprise in the United States because*
5 *United States production is being replaced by such*
6 *enterprise outside the United States;*

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

15 *(c) assistance for any project or activity that*
16 *contributes to the violation of internationally recog-*
17 *nized workers rights, as defined in section 502(a)(4)*
18 *of the Trade Act of 1974, of workers in the recipient*
19 *country, including any designated zone or area in*
20 *that country: Provided, That in recognition that the*
21 *application of this subsection should be commensurate*
22 *with the level of development of the recipient country*
23 *and sector, the provisions of this subsection shall not*
24 *preclude assistance for the informal sector in such*

1 *country, micro and small-scale enterprise, and*
2 *smallholder agriculture.*

3 *AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA*

4 *SEC. 542. (a) The President is authorized to direct the*
5 *transfer, subject to prior notification of the Committees on*
6 *Appropriations, to the government of Bosnia and*
7 *Herzegovina, without reimbursement, of defense articles*
8 *from the stocks of the Department of Defense and defense*
9 *services of the Department of Defense of an aggregate value*
10 *of not to exceed \$100,000,000 in fiscal years 1996 and 1997:*
11 *Provided, That the President certifies in a timely fashion*
12 *to the Congress that the transfer of such articles would assist*
13 *that nation in self-defense and thereby promote the security*
14 *and stability of the region.*

15 *(b) Within 60 days of any transfer under the authority*
16 *provided in subsection (a), and every 60 days thereafter,*
17 *the President shall report in writing to the Speaker of the*
18 *House of Representatives and the President pro tempore of*
19 *the Senate concerning the articles transferred and the dis-*
20 *position thereof.*

21 *(c) There are authorized to be appropriated to the*
22 *President such sums as may be necessary to reimburse the*
23 *applicable appropriation, fund, or account for defense arti-*
24 *cles provided under this section.*

1 *RESTRICTIONS ON THE TERMINATION OF SANCTIONS*
2 *AGAINST SERBIA AND MONTENEGRO*

3 *SEC. 543. (a) RESTRICTIONS.—Notwithstanding any*
4 *other provision of law, no sanction, prohibition, or require-*
5 *ment described in section 1511 of the National Defense Au-*
6 *thorization Act for Fiscal Year 1994 (Public Law 103–160),*
7 *with respect to Serbia or Montenegro, may cease to be effec-*
8 *tive, unless—*

9 *(1) the President first submits to the Congress a*
10 *certification described in subsection (b); and*

11 *(2) the requirements of section 1511 of that Act*
12 *are met.*

13 *(b) CERTIFICATION.—A certification described in this*
14 *subsection is a certification that—*

15 *(1) there is substantial progress toward—*

16 *(A) the realization of a separate identity for*
17 *Kosova and the right of the people of Kosova to*
18 *govern themselves; or*

19 *(B) the creation of an international protec-*
20 *torate for Kosova;*

21 *(2) there is substantial improvement in the*
22 *human rights situation in Kosova;*

23 *(3) international human rights observers are al-*
24 *lowed to return to Kosova; and*

1 *ganization that the Secretary of State determines is cooper-*
2 *ating, tactically or strategically, with the Khmer Rouge in*
3 *their military operations, or to the military of any country*
4 *that is not acting vigorously to prevent its members from*
5 *facilitating the export of timber from Cambodia by the*
6 *Khmer Rouge: Provided further, That the Secretary of State*
7 *shall submit reports to the Committees on Appropriations*
8 *on February 15, 1997 and September 15, 1997, on whether*
9 *there are any countries, organizations, or militaries for*
10 *which assistance is prohibited under the previous proviso,*
11 *the basis for such conclusions and, if appropriate, the steps*
12 *being taken to terminate assistance.*

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

22 *(c) During fiscal year 1997, the President may use up*
23 *to \$40,000,000 under the authority of section 451 of the*
24 *Foreign Assistance Act of 1961, notwithstanding the fund-*
25 *ing ceiling contained in subsection (a) of that section.*

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

7 (D) encourage the allies and trading part-
8 ners of the United States to enact laws prohibit-
9 ing businesses from complying with the boycott
10 and penalizing businesses that do comply.

11 ANTI-NARCOTICS ACTIVITIES

12 SEC. 546. (a) Of the funds appropriated or otherwise
13 made available by this Act for “Economic Support Fund”,
14 assistance may be provided to strengthen the administra-
15 tion of justice in countries in Latin America and the Carib-
16 bean in accordance with the provisions of section 534 of
17 the Foreign Assistance Act of 1961, except that programs
18 to enhance protection of participants in judicial cases may
19 be conducted notwithstanding section 660 of that Act.

20 (b) Funds made available pursuant to this section may
21 be made available notwithstanding the third sentence of sec-
22 tion 534(e) of the Foreign Assistance Act of 1961. Funds
23 made available pursuant to subsection (a) for Bolivia, Co-
24 lombia and Peru may be made available notwithstanding
25 section 534(c) and the second sentence of section 534(e) of
26 the Foreign Assistance Act of 1961.

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

18 (b) In addition to the authority contained in sub-
19 section (a), the original period of availability of funds ap-
20 propriated by this Act and administered by the Agency for
21 International Development that are earmarked for particu-
22 lar programs or activities by this or any other Act shall
23 be extended for an additional fiscal year if the Adminis-
24 trator of such agency determines and reports promptly to
25 the Committees on Appropriations that the termination of

1 *assistance to a country or a significant change in cir-*
2 *cumstances makes it unlikely that such earmarked funds*
3 *can be obligated during the original period of availability:*
4 *Provided, That such earmarked funds that are continued*
5 *available for an additional fiscal year shall be obligated*
6 *only for the purpose of such earmark.*

7 *CEILINGS AND EARMARKS*

8 *SEC. 549. Ceilings and earmarks contained in this Act*
9 *shall not be applicable to funds or authorities appropriated*
10 *or otherwise made available by any subsequent Act unless*
11 *such Act specifically so directs.*

12 *EXCESS DEFENSE ARTICLES*

13 *SEC. 550. (a) During fiscal year 1997, the authority*
14 *of section 519 of the Foreign Assistance Act of 1961, as*
15 *amended, may be used to provide nonlethal excess defense*
16 *articles to countries for which United States foreign assist-*
17 *ance has been requested and for which receipt of such arti-*
18 *cles was separately justified for the fiscal year, without re-*
19 *gard to the restrictions in subsection (a) of section 519.*

20 *(b) During fiscal year 1997, the authority of section*
21 *516 of the Foreign Assistance Act of 1961, as amended, may*
22 *be used to provide defense articles to Jordan, Tunisia, Esto-*
23 *nia, Latvia, Lithuania, and to countries eligible to partici-*
24 *pate in the Partnership for Peace and to receive assistance*
25 *under Public Law 101-179: Provided, That not later than*
26 *May 1, 1997, the Secretary of State shall submit a report*

1 *to the Committees on Appropriations describing actions by*
2 *the Government of Tunisia during the previous six months*
3 *to improve respect for civil liberties and promote the inde-*
4 *pendence of the judiciary.*

5 *(c) Section 516(f) of the Foreign Assistance Act of*
6 *1961, as amended, is repealed.*

7 *(d) Section 31(d) of the Arms Export Control Act is*
8 *amended by deleting the words “or pursuant to sales under*
9 *this Act”.*

10 *PROHIBITION ON PUBLICITY OR PROPAGANDA*

11 *SEC. 551. No part of any appropriation contained in*
12 *this Act shall be used for publicity or propaganda purposes*
13 *within the United States not authorized before the date of*
14 *enactment of this Act by the Congress: Provided, That not*
15 *to exceed \$750,000 may be made available to carry out the*
16 *provisions of section 316 of Public Law 96–533.*

17 *USE OF AMERICAN RESOURCES*

18 *SEC. 552. To the maximum extent possible, assistance*
19 *provided under this Act should make full use of American*
20 *resources, including commodities, products, and services.*

21 *PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS*

22 *SEC. 553. 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 *ernment 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. 557. (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 percent*
23 *of the total unpaid fully adjudicated parking fines and pen-*
24 *alties owed to the District of Columbia by such country as*
25 *of the date of enactment of this Act shall be withheld from*
26 *obligation for such country until the Secretary of State cer-*

1 *tifies 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. 558. 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. 559. Not to exceed 5 percent of any appropriation*
3 *other than for administrative expenses made available for*
4 *fiscal year 1997 for programs under title I of this Act may*
5 *be transferred between such appropriations for use for any*
6 *of the purposes, programs and activities for which the funds*
7 *in such receiving account may be used, but no such appro-*
8 *priation, except as otherwise specifically provided, shall be*
9 *increased by more than 25 percent by any such transfer:*
10 *Provided, That the exercise of such authority shall be subject*
11 *to the regular notification procedures of the Committees on*
12 *Appropriations.*

13 *WAR CRIMES TRIBUNALS*

14 *SEC. 560. 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 authority of section 552(c) of the Foreign Assist-*
18 *ance Act of 1961, as amended, may be used to provide up*
19 *to \$25,000,000 of commodities and services for the United*
20 *Nations War Crimes Tribunal established with regard to*
21 *the former Yugoslavia by the United Nations Security*
22 *Council or such other tribunals or commissions as the Coun-*
23 *cil may establish to deal with such violations, without re-*
24 *gard to the ceiling limitation contained in paragraph (2)*
25 *thereof: Provided, That the determination required under*
26 *this section shall be in lieu of any determinations otherwise*

1 *required under section 552(c): Provided further, That* 60
2 *days after the date of enactment of this Act, and every 180*
3 *days thereafter, the Secretary of State shall submit a report*
4 *to the Committees on Appropriations describing the steps*
5 *the United States Government is taking to collect informa-*
6 *tion and intelligence regarding allegations of genocide or*
7 *other violations of international law in the former Yugo-*
8 *slavia and to furnish that information to the United Na-*
9 *tions War Crimes Tribunal for the former Yugoslavia.*

10 *TRANSPORTATION OF EXCESS DEFENSE ARTICLES*

11 *SEC. 561. Notwithstanding section 519(f) of the For-*
12 *ign Assistance Act of 1961, during fiscal year 1997, funds*
13 *available to the Department of Defense may be expended*
14 *for crating, packing, handling and transportation of excess*
15 *defense articles transferred under the authority of sections*
16 *516 and 519 to countries eligible to participate in the Part-*
17 *nership for Peace and to receive assistance under Public*
18 *Law 101-179.*

19 *LANDMINES*

20 *SEC. 562. Notwithstanding any other provision of law,*
21 *demining equipment available to any department or agency*
22 *and used in support of the clearing of landmines and*
23 *unexploded ordnance for humanitarian purposes may be*
24 *disposed of on a grant basis in foreign countries, subject*
25 *to such terms and conditions as the President may pre-*
26 *scribe: Provided, That section 1365(c) of the National De-*

1 *fense Authorization Act for Fiscal Year 1993 (Public Law*
2 *102-484; 22 U.S.C., 2778 note) is amended by striking out*
3 *“During the five-year period beginning on October 23,*
4 *1992” and inserting in lieu thereof “During the eight-year*
5 *period beginning on October 23, 1992”.*

6 *RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY*

7 *SEC. 563. None of the funds appropriated by this Act*
8 *may be obligated or expended to create in any part of Jeru-*
9 *salem a new office of any department or agency of the Unit-*
10 *ed States Government for the purpose of conducting official*
11 *United States Government business with the Palestinian*
12 *Authority over Gaza and Jericho or any successor Palestin-*
13 *ian governing entity provided for in the Israel-PLO Dec-*
14 *laration of Principles: Provided, That this restriction shall*
15 *not apply to the acquisition of additional space for the ex-*
16 *isting Consulate General in Jerusalem: Provided further,*
17 *That meetings between officers and employees of the United*
18 *States and officials of the Palestinian Authority, or any*
19 *successor Palestinian governing entity provided for in the*
20 *Israel-PLO Declaration of Principles, for the purpose of*
21 *conducting official United States Government business with*
22 *such authority should continue to take place in locations*
23 *other than Jerusalem. As has been true in the past, officers*
24 *and employees of the United States Government may con-*
25 *tinue to meet in Jerusalem on other subjects with Palestin-*
26 *ians (including those who now occupy positions in the Pal-*

1 *estinian Authority), have social contacts, and have inciden-*
2 *tal discussions.*

3 *PROHIBITION OF PAYMENT OF CERTAIN EXPENSES*

4 *SEC. 564. None of the funds appropriated or otherwise*
5 *made available by this Act under the heading “INTER-*
6 *NATIONAL MILITARY EDUCATION AND TRAINING” or “FOR-*
7 *EIGN MILITARY FINANCING PROGRAM” for Informational*
8 *Program activities may be obligated or expended to pay*
9 *for—*

10 *(1) alcoholic beverages;*

11 *(2) food (other than food provided at a military*
12 *installation) not provided in conjunction with Infor-*
13 *mational Program trips where students do not stay at*
14 *a military installation; or*

15 *(3) entertainment expenses for activities that are*
16 *substantially of a recreational character, including*
17 *entrance fees at sporting events and amusement*
18 *parks.*

19 *HUMANITARIAN ASSISTANCE*

20 *SEC. 565. The Foreign Assistance Act of 1961 is*
21 *amended by adding immediately after section 620H the fol-*
22 *lowing new section:*

23 *“SEC. 620I. PROHIBITION ON ASSISTANCE TO COUN-*
24 *TRIES THAT RESTRICT UNITED STATES HUMANITARIAN*
25 *ASSISTANCE.—*

1 (i) *the Government of Burma is fully*
2 *cooperating with United States counter-nar-*
3 *cotics efforts, and*

4 (ii) *the programs are fully consistent*
5 *with United States human rights concerns*
6 *in Burma and serve the United States na-*
7 *tional interest, and*

8 (C) *assistance promoting human rights and*
9 *democratic values.*

10 (2) *MULTILATERAL ASSISTANCE.—The Secretary*
11 *of the Treasury shall instruct the United States execu-*
12 *tive director of each international financial institu-*
13 *tion to vote against any loan or other utilization of*
14 *funds of the respective bank to or for Burma.*

15 (3) *VISAS.—Except as required by treaty obliga-*
16 *tions or to staff the Burmese mission to the United*
17 *States, the United States shall not grant entry visas*
18 *to any Burmese government official.*

19 (b) *CONDITIONAL SANCTIONS.—The President shall*
20 *prohibit United States persons from new investment in*
21 *Burma, if the President determines and certifies to Congress*
22 *that, after the date of enactment of this Act, the Government*
23 *of Burma has physically harmed, rearrested for political*
24 *acts, or exiled Daw Aung San Suu Kyi or has committed*

1 *large-scale repression of or violence against the Democratic*
2 *opposition.*

3 (c) *MULTILATERAL STRATEGY.*—*The President shall*
4 *seek to develop, in coordination with members of ASEAN*
5 *and other countries having major trading and investment*
6 *interests in Burma, a comprehensive, multilateral strategy*
7 *to bring democracy to and improve human rights practices*
8 *and the quality of life in Burma, including the development*
9 *of a dialogue between the State Law and Order Restoration*
10 *Council (SLORC) and democratic opposition groups within*
11 *Burma.*

12 (d) *PRESIDENTIAL REPORTS.*—*Every six months fol-*
13 *lowing the enactment of this Act, the President shall report*
14 *to the Chairmen of the Committee on Foreign Relations,*
15 *the Committee on International Relations and the House*
16 *and Senate Appropriations Committees on the following:*

17 (1) *progress toward democratization in Burma;*

18 (2) *progress on improving the quality of life of*
19 *the Burmese people, including progress on market re-*
20 *forms, living standards, labor standards, use of forced*
21 *labor in the tourism industry, and environmental*
22 *quality; and*

23 (3) *progress made in developing the strategy re-*
24 *ferred to in subsection (c).*

1 (e) *WAIVER AUTHORITY.*—*The President shall have the*
2 *authority to waive, temporarily or permanently, any sanc-*
3 *tion referred to in subsection (a) or subsection (b) if he de-*
4 *termines and certifies to Congress that the application of*
5 *such sanction would be contrary to the national security*
6 *interests of the United States.*

7 (f) *DEFINITIONS.*—

8 (1) *The term “international financial institu-*
9 *tions” shall include the International Bank for Re-*
10 *construction and Development, the International De-*
11 *velopment Association, the International Finance*
12 *Corporation, the Multilateral Investment Guarantee*
13 *Agency, the Asian Development Bank, and the Inter-*
14 *national Monetary Fund.*

15 (2) *The term “new investment” shall mean any*
16 *of the following activities if such an activity is under-*
17 *taken pursuant to an agreement, or pursuant to the*
18 *exercise of rights under such an agreement, that is en-*
19 *tered into with the Government of Burma or a non-*
20 *governmental entity in Burma, on or after the date*
21 *of the certification under subsection (b):*

22 (A) *the entry into a contract that includes*
23 *the economical development of resources located*
24 *in Burma, or the entry into a contract providing*

1 *for the general supervision and guarantee of an-*
2 *other person's performance of such a contract;*

3 *(B) the purchase of a share of ownership,*
4 *including an equity interest, in that develop-*
5 *ment;*

6 *(C) the entry into a contract providing for*
7 *the participation in royalties, earnings, or prof-*
8 *its in that development, without regard to the*
9 *form of the participation:*

10 *Provided, That the term "new investment" does not*
11 *include the entry into, performance of, or financing*
12 *of a contract to sell or purchase goods, services, or*
13 *technology.*

14 *REPORTS ON THE SITUATION IN BURMA*

15 *SEC. 569. (a) LABOR PRACTICES.—Not later than 90*
16 *days after the date of the enactment of this Act, the Sec-*
17 *retary of Labor, in consultation with the Secretary of State,*
18 *shall submit a report to the appropriate congressional com-*
19 *mittees on—*

20 *(1) Burma's compliance with international labor*
21 *standards including, but not limited to, the use of*
22 *forced labor, slave labor, and involuntary prison labor*
23 *by the junta;*

1 (2) *the degree to which foreign investment in*
2 *Burma contributes to violations of fundamental work-*
3 *er rights;*

4 (3) *labor practices in support of Burma's foreign*
5 *tourist industry; and*

6 (4) *efforts by the United States to end violations*
7 *of fundamental labor rights in Burma.*

8 (b) *DEFINITION.—As used in this section, the term*
9 *“appropriate congressional committees” means the Com-*
10 *mittee on Appropriations and the Committee on Foreign*
11 *Relations of the Senate and the Committee on Appropria-*
12 *tions and the Committee on International Relations of the*
13 *House of Representatives.*

14 (c) *FUNDING.—(1) There are hereby appropriated, out*
15 *of any money in the Treasury not otherwise appropriated,*
16 *for the fiscal year ending September 30, 1997, for expenses*
17 *necessary to carry out the provisions of this section, \$30,000*
18 *to the Department of Labor.*

19 (2) *The amount appropriated by this Act under the*
20 *heading “DEPARTMENT OF STATE, INTERNATIONAL NAR-*
21 *COTICS CONTROL” shall be reduced by \$30,000.*

22 *SPECIAL DEBT RELIEF FOR THE POOREST*

23 *SEC. 570. (a) AUTHORITY TO REDUCE DEBT.—The*
24 *President may reduce amounts owed to the United States*
25 *(or any agency of the United States) by an eligible country*
26 *as a result of—*

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

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

5 (b) *LIMITATIONS.—*

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

10 (2) *The authority provided by subsection (a)*
11 *may be exercised only in such amounts or to such ex-*
12 *tent as is provided in advance by appropriations*
13 *Acts.*

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

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

24 (1) *does not have an excessive level of military*
25 *expenditures;*

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

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

5 (4) *(including its military or other security*
6 *forces) does not engage in a consistent pattern of gross*
7 *violations of internationally recognized human rights;*
8 *and*

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

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

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

22 *AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES*

23 *SEC. 571. (a) LOANS ELIGIBLE FOR SALE, REDUC-*
24 *TION, OR CANCELLATION.—*

25 (1) *AUTHORITY TO SELL, REDUCE, OR CANCEL*
26 *CERTAIN LOANS.—Notwithstanding any other provi-*

1 *sion of law, the President may, in accordance with*
2 *this section, sell to any eligible purchaser any*
3 *concessional loan or portion thereof made before Jan-*
4 *uary 1, 1995, pursuant to the Foreign Assistance Act*
5 *of 1961, to the government of any eligible country as*
6 *defined in section 702(6) of that Act or on receipt of*
7 *payment from an eligible purchaser, reduce or cancel*
8 *such loan or portion thereof, only for the purpose of*
9 *facilitating—*

10 *(A) debt-for-equity swaps, debt-for-develop-*
11 *ment swaps, or debt-for-nature swaps; or*

12 *(B) a debt buyback by an eligible country*
13 *of its own qualified debt, only if the eligible*
14 *country uses an additional amount of the local*
15 *currency of the eligible country, equal to not less*
16 *than 40 percent of the price paid for such debt*
17 *by such eligible country, or the difference between*
18 *the price paid for such debt and the face value*
19 *of such debt, to support activities that link con-*
20 *servation and sustainable use of natural re-*
21 *sources with local community development, and*
22 *child survival and other child development, in a*
23 *manner consistent with sections 707 through 710*
24 *of the Foreign Assistance Act of 1961, if the sale,*
25 *reduction, or cancellation would not contravene*

1 *any term or condition of any prior agreement*
2 *relating to such loan.*

3 (2) *TERMS AND CONDITIONS.*—*Notwithstanding*
4 *any other provision of law, the President shall, in ac-*
5 *cordance with this section, establish the terms and*
6 *conditions under which loans may be sold, reduced, or*
7 *canceled pursuant to this section.*

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

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

23 (b) *DEPOSIT OF PROCEEDS.*—*The proceeds from the*
24 *sale, reduction, or cancellation of any loan sold, reduced,*
25 *or canceled pursuant to this section shall be deposited in*

1 *the United States Government account or accounts estab-*
2 *lished for the repayment of such loan.*

3 (c) *ELIGIBLE PURCHASERS.*—*A loan may be sold pur-*
4 *suant to subsection (a)(1)(A) only to a purchaser who pre-*
5 *sents plans satisfactory to the President for using the loan*
6 *for the purpose of engaging in debt-for-equity swaps, debt-*
7 *for-development swaps, or debt-for-nature swaps.*

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

15 (e) *AVAILABILITY OF FUNDS.*—*The authority provided*
16 *by subsection (a) may be used only with regard to funds*
17 *appropriated by this Act under the heading “Debt Restruc-*
18 *turing”.*

19 *SANCTIONS AGAINST COUNTRIES HARBORING WAR*

20 *CRIMINALS*

21 *SEC. 572. (a) BILATERAL ASSISTANCE.*—*Funds ap-*
22 *propriated by this Act under the Foreign Assistance Act of*
23 *1961 or the Arms Export Control Act may not be provided*
24 *for any country described in subsection (c).*

25 (b) *MULTILATERAL ASSISTANCE.*—*The Secretary of*
26 *the Treasury shall instruct the United States executive di-*

1 *rectors of the international financial institutions to work*
2 *in opposition to, and vote against, any extension by such*
3 *institutions of financing or financial or technical assistance*
4 *to any country described in subsection (c).*

5 *(c) SANCTIONED COUNTRIES.—A country described in*
6 *this subsection is a country the government of which know-*
7 *ingly grants sanctuary to persons in its territory for the*
8 *purpose of evading prosecution, where such persons—*

9 *(1) have been indicted by the International*
10 *Criminal Tribunal for the former Yugoslavia, the*
11 *International Criminal Tribunal for Rwanda, or any*
12 *other international tribunal with similar standing*
13 *under international law, or*

14 *(2) have been indicted for war crimes or crimes*
15 *against humanity committed during the period begin-*
16 *ning March 23, 1933 and ending on May 8, 1945*
17 *under the direction of, or in association with—*

18 *(A) the Nazi government of Germany;*

19 *(B) any government in any area occupied*
20 *by the military forces of the Nazi government of*
21 *Germany;*

22 *(C) any government which was established*
23 *with the assistance or cooperation of the Nazi*
24 *government; or*

1 (D) any government which was an ally of
2 the Nazi government of Germany.

3 LIMITATION ON ASSISTANCE FOR HAITI

4 SEC. 573. (a) None of the funds appropriated or other-
5 wise made available by this Act, may be provided to the
6 Government of Haiti until the President reports to Congress
7 that—

8 (1) the Government is conducting thorough in-
9 vestigations of extrajudicial and political killings;
10 and

11 (2) the Government is cooperating with United
12 States authorities in the investigations of political
13 and extrajudicial killings.

14 (b) Nothing in this section shall be construed to restrict
15 the provision of humanitarian, development or electoral as-
16 sistance.

17 (c) The President may waive the requirements of this
18 section if he determines and certifies to the appropriate
19 committees of Congress that it is in the national interest
20 of the United States or necessary to assure the safe and
21 timely withdrawal of American forces from Haiti.

22 LIMITATION ON FUNDS TO THE TERRITORY OF THE

23 BOSNIAC-CROAT FEDERATION

24 SEC. 574. Funds appropriated by this Act for activi-
25 ties in the internationally-recognized borders of Bosnia and
26 Herzegovina (other than refugee and disaster assistance and

1 *assistance for restoration of infrastructure, to include power*
2 *grids, water supplies and natural gas) may only be made*
3 *available for activities in the territory of the Bosniac-Croat*
4 *Federation.*

5 *UNITED STATES GOVERNMENT PUBLICATIONS*

6 *SEC. 575. Beginning in fiscal year 1997, all United*
7 *States Government publications shall refer to the capital*
8 *of Israel as Jerusalem.*

9 *EXTENSION OF CERTAIN ADJUDICATION PROVISIONS*

10 *SEC. 576. The Foreign Operations, Export Financing,*
11 *and Related Programs Appropriations Act, 1990 (Public*
12 *Law 101–167) is amended—*

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

14 *(A) in subsection (b)(3), by striking “and*
15 *1996” and inserting “1996, and 1997”; and*

16 *(B) in subsection (e), by striking out “Octo-*
17 *ber 1, 1996” each place it appears and inserting*
18 *“October 1, 1997”; and*

19 *(2) in section 599E (8 U.S.C. 1255 note) in sub-*
20 *section (b)(2), by striking out “September 30, 1996”*
21 *and inserting “September 30, 1997”.*

22 *TRANSPARENCY OF BUDGETS*

23 *SEC. 577. (a) LIMITATION.—Beginning three years*
24 *after the date of the enactment of this Act, the Secretary*
25 *of the Treasury shall instruct the United States Executive*
26 *Director of each international financial institution to use*

1 *for purposes of this section “senior official” includes an offi-*
2 *cer of the armed forces or security forces: Provided further,*
3 *That the Secretary of State may waive the restrictions of*
4 *this section on a case-by-case basis if he determines and*
5 *reports to the Committees on Appropriations that to do so*
6 *is important to the national interest of the United States.*

7 *GUARANTEES*

8 *SEC. 579. Section 251(b)(2)(G) of the Balanced Budget*
9 *and Emergency Deficit Control Act of 1985 is amended by*
10 *striking “fiscal year 1994 and 1995” and inserting in lieu*
11 *thereof “fiscal years 1994, 1995, and 1997” in both places*
12 *that this appears.*

13 *INFORMATION ON COOPERATION WITH UNITED STATES*
14 *ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY RE-*
15 *PORTS ON TERRORISM*

16 *SEC. 580. Section 140 of the Foreign Relations Author-*
17 *ization Act, fiscal years 1988 and 1989 (22 U.S.C. 2656f)*
18 *is amended—*

19 *(1) in subsection (a)—*

20 *(A) by striking “and” at the end of para-*
21 *graph (1);*

22 *(B) by striking the period at the end of*
23 *paragraph (2) and inserting a semicolon; and*

24 *(C) by adding at the end the following:*

25 *“(3) with respect to each foreign country from*
26 *which the United States Government has sought co-*

1 *operation during the previous five years in the inves-*
2 *tigation or prosecution of an act of international ter-*
3 *rorism against United States citizens or interests, in-*
4 *formation on—*

5 *“(A) the extent to which the government of*
6 *the foreign country is cooperating with the Unit-*
7 *ed States Government in apprehending, convict-*
8 *ing, and punishing the individual or individuals*
9 *responsible for the act; and*

10 *“(B) the extent to which the government of*
11 *the foreign country is cooperating in preventing*
12 *further acts of terrorism against United States*
13 *citizens in the foreign country; and*

14 *“(4) with respect to each foreign country from*
15 *which the United States Government has sought co-*
16 *operation during the previous five years in the pre-*
17 *vention of an act of international terrorism against*
18 *such citizens or interests, the information described in*
19 *paragraph (3)(B).”;* and

20 *(2) in subsection (c)—*

21 *(A) by striking “The report” and inserting*
22 *“(1) Except as provided in paragraph (2), the*
23 *report”;*

24 *(B) by indenting the margin of paragraph*
25 *(1) as so designated, 2 ems; and*

1 (C) by adding at the end the following:

2 “(2) If the Secretary of State determines that the
3 transmittal of the information with respect to a for-
4 foreign country under paragraph (3) or (4) of subsection
5 (a) in classified form would make more likely the co-
6 operation of the government of the foreign country as
7 specified in such paragraph, the Secretary may trans-
8 mit the information under such paragraph in classi-
9 fied form.”.

10 FEMALE GENITAL MUTILATION

11 SEC. 581. (a) LIMITATION.—Beginning 1 year after
12 the date of the enactment of this Act, the Secretary of the
13 Treasury shall instruct the United States Executive Direc-
14 tor of each international financial institution to use the
15 voice and vote of the United States to oppose any loan or
16 other utilization of the funds of their respective institution,
17 other than to address basic human needs, for the govern-
18 ment of any country which the Secretary of the Treasury
19 determines—

20 (1) has, as a cultural custom, a known history
21 of the practice of female genital mutilation;

22 (2) has not made the practice of female genital
23 mutilation illegal; and

1 (3) *has not taken steps to implement educational*
2 *programs designed to prevent the practice of female*
3 *genital mutilation.*

4 (b) *DEFINITION.*—*For purposes of this section, the*
5 *term “international financial institution” shall include the*
6 *institutions identified in section 535(b) of this Act.*

7 *SENSE OF CONGRESS REGARDING THE UNITED STATES-*

8 *JAPAN INSURANCE AGREEMENT*

9 *SEC. 582. (a) FINDINGS.*—*The Congress makes the fol-*
10 *lowing findings:*

11 (1) *The United States and Japan share a long*
12 *and important bilateral relationship which serves as*
13 *an anchor of peace and stability in the Asia Pacific*
14 *region, an alliance which was reaffirmed at the recent*
15 *summit meeting between President Clinton and*
16 *Prime Minister Hashimoto in Tokyo.*

17 (2) *The Japanese economy has experienced dif-*
18 *ficulty over the past few years, demonstrating that it*
19 *is no longer possible for Japan, the world’s second*
20 *largest economy, to use exports as the sole engine of*
21 *economic growth, but that the Government of Japan*
22 *must promote deregulation of its domestic economy in*
23 *order to increase economic growth.*

1 (3) *Japan is the second largest insurance market*
2 *in the world and the largest life insurance market in*
3 *the world.*

4 (4) *The share of foreign insurance in Japan is*
5 *less than 3 percent, and large Japanese life and non-*
6 *life insurers dominate the market.*

7 (5) *The Government of Japan has had as its*
8 *stated policy for several years the deregulation and*
9 *liberalization of the Japan insurance market, and has*
10 *developed and adopted a new insurance business law*
11 *as a means of achieving this publicly stated objective*
12 *of liberalization and deregulation.*

13 (6) *The Governments of Japan and the United*
14 *States concluded in October of 1994 the United*
15 *States-Japan Insurance Agreement, following more*
16 *than one and one-half years of negotiations, in which*
17 *Agreement the Government of Japan reiterated its in-*
18 *tent to deregulate and liberalize its market.*

19 (7) *The Government of Japan in June of 1995*
20 *undertook additional obligations to provide greater*
21 *foreign access and liberalization to its market through*
22 *its schedule of insurance obligations during the finan-*
23 *cial services negotiations of the World Trade Organi-*
24 *zation (WTO).*

1 (8) *The United States insurance industry is the*
2 *most competitive in the world, operates successfully*
3 *throughout the world, and thus could be expected to*
4 *achieve higher levels of market access and profit-*
5 *ability under a more open, deregulated and liberal-*
6 *ized Japanese market.*

7 (9) *Despite more than one and one-half years*
8 *since the conclusion of the United States-Japan In-*
9 *surance Agreement, despite more than one year since*
10 *Japan undertook new commitments under the WTO,*
11 *despite the entry into force on April 1, 1996, of the*
12 *new Insurance Business Law, the Japanese market*
13 *remains closed and highly regulated and thus contin-*
14 *ues to deny fair and open treatment for foreign insur-*
15 *ers, including competitive United States insurers.*

16 (10) *The non-implementation of the United*
17 *States-Japan Insurance Agreement is a matter of*
18 *grave importance to the United States Government.*

19 (11) *Dozens of meetings between the United*
20 *States Trade Representative and the Ministry of Fi-*
21 *nance have taken place during the past year.*

22 (12) *President Clinton, Vice President Gore, Sec-*
23 *retary Rubin, Secretary Christopher, Secretary*
24 *Kantor, Ambassador Barshefsky have all indicated to*

1 *their counterparts in the Government of Japan the*
2 *importance of this matter to the United States.*

3 (13) *The United States Senate has written re-*
4 *peatedly to the Minister of Finance and the Amba-*
5 *sador of Japan.*

6 (14) *Despite all of these efforts and indications*
7 *of importance, the Ministry of Finance has failed to*
8 *implement the United States-Japan Insurance Agree-*
9 *ment.*

10 (15) *Several deadlines have already passed for*
11 *resolution of this issue with the latest deadline set for*
12 *July 31, 1996.*

13 (b) *SENSE OF CONGRESS.—It is the sense of the Con-*
14 *gress that—*

15 (1) *the Ministry of Finance of the Government*
16 *of Japan should immediately and without further*
17 *delay completely and fully comply with all provisions*
18 *of the United States-Japan Insurance Agreement, in-*
19 *cluding most especially those which require the Min-*
20 *istry of Finance to deregulate and liberalize the pri-*
21 *mary sectors of the Japanese market, and those which*
22 *insure that the current position of foreign insurers in*
23 *Japan will not be jeopardized until primary sector*
24 *deregulation has been achieved, and a three-year pe-*
25 *riod has elapsed; and*

1 (4) *supports the Organization for Security and*
2 *Cooperation in Europe and its representatives in*
3 *Chechnya in its efforts to mediate in Chechnya.*

4 *REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN*

5 *REPORT OF SECRETARY OF STATE*

6 *SEC. 584. (a) FOREIGN AID REPORTING REQUIRE-*
7 *MENT.—In addition to the voting practices of a foreign*
8 *country, the report required to be submitted to Congress*
9 *under section 406(a) of the Foreign Relations Authorization*
10 *Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall*
11 *include a side-by-side comparison of individual countries’*
12 *overall support for the United States at the United Nations*
13 *and the amount of United States assistance provided to*
14 *such country in that fiscal year.*

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

19 *REPORT ON DOMESTIC FEDERAL AGENCIES FURNISHING*

20 *UNITED STATES ASSISTANCE*

21 *SEC. 585. (a) IN GENERAL.—Not later than June 1,*
22 *1997, the Comptroller General of the United States shall*
23 *study and report to the Congress on all assistance furnished*
24 *directly or indirectly to foreign countries, foreign entities,*
25 *and international organizations by domestic Federal agen-*
26 *cies and Federal agencies.*

1 (b) *DEFINITIONS.—As used in this section:*

2 (1) *DOMESTIC FEDERAL AGENCY.—The term*
3 *“domestic Federal agency” means a Federal agency*
4 *the primary mission of which is to carry out func-*
5 *tions other than foreign affairs, defense, or national*
6 *security functions.*

7 (2) *FEDERAL AGENCY.—The term “Federal agen-*
8 *cy” has the meaning given the term in section 551(1)*
9 *of title 5, United States Code.*

10 (3) *INTERNATIONAL ORGANIZATION.—The term*
11 *“international organization” has the meaning given*
12 *the term in section 1 of the International Organiza-*
13 *tion Immunities Act (22 U.S.C. 288).*

14 (4) *UNITED STATES ASSISTANCE.—The term*
15 *“United States assistance” has the meaning given the*
16 *term in section 481(e)(4) of the Foreign Assistance*
17 *Act of 1961 (22 U.S.C. 2291(e)(4)).*

18 *RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED*
19 *NATIONS AGENCIES*

20 *SEC. 586. (a) PROHIBITION ON VOLUNTARY CON-*
21 *TRIBUTIONS FOR THE UNITED NATIONS.—None of the funds*
22 *appropriated or otherwise made available by this Act may*
23 *be made available to pay any voluntary contribution of the*
24 *United States to the United Nations or any of its special-*
25 *ized agencies (including the United Nations Development*
26 *Program) if the United Nations attempts to implement or*

1 *impose any taxation or fee on any United States persons*
2 *or borrows funds from any international financial institu-*
3 *tion.*

4 **(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF**
5 *FUNDS.—None of the funds appropriated or otherwise made*
6 *available under this Act may be made available to pay any*
7 *voluntary contribution of the United States to the United*
8 *Nations or any of its specialized agencies (including the*
9 *United Nations Development Program) unless the President*
10 *certifies to the Congress 15 days in advance of such pay-*
11 *ment that the United Nations or such agency, as the case*
12 *may be, is not engaged in, and has not been engaged in*
13 *during the previous fiscal year, any effort to develop, advo-*
14 *cate, promote, or publicize any proposal concerning tax-*
15 *ation or fees on United States persons in order to raise reve-*
16 *nue for the United Nations or any of its specialized agen-*
17 *cies.*

18 **(c) DEFINITIONS.—As used in this section:**

19 **(1)** *The term “international financial institu-*
20 *tion” includes the African Development Bank, the Af-*
21 *rican Development Fund, the Asian Development*
22 *Bank, the European Bank for Reconstruction and De-*
23 *velopment, the Inter-American Development Bank, the*
24 *International Bank for Reconstruction and Develop-*
25 *ment, the International Development Association, the*

1 *International Finance Corporation, the International*
2 *Monetary Fund, and the Multilateral Insurance*
3 *Guaranty Agency; and*

4 (2) *The term “United States person” refers to—*

5 (A) *a natural person who is a citizen or na-*
6 *tional of the United States; or*

7 (B) *a corporation, partnership, or other*
8 *legal entity organized under the United States or*
9 *any State, territory, possession, or district of the*
10 *United States.*

11 *HAITI*

12 *SEC. 587. The Government of Haiti shall be eligible*
13 *to purchase defense articles and services under the Arms*
14 *Export Control Act (22 U.S.C. 2751 et seq.), for the civil-*
15 *ian-led Haitian National Police and Coast Guard, except*
16 *as otherwise stated in law: Provided, That the authority*
17 *provided by this section shall be subject to the regular notifi-*
18 *cation procedures of the Committees on Appropriations.*

19 *TRADE RELATIONS WITH EASTERN AND CENTRAL EUROPE.*

20 *SEC. 588. (a) FINDINGS.—The Congress makes the fol-*
21 *lowing findings:*

22 (1) *The countries of Central and Eastern Eu-*
23 *rope, including Poland, Hungary, the Czech Republic,*
24 *Slovakia, Romania, Slovenia, Lithuania, Latvia, Es-*
25 *tonia, and Bulgaria, are important to the long-term*

1 *stability and economic success of a future Europe*
2 *freed from the shackles of communism.*

3 (2) *The Central and Eastern European coun-*
4 *tries, particularly Hungary, Poland, the Czech Re-*
5 *public, Romania, Slovakia, Slovenia, Latvia, Lithua-*
6 *nia, and Estonia, are in the midst of dramatic re-*
7 *forms to transform their centrally planned economies*
8 *into free market economies and to join the Western*
9 *community.*

10 (3) *It is in the long-term interest of the United*
11 *States to encourage and assist the transformation of*
12 *Central and Eastern Europe into a free market econ-*
13 *omy, which is the solid foundation of democracy, and*
14 *will contribute to regional stability and greatly in-*
15 *creased opportunities for commerce with the United*
16 *States.*

17 (4) *Trade with the countries of Central and*
18 *Eastern Europe accounts for less than one percent of*
19 *total United States trade.*

20 (5) *The presence of a market with more than*
21 *140,000,000 people, with a growing appetite for*
22 *consumer goods and services and badly in need of*
23 *modern technology and management, should be an*
24 *important market for United States exports and in-*
25 *vestments.*

1 (6) *The United States has concluded agreements*
2 *granting most-favored-nation status to most of the*
3 *countries of Central and Eastern Europe.*

4 (b) *SENSE OF THE CONGRESS.—It is the sense of the*
5 *Congress that the President should take steps to promote*
6 *more open, fair, and free trade between the United States*
7 *and the countries of Central Europe, including Poland,*
8 *Hungary, the Czech Republic, Slovakia, Lithuania, Latvia,*
9 *Estonia, Romania, and Slovenia, including—*

10 (1) *developing closer commercial contacts;*

11 (2) *the mutual elimination of tariff and non-*
12 *tariff discriminatory barriers in trade with these*
13 *countries;*

14 (3) *exploring the possibility of framework agree-*
15 *ments that would lead to a free trade agreement;*

16 (4) *negotiating bilateral investment treaties;*

17 (5) *stimulating increased United States exports*
18 *and investments to the region;*

19 (6) *obtaining further liberalization of investment*
20 *regulations and protection against nationalization in*
21 *these foreign countries; and*

22 (7) *establishing fair and expeditious dispute set-*
23 *tlement procedures.*

1 *LIMITATION ON FOREIGN SOVEREIGN IMMUNITY*

2 *SEC. 589. (a) IN GENERAL.—Section 1605(a)(7) of*
3 *title 28, United States Code, is amended to read as follows:*

4 *“(7) in which money damages are sought against*
5 *a foreign state for personal injury or death caused by*
6 *an act of torture, extrajudicial killing, aircraft sabo-*
7 *tage, hostage taking, or the provision of material sup-*
8 *port or resources (as defined in section 2339A of title*
9 *18) for such an act, if—*

10 *“(A) such act or provision of material sup-*
11 *port was engaged in by an official, employee, or*
12 *agent of such foreign state while acting within*
13 *the scope of his or her office, employment, or*
14 *agency;*

15 *“(B) the foreign state against whom the*
16 *claim was brought—*

17 *“(i) was designated as a state sponsor*
18 *of terrorism under section 6(j) of the Export*
19 *Administration Act of 1979 (50 U.S.C.*
20 *App. 2405(j)) or section 620A of the For-*
21 *oreign Assistance Act of 1961 (22 U.S.C.*
22 *2371) at the time the act occurred or was*
23 *later so designated as a result of such act;*
24 *or*

1 “(ii) had no treaty of extradition with
2 the United States at the time the act oc-
3 curred and no adequate and available rem-
4 edies exist either in such state or in the
5 place in which the act occurred;

6 “(C) the claimant has afforded the foreign
7 state a reasonable opportunity to arbitrate the
8 claim in accordance with accepted international
9 rules of arbitration; and

10 “(D) the claimant or victim was a national
11 of the United States (as that term is defined in
12 section 101(a)(22) of the Immigration and Na-
13 tionality Act) when the act upon which the claim
14 is based occurred.”.

15 (b) *EFFECTIVE DATE.*—The amendment made by sub-
16 section (a) shall apply with respect to actions brought in
17 United States courts on or after the date of enactment of
18 this Act.

19 *SENSE OF CONGRESS REGARDING CROATIA*

20 *SEC. 590. (a) FINDINGS.*—The Congress makes the fol-
21 lowing findings:

22 (1) Croatia has politically and financially con-
23 tributed to the NATO peacekeeping operations in
24 Bosnia;

1 (2) *The economic stability and security of Cro-*
2 *atia is important to the stability of South Central*
3 *Europe; and*

4 (3) *Croatia is in the process of joining the Part-*
5 *nership for Peace.*

6 (b) *SENSE OF CONGRESS.—It is the Sense of Congress*
7 *that:*

8 (1) *Croatia should be recognized and commended*
9 *for its contributions to NATO and the various peace-*
10 *keeping efforts in Bosnia;*

11 (2) *The United States should support the active*
12 *participation of Croatia in activities appropriate for*
13 *qualifying for NATO membership, provided Croatia*
14 *continues to adhere fully to the Dayton Peace Accords*
15 *and continues to make progress toward establishing*
16 *democratic institutions, a free market, and the rule of*
17 *law.*

18 *ROMANIA’S PROGRESS TOWARD NATO MEMBERSHIP*

19 *SEC. 591. (a) FINDINGS.—The Congress makes the fol-*
20 *lowing findings:*

21 (1) *Romania emerged from years of brutal Com-*
22 *munist dictatorship in 1989 and approved a new*
23 *Constitution and elected a Parliament by 1991, lay-*
24 *ing the foundation for a modern parliamentary de-*
25 *mocracy charged with guaranteeing fundamental*

1 *human rights, freedom of expression, and respect for*
2 *private property;*

3 (2) *Local elections, parliamentary elections, and*
4 *presidential elections have been held in Romania,*
5 *with 1996 marking the second nationwide presi-*
6 *dential elections under the new Constitution;*

7 (3) *Romania was the first former Eastern bloc*
8 *country to join NATO's Partnership for Peace pro-*
9 *gram and has hosted Partnership for Peace military*
10 *exercises on its soil;*

11 (4) *Romania is the second largest country in*
12 *terms of size and population in Central Europe and*
13 *as such is strategically significant;*

14 (5) *Romania formally applied for NATO mem-*
15 *bership in April of 1996 and has begun an individ-*
16 *ualized dialogue with NATO on its membership ap-*
17 *plication; and*

18 (6) *Romania has contributed to the peace and*
19 *reconstruction efforts in Bosnia by participating in*
20 *the Implementation Force (IFOR).*

21 (b) *SENSE OF THE CONGRESS.—Therefore, it is the*
22 *sense of the Congress that:*

23 (1) *Romania is making significant progress to-*
24 *ward establishing democratic institutions, a free mar-*

1 *ket economy, civilian control of the armed forces and*
2 *the rule of law;*

3 (2) *Romania is making important progress to-*
4 *ward meeting the criteria for accession into NATO;*

5 (3) *Romania deserves commendation for its clear*
6 *desire to stand with the West in NATO, as evidenced*
7 *by its early entry into the Partnership for Peace, its*
8 *formal application for NATO membership, and its*
9 *participation in IFOR;*

10 (4) *Romania should be evaluated for membership*
11 *in the NATO Participation Act's transition assistance*
12 *program at the earliest opportunity; and*

13 (5) *The United States should work closely with*
14 *Romania and other countries working toward NATO*
15 *membership to ensure that every opportunity is pro-*
16 *vided.*

17 *SENSE OF CONGRESS REGARDING EXPANSION OF ELIGI-*
18 *BILITY FOR HOLOCAUST SURVIVOR COMPENSATION BY*
19 *THE GOVERNMENT OF GERMANY*

20 *SEC. 592. (a) FINDINGS.—The Congress makes the fol-*
21 *lowing findings:*

22 (1) *After nearly half a century, tens of thousands*
23 *of Holocaust survivors continue to be denied justice*
24 *and compensation by the Government of Germany.*

25 (2) *These people who suffered grievously at the*
26 *hands of the Nazis are now victims of unreasonable*

1 (1) *Credible information exists indicating that*
2 *defense industrial trading companies of the People's*
3 *Republic of China may have transferred ballistic mis-*
4 *sile technology to Syria.*

5 (2) *On October 4, 1994, the Government of the*
6 *People's Republic of China entered into a written*
7 *agreement with the United States pledging not to ex-*
8 *port missiles or related technology that would violate*
9 *the Missile Technology Control Regime (MTCR).*

10 (3) *Section 73(f) of the Arms Export Control Act*
11 *(22 U.S.C. 2797b(f)) states that, when determining*
12 *whether a foreign person may be subject to United*
13 *States sanctions for transferring technology listed on*
14 *the MTCR Annex, it should be a rebuttable presump-*
15 *tion that such technology is designed for use in a mis-*
16 *sile listed on the MTCR Annex if the President deter-*
17 *mines that the final destination of the technology is*
18 *a country the government of which the Secretary of*
19 *State has determined, for purposes of section*
20 *6(j)(1)(A) of the Export Administration Act of 1979*
21 *(50 U.S.C. App. 2405(j)(1)(A)), has repeatedly pro-*
22 *vided support for acts of international terrorism.*

23 (4) *The Secretary of State has determined under*
24 *the terms of section 6(j)(1)(A) of the Export Adminis-*

1 *tration Act of 1979 that Syria has repeatedly pro-*
2 *vided support for acts of international terrorism.*

3 *(5) In 1994 Congress explicitly enacted section*
4 *73(f) of the Arms Export Control Act in order to tar-*
5 *get the transfer of ballistic missile technology to ter-*
6 *rorist nations.*

7 *(6) The presence of ballistic missiles in Syria*
8 *would pose a threat to United States Armed Forces*
9 *and to regional peace and stability in the Middle*
10 *East.*

11 *(b) SENSE OF SENATE.—It is the sense of the Senate*
12 *that—*

13 *(1) it is in the national security interests of the*
14 *United States and the State of Israel to prevent the*
15 *spread of ballistic missiles and related technology to*
16 *Syria;*

17 *(2) the Government of the People’s Republic of*
18 *China should continue to honor its agreement with*
19 *the United States not to export missiles or related*
20 *technology that would violate the Missile Technology*
21 *Control Regime; and*

22 *(3) the President should exercise all legal author-*
23 *ity available to the President to prevent the spread of*
24 *ballistic missiles and related technology to Syria.*

1 *REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VIET-*
2 *NAMESE REEDUCATION CAMP INTERNEES RESETTLED*
3 *UNDER THE ORDERLY DEPARTURE PROGRAM*

4 *SEC. 595. (a) ELIGIBILITY FOR ORDERLY DEPARTURE*
5 *PROGRAM.—For purposes of eligibility for the Orderly De-*
6 *parture Program for nationals of Vietnam, an alien de-*
7 *scribed in subsection (b) shall be considered to be a refugee*
8 *of special humanitarian concern to the United States with-*
9 *in the meaning of section 207 of the Immigration and Na-*
10 *tionality Act (8 U.S.C. 1157) and shall be admitted to the*
11 *United States for resettlement if the alien would be admissi-*
12 *ble as an immigrant under the Immigration and National-*
13 *ity Act (except as provided in section 207(c)(3) of that Act).*

14 *(b) ALIENS COVERED.—An alien described in this sub-*
15 *section is an alien who—*

16 *(1) is the son or daughter of a national of Viet-*
17 *nam who—*

18 *(A) was formerly interned in a reeducation*
19 *camp in Vietnam by the Government of the So-*
20 *cialist Republic of Vietnam; and*

21 *(B) has been accepted for resettlement as a*
22 *refugee under the Orderly Departure Program on*
23 *or after April 1, 1995;*

24 *(2) is 21 years of age or older; and*

1 (3) *was unmarried as of the date of acceptance*
2 *of the alien's parent for resettlement under the Or-*
3 *derly Departure Program.*

4 (c) *SUPERSEDES EXISTING LAW.—This section super-*
5 *sedes any other provision of law.*

6 *DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA*

7 *SEC. 596. Ninety days after the date of enactment of*
8 *this Act, and every 180 days thereafter, the Secretary of*
9 *State, in consultation with the Secretary of Defense, shall*
10 *provide a report in a classified or unclassified form to the*
11 *Committee on Appropriations including the following infor-*
12 *mation:*

13 (i) *a best estimate on fuel used by the military*
14 *forces of the Democratic People's Republic of Korea*
15 *(DPRK);*

16 (ii) *the deployment position and military train-*
17 *ing and activities of the DPRK forces and best esti-*
18 *mate of the associated costs of these activities;*

19 (iii) *steps taken to reduce the DPRK level of*
20 *forces; and*

21 (iv) *cooperation, training, or exchanges of infor-*
22 *mation, technology or personnel between the DPRK*
23 *and any other nation supporting the development or*
24 *deployment of a ballistic missile capability.*

1 PROSECUTION OF MAJOR DRUG TRAFFICKERS RESIDING IN
2 MEXICO

3 SEC. 597. (a) REPORT.—(1) Not later than 30 days
4 after the date of enactment of this Act, the Administrator
5 of the Drug Enforcement Administration shall submit a re-
6 port to the President—

7 (A) identifying the 10 individuals who are in-
8 dicted in the United States for unlawful trafficking or
9 production of controlled substances most sought by
10 United States law enforcement officials and who there
11 is reason to believe reside in Mexico; and

12 (B) identifying 25 individuals not named under
13 paragraph (1) who have been indicted for such of-
14 fenses and who there is reason to believe reside in
15 Mexico.

16 (2) The President shall promptly transmit to the Gov-
17 ernment of Mexico a copy of the report submitted under
18 paragraph (1).

19 (b) PROHIBITION.—

20 (1) IN GENERAL.—None of the funds appro-
21 priated under the heading “International Military
22 Education and Training” may be made available for
23 any program, project, or activity for Mexico.

1 (2) *EXCEPTION.*—*Paragraph (1) shall not apply*
2 *if, not later than 6 months after the date of enactment*
3 *of this Act, the President certifies to Congress that—*

4 (A) *the Government of Mexico has extra-*
5 *dated to the United States the individuals named*
6 *pursuant to subsection (a)(1); or*

7 (B) *the Government of Mexico has appre-*
8 *hended and begun prosecution of the individuals*
9 *named pursuant to subsection (a)(1).*

10 (c) *WAIVER.*—*Subsection (b) shall not apply if the*
11 *President of Mexico certifies to the President of the United*
12 *States that—*

13 (1) *the Government of Mexico made intensive,*
14 *good faith efforts to apprehend the individuals named*
15 *pursuant to subsection (a)(1) but did not find one or*
16 *more of the individuals within Mexico; and*

17 (2) *the Government of Mexico has apprehended*
18 *and extradited or apprehended and prosecuted 3 indi-*
19 *viduals named pursuant to subsection (a)(2) for each*
20 *individual not found under paragraph (1).*

21 *DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC*

22 *ASSISTANCE FUNDS*

23 *SEC. 598. Chapter 3 of part III of the Foreign Assist-*
24 *ance Act of 1961 (22 U.S.C. 2401 et seq.) is amended by*
25 *adding at the end the following:*

1 **“SEC. 668. DEOBLIGATION OF CERTAIN UNEXPENDED**
2 **ECONOMIC ASSISTANCE FUNDS.**

3 *“(a) REQUIREMENT TO DEOBLIGATE.—*

4 *“(1) IN GENERAL.—Except as provided in sub-*
5 *section (b) of this section and in paragraphs (1) and*
6 *(3) of section 617(a) of this Act, at the beginning of*
7 *each fiscal year the President shall deobligate and re-*
8 *turn to the Treasury any funds described in para-*
9 *graph (2) that, as of the end of the preceding fiscal*
10 *year, have been obligated for a project or activity for*
11 *a period of more than 4 years but have not been ex-*
12 *pended.*

13 *“(2) FUNDS.—Paragraph (1) applies to funds*
14 *made available for—*

15 *“(A) assistance under chapter 1 of part I of*
16 *this Act (relating to development assistance),*
17 *chapter 10 of part I of this Act (relating to the*
18 *Development Fund for Africa), or chapter 4 of*
19 *part II of this Act (relating to the economic sup-*
20 *port fund);*

21 *“(B) assistance under the Support for East*
22 *European Democracy (SEED) Act of 1989; and*

23 *“(C) economic assistance for the independ-*
24 *ent states of the former Soviet Union under*
25 *chapter 11 of part I of this Act or under any*

1 *pact on the environment and are subject to a decision*
2 *of a competent national authority;*

3 *(2) in 1978 the Senate adopted Senate Resolu-*
4 *tion 49, calling on the United States Government to*
5 *seek the agreement of other governments to a proposed*
6 *global treaty requiring the preparation of Environ-*
7 *mental Impact Assessments for any major project, ac-*
8 *tion, or continuing activity that may be reasonably*
9 *expected to have a significant adverse effect on the*
10 *physical environment or environmental interests of*
11 *another nation or a global commons area;*

12 *(3) subsequent to the adoption of Senate Resolu-*
13 *tion 49 in 1978, the United Nations Environment*
14 *Programme Governing Council adopted Goals and*
15 *Principles on Environmental Impact Assessment call-*
16 *ing on governments to undertake comprehensive Envi-*
17 *ronmental Impact Assessments in cases in which the*
18 *extent, nature, or location of a proposed activity is*
19 *such that the activity is likely to significantly affect*
20 *the environment; and*

21 *(4) on October 7, 1992, the Senate gave its ad-*
22 *vice and consent to the Protocol on Environmental*
23 *Protection to the Antarctic Treaty, which obligates*
24 *parties to the Antarctic Treaty to require Environ-*

1 *mental Impact Assessment procedures for proposed*
2 *activities in Antarctica.*

3 (b) *SENSE OF THE SENATE.*—*It is the sense of the Sen-*
4 *ate that—*

5 (1) *the United States Government should encour-*
6 *age the governments of other nations to engage in ad-*
7 *ditional regional treaties regarding specific*
8 *transboundary activities that have adverse impacts on*
9 *the environment of other nations or a global commons*
10 *area; and*

11 (2) *such additional regional treaties should en-*
12 *sure that specific transboundary activities are under-*
13 *taken in environmentally sound ways and under*
14 *careful controls designed to avoid or minimize any*
15 *adverse environmental effects, through requirements*
16 *for Environmental Impact Assessments where appro-*
17 *priate.*

18 *INTERNATIONAL CRIMINAL TRIBUNAL*

19 *SEC. 599B. FINDINGS.*—

20 (1) *The United Nations, recognizing the need for*
21 *justice in the former Yugoslavia, established the Inter-*
22 *national Criminal Tribunal for the former Yugoslavia*
23 *(hereafter in this resolution referred to as the “Inter-*
24 *national Criminal Tribunal”);*

1 (2) *United Nations Security Council Resolution*
2 827 of May 25, 1993, requires states to cooperate fully
3 with the International Criminal Tribunal;

4 (3) *The parties to the General Framework Agree-*
5 *ment for Peace in Bosnia and Herzegovina and asso-*
6 *ciated Annexes (in this resolution referred to as the*
7 *“Peace Agreement”)* negotiated in Dayton, Ohio and
8 signed in Paris, France, on December 14, 1995, ac-
9 cepted, in Article IX, the obligation “to cooperate in
10 the investigation and prosecution of war crimes and
11 other violations of international humanitarian law”;

12 (4) *The Constitution of Bosnia and Herzegovina,*
13 agreed to as Annex 4 of the Peace Agreement, pro-
14 vides, in Article IX, that “No person who is serving
15 a sentence imposed by the International Tribunal for
16 the former Yugoslavia, and no person who is under
17 indictment by the Tribunal and who has failed to
18 comply with an order to appear before the Tribunal,
19 may stand as a candidate or hold any appointive,
20 elective, or other public office in Bosnia and
21 Herzegovina”;

22 (5) *The International Criminal Tribunal has is-*
23 sued 57 indictments against individuals from all par-
24 ties to the conflicts in the former Yugoslavia;

1 (6) *The International Criminal Tribunal contin-*
2 *ues to investigate gross violations of international law*
3 *in the former Yugoslavia with a view to further in-*
4 *dictments against the perpetrators;*

5 (7) *On July 25, 1995, the International Crimi-*
6 *nal Tribunal issued an indictment for Radovan*
7 *Karadzic, president of the Bosnian Serb administra-*
8 *tion of Pale, and Ratko Mladic, commander of the*
9 *Bosnian Serb administration and charged them with*
10 *genocide and crimes against humanity, violations of*
11 *the law or customs of war, and grave breaches of the*
12 *Geneva Conventions of 1949, arising from atrocities*
13 *perpetrated against the civilian population through-*
14 *out Bosnia-Herzegovina, for the sniping campaign*
15 *against civilians in Sarajevo, and for the taking of*
16 *United Nations peacekeepers as hostages and for their*
17 *use as human shields;*

18 (8) *On November 16, 1995, Karadzic and Mladic*
19 *were indicted a second time by the International*
20 *Criminal Tribunal, charged with genocide for the kill-*
21 *ing of up to 6,000 Muslims in Srebrenica, Bosnia, in*
22 *July 1995;*

23 (9) *The United Nations Security Council, in*
24 *adopting Resolution 1022 on November 22, 1995, de-*
25 *cided that economic sanctions on the Federal Republic*

1 *of Yugoslavia (Serbia and Montenegro) and the so-*
2 *called Republika Srpska would be reimposed if, at*
3 *any time, the High Representative or the IFOR com-*
4 *mander informs the Security Council that the Federal*
5 *Republic of Yugoslavia or the Bosnian Serb authori-*
6 *ties are failing significantly to meet their obligations*
7 *under the Peace Agreement;*

8 *(10) The so-called Republika Srpska and the*
9 *Federal Republic of Yugoslavia (Serbia and*
10 *Montenegro) have failed to arrest and turn over for*
11 *prosecution indicted war criminals, including*
12 *Karadzic and Mladic;*

13 *(11) Efforts to politically isolate Karadzic and*
14 *Mladic have failed thus far and would in any case be*
15 *insufficient to comply with the Peace Agreement and*
16 *bring peace with justice to Bosnia and Herzegovina;*

17 *(12) The International Criminal Tribunal issued*
18 *international warrants for the arrest of Karadzic and*
19 *Mladic on July 11, 1996.*

20 *(13) In the so-called Republika Srpska freedom*
21 *of the press and freedom of assembly are severely lim-*
22 *ited and violence against ethnic and religious minori-*
23 *ties and opposition figures is on the rise;*

24 *(14) It will be difficult for national elections in*
25 *Bosnia and Herzegovina to take place meaningfully*

1 so long as key war criminals, including Karadzic and
2 Mladic, remain at large and able to influence politi-
3 cal and military developments;

4 (15) On June 6, 1996, the President of the Inter-
5 national Criminal Tribunal, declaring that the Fed-
6 eral Republic of Yugoslavia's failure to extradite in-
7 dicted war criminals is a blatant violation of the
8 Peace Agreement and of United Nations Security
9 Council Resolutions, called on the High Representa-
10 tive to reimpose economic sanctions on the so-called
11 Republika Srpska and on the Federal Republic of
12 Yugoslavia (Serbia and Montenegro); and

13 (16) The apprehension and prosecution of in-
14 dicted war criminals is essential for peace and rec-
15 onciliation to be achieved and democracy to be estab-
16 lished throughout Bosnia and Herzegovina.

17 (b) SENSE OF THE SENATE.—It is the sense of the Sen-
18 ate that—

19 (1) the Senate finds that the International
20 Criminal Tribunal for the former Yugoslavia merits
21 continued and increased United States support for its
22 efforts to investigate and bring to justice the perpetra-
23 tors of gross violations of international law in the
24 former Yugoslavia;

1 (2) *the President of the United States should*
2 *support the request of the President of the Inter-*
3 *national Criminal Tribunal for the former Yugoslavia*
4 *for the High Representative to reimpose full economic*
5 *sanctions on the Federal Republic of Yugoslavia (Ser-*
6 *bia and Montenegro) and the so-called Republika*
7 *Srpska, in accordance with United Nations Security*
8 *Council Resolution 1022 (1995), until the Federal Re-*
9 *public of Yugoslavia (Serbia and Montenegro) and*
10 *Bosnian Serb authorities have complied with their ob-*
11 *ligations under the Peace Agreement and United Na-*
12 *tions Security Council Resolutions to cooperate fully*
13 *with the International Criminal Tribunal;*

14 (3) *the NATO-led Implementation Force (IFOR),*
15 *in carrying out its mandate, should make it an ur-*
16 *gent priority to detain and bring to justice persons*
17 *indicted by the International Criminal Tribunal; and*

18 (4) *states in the former Yugoslavia should not be*
19 *admitted to international organizations and fora*
20 *until and unless they have complied with their obliga-*
21 *tions under the Peace Agreement and United Nations*
22 *Security Council Resolutions to cooperate fully with*
23 *the International Criminal Tribunal.*

1 *sible the democratic transformation of Central and*
2 *Eastern Europe. Members of the Alliance can and*
3 *should play a critical role in addressing the security*
4 *challenges of the post-Cold War era and in creating*
5 *the stable environment needed for those emerging de-*
6 *mocracies in Central and Eastern Europe to success-*
7 *fully complete political and economic transformation.*

8 *(4) The United States continues to regard the*
9 *political independence and territorial integrity of all*
10 *emerging democracies in Central and Eastern Europe*
11 *as vital to European peace and security.*

12 *(5) The active involvement by the countries of*
13 *Central and Eastern Europe has made the Partner-*
14 *ship for Peace program an important forum to foster*
15 *cooperation between NATO and those countries seek-*
16 *ing NATO membership.*

17 *(6) NATO has enlarged its membership on 3 dif-*
18 *ferent occasions since 1949.*

19 *(7) Congress supports the admission of qualified*
20 *new members to NATO and the European Union at*
21 *an early date and has sought to facilitate the admis-*
22 *sion of qualified new members into NATO.*

23 *(8) As new members of NATO assume the re-*
24 *sponsibilities of Alliance membership, the costs of*
25 *maintaining stability in Europe should be shared*

1 *more widely. Facilitation of the enlargement process*
2 *will require current members of NATO, and the Unit-*
3 *ed States in particular, to demonstrate the political*
4 *will needed to build on successful ongoing programs*
5 *such as the Warsaw Initiative and the Partnership*
6 *for Peace by making available the resources necessary*
7 *to supplement efforts prospective new members are*
8 *themselves undertaking.*

9 *(9) New members will be full members of the Al-*
10 *liance, enjoying all rights and assuming all the obli-*
11 *gations under the Washington Treaty.*

12 *(10) Cooperative regional peacekeeping initia-*
13 *tives involving emerging democracies in Central and*
14 *Eastern Europe that have expressed interest in join-*
15 *ing NATO, such as the Baltic Peacekeeping Battalion,*
16 *the Polish-Lithuanian Joint Peacekeeping Force, and*
17 *the Polish-Ukrainian Peacekeeping Force, can make*
18 *an important contribution to European peace and se-*
19 *curity and international peacekeeping efforts, can as-*
20 *assist those countries preparing to assume the respon-*
21 *sibilities of possible NATO membership, and accord-*
22 *ingly should receive appropriate support from the*
23 *United States.*

24 *(11) NATO remains the only multilateral secu-*
25 *rity organization capable of conducting effective mili-*

1 *tary operations and preserving security and stability*
2 *of the Euro-Atlantic region.*

3 *(12) NATO is an important diplomatic forum*
4 *and has played a positive role in defusing tensions*
5 *between members of the Alliance and, as a result, no*
6 *military action has occurred between two Alliance*
7 *member states since the inception of NATO in 1949.*

8 *(13) The admission to NATO of emerging democ-*
9 *racies in Central and Eastern Europe which are*
10 *found to be in a position to further the principles of*
11 *the North Atlantic Treaty would contribute to inter-*
12 *national peace and enhance the security of the region.*
13 *Countries which have become democracies and estab-*
14 *lished market economies, which practice good neigh-*
15 *borly relations, and which have established effective*
16 *democratic civilian control over their defense estab-*
17 *lishments and attained a degree of interoperability*
18 *with NATO, should be evaluated for their potential to*
19 *further the principles of the North Atlantic Treaty.*

20 *(14) A number of Central and Eastern European*
21 *countries have expressed interest in NATO member-*
22 *ship, and have taken concrete steps to demonstrate*
23 *this commitment, including their participation in*
24 *Partnership for Peace activities.*

1 (15) *The Caucasus region remains important*
2 *geographically and politically to the future security of*
3 *Central Europe. As NATO proceeds with the process*
4 *of enlargement, the United States and NATO should*
5 *continue to examine means to strengthen the sov-*
6 *ereignty and enhance the security of United Nations*
7 *recognized countries in that region.*

8 (16) *In recognition that not all countries which*
9 *have requested membership in NATO will necessarily*
10 *qualify at the same pace, the accession date for each*
11 *new member will vary.*

12 (17) *The provision of additional NATO transi-*
13 *tion assistance should include those emerging democ-*
14 *racies most ready for closer ties with NATO and*
15 *should be designed to assist other countries meeting*
16 *specified criteria of eligibility to move forward to-*
17 *ward eventual NATO membership.*

18 (18) *The Congress of the United States finds in*
19 *particular that Poland, Hungary, the Czech Republic,*
20 *and Slovenia have made significant progress toward*
21 *achieving the stated criteria and should be eligible for*
22 *the additional assistance described in this Act.*

23 (19) *The evaluation of future membership in*
24 *NATO for emerging democracies in Central and East-*
25 *ern Europe should be based on the progress of those*

1 *nations in meeting criteria for NATO membership,*
2 *which require enhancement of NATO's security and*
3 *the approval of all NATO members.*

4 (20) *The process of NATO enlargement entails*
5 *the agreement of the governments of all NATO mem-*
6 *bers in accordance with Article 10 of the Washington*
7 *Treaty.*

8 (21) *Some NATO members, such as Spain and*
9 *Norway, do not allow the deployment of nuclear*
10 *weapons on their territory although they are accorded*
11 *the full collective security guarantees provided by ar-*
12 *ticle V of the Washington treaty. There is no prior re-*
13 *quirement for the stationing of nuclear weapons on*
14 *the territory of new NATO members, particularly in*
15 *the current security climate, however NATO retains*
16 *the right to alter its security posture at any time as*
17 *circumstances warrant.*

18 **SEC. 603. UNITED STATES POLICY.**

19 *It is the policy of the United States—*

20 (1) *to join with the NATO allies of the United*
21 *States to adapt the role of the NATO Alliance in the*
22 *post-Cold War world;*

23 (2) *to actively assist the emerging democracies in*
24 *Central and Eastern Europe in their transition so*

1 *that such countries may eventually qualify for NATO*
2 *membership; and*

3 *(3) to work to define a constructive and coopera-*
4 *tive political and security relationship between an en-*
5 *larged NATO and the Russian Federation.*

6 **SEC. 604. SENSE OF THE CONGRESS REGARDING FURTHER**
7 **ENLARGEMENT OF NATO.**

8 *It is the sense of the Congress that in order to promote*
9 *economic stability and security in Slovakia, Estonia, Lat-*
10 *via, Lithuania, Romania, Bulgaria, Albania, Moldova, and*
11 *Ukraine—*

12 *(1) the United States should continue and ex-*
13 *pend its support for the full and active participation*
14 *of these countries in activities appropriate for quali-*
15 *fying for NATO membership;*

16 *(2) the United States Government should use all*
17 *diplomatic means available to press the European*
18 *Union to admit as soon as possible any country*
19 *which qualifies for membership;*

20 *(3) the United States Government and the North*
21 *Atlantic Treaty Organization should continue and ex-*
22 *pend their support for military exercises and peace-*
23 *keeping initiatives between and among these nations,*
24 *nations of the North Atlantic Treaty Organization,*
25 *and Russia; and*

1 (4) *the process of enlarging NATO to include*
2 *emerging democracies in Central and Eastern Europe*
3 *should not be limited to consideration of admitting*
4 *Poland, Hungary, the Czech Republic, and Slovenia*
5 *as full members to the NATO Alliance.*

6 **SEC. 605. SENSE OF THE CONGRESS REGARDING ESTONIA,**
7 **LATVIA, AND LITHUANIA.**

8 *In view of the forcible incorporation of Estonia, Lat-*
9 *via, Lithuania into the Soviet Union in 1940 under the*
10 *Molotov-Ribbentrop Pact and the refusal of the United*
11 *States and other countries to recognize that incorporation*
12 *for over 50 years, it is the sense of the Congress that—*

13 (1) *Estonia, Latvia, and Lithuania have valid*
14 *historical security concerns that must be taken into*
15 *account by the United States; and*

16 (2) *Estonia, Latvia, and Lithuania should not*
17 *be disadvantaged in seeking to join NATO by virtue*
18 *of their forcible incorporation into the Soviet Union.*

19 **SEC. 606. DESIGNATION OF COUNTRIES ELIGIBLE FOR**
20 **NATO ENLARGEMENT ASSISTANCE.**

21 (a) *IN GENERAL.—The following countries are des-*
22 *ignated as eligible to receive assistance under the program*
23 *established under section 203(a) of the NATO Participation*
24 *Act of 1994 and shall be deemed to have been so designated*

1 *pursuant to section 203(d) of such Act: Poland, Hungary,*
2 *the Czech Republic, and Slovenia.*

3 (b) *DESIGNATION OF OTHER COUNTRIES.*—*The Presi-*
4 *dent shall designate other emerging democracies in Central*
5 *and Eastern Europe as eligible to receive assistance under*
6 *the program established under section 203(a) of such Act*
7 *if such countries—*

8 (1) *have expressed a clear desire to join NATO;*

9 (2) *have begun an individualized dialogue with*
10 *NATO in preparation for accession;*

11 (3) *are strategically significant to an effective*
12 *NATO defense; and*

13 (4) *meet the other criteria outlined in section*
14 *203(d) of the NATO Participation Act of 1994 (title*
15 *II of Public Law 103–447; 22 U.S.C. 1928 note).*

16 (c) *RULE OF CONSTRUCTION.*—*Subsection (a) does not*
17 *preclude the designation by the President of Estonia, Lat-*
18 *via, Lithuania, Romania, Slovakia, Bulgaria, Albania,*
19 *Moldova, Ukraine, or any other emerging democracy in*
20 *Central and Eastern Europe pursuant to section 203(d) of*
21 *the NATO Participation Act of 1994 as eligible to receive*
22 *assistance under the program established under section*
23 *203(a) of such Act.*

1 **SEC. 607. AUTHORIZATION OF APPROPRIATIONS FOR NATO**
2 **ENLARGEMENT ASSISTANCE.**

3 (a) *IN GENERAL.*—*There are authorized to be appro-*
4 *propriated \$60,000,000 for fiscal year 1997 for the program*
5 *established under section 203(a) of the NATO Participation*
6 *Act of 1994.*

7 (b) *AVAILABILITY.*—*Of the funds authorized to be ap-*
8 *propriated by subsection (a)—*

9 (1) *not less than \$20,000,000 shall be available*
10 *for the subsidy cost, as defined in section 502(5) of*
11 *the Credit Reform Act of 1990, of direct loans pursu-*
12 *ant to the authority of section 203(c)(4) of the NATO*
13 *Participation Act of 1994 (relating to the “Foreign*
14 *Military Financing Program”);*

15 (2) *not less than \$30,000,000 shall be available*
16 *for assistance on a grant basis pursuant to the au-*
17 *thority of section 203(c)(4) of the NATO Participa-*
18 *tion Act of 1994 (relating to the “Foreign Military*
19 *Financing Program”); and*

20 (3) *not more than \$10,000,000 shall be available*
21 *for assistance pursuant to the authority of section*
22 *203(c)(3) of the NATO Participation Act of 1994 (re-*
23 *lating to international military education and train-*
24 *ing).*

25 (c) *RULE OF CONSTRUCTION.*—*Amounts authorized to*
26 *be appropriated under this section are authorized to be ap-*

1 *propriated in addition to such amounts as otherwise may*
2 *be available for such purposes.*

3 **SEC. 608. REGIONAL AIRSPACE INITIATIVE AND PARTNER-**
4 **SHIP FOR PEACE INFORMATION MANAGE-**
5 **MENT SYSTEM.**

6 *(a) IN GENERAL.—Funds described in subsection (b)*
7 *are authorized to be made available to support the imple-*
8 *mentation of the Regional Airspace Initiative and the Part-*
9 *nership for Peace Information Management System, includ-*
10 *ing—*

11 *(1) the procurement of items in support of these*
12 *programs; and*

13 *(2) the transfer of such items to countries par-*
14 *ticipating in these programs, which may include Po-*
15 *land, Hungary, the Czech Republic, Slovenia, Slo-*
16 *vakia, Estonia, Latvia, Lithuania, Romania, Bul-*
17 *garia, Moldova, Ukraine, and Albania.*

18 *(b) FUNDS DESCRIBED.—Funds described in this sub-*
19 *section are funds that are available—*

20 *(1) during any fiscal year under the NATO Par-*
21 *ticipation Act of 1994 with respect to countries eligi-*
22 *ble for assistance under that Act; or*

23 *(2) during fiscal year 1997 under any Act to*
24 *carry out the Warsaw Initiative.*

1 **SEC. 609. EXCESS DEFENSE ARTICLES.**

2 (a) *PRIORITY DELIVERY.*—Notwithstanding any other
3 provision of law, the provision and delivery of excess defense
4 articles under the authority of section 203(c) (1) and (2)
5 of the NATO Participation Act of 1994 and section 516
6 of the Foreign Assistance Act of 1961 shall be given priority
7 to the maximum extent feasible over the provision and de-
8 livery of such excess defense articles to all other countries
9 except those countries referred to in section 541 of the For-
10 eign Operations, Export Financing, and Related Programs
11 Appropriations Act, 1995 (Public Law 103–306; 108 Stat.
12 1640).

13 (b) *COOPERATIVE REGIONAL PEACEKEEPING INITIA-*
14 *TIVES.*—The Congress encourages the President to provide
15 excess defense articles and other appropriate assistance to
16 cooperative regional peacekeeping initiatives involving
17 emerging democracies in Central and Eastern Europe that
18 have expressed an interest in joining NATO in order to en-
19 hance their ability to contribute to European peace and se-
20 curity and international peacekeeping efforts.

21 **SEC. 610. MODERNIZATION OF DEFENSE CAPABILITY.**

22 The Congress endorses efforts by the United States to
23 modernize the defense capability of Poland, Hungary, the
24 Czech Republic, Slovenia, and any other countries des-
25 ignated by the President pursuant to section 203(d) of the
26 NATO Participation Act of 1994, by exploring with such

1 *countries options for the sale or lease to such countries of*
2 *weapons systems compatible with those used by NATO*
3 *members, including air defense systems, advanced fighter*
4 *aircraft, and telecommunications infrastructure.*

5 **SEC. 611. TERMINATION OF ELIGIBILITY.**

6 *Section 203(f) of the NATO Participation Act of 1994*
7 *(title II of Public Law 103–447; 22 U.S.C. 1928 note) is*
8 *amended to read as follows:*

9 *“(f) TERMINATION OF ELIGIBILITY.—(1) The eligi-*
10 *bility of a country designated under subsection (d) for the*
11 *program established in subsection (a) shall terminate 30*
12 *days after the President makes a certification under para-*
13 *graph (2) unless, within the 30-day period, the Congress*
14 *enacts a joint resolution disapproving the termination of*
15 *eligibility.*

16 *“(2) Whenever the President determines that the gov-*
17 *ernment of a country designated under subsection (d)—*

18 *“(A) no longer meets the criteria set forth in sub-*
19 *section (d)(2)(A);*

20 *“(B) is hostile to the NATO Alliance; or*

21 *“(C) poses a national security threat to the*
22 *United States,*

23 *then the President shall so certify to the appropriate con-*
24 *gressional committees.*

1 “(3) *Nothing in this title affects the eligibility of coun-*
2 *tries to participate under other provisions of law in pro-*
3 *grams described in this Act.*”

4 **SEC. 612. AMENDMENTS TO THE NATO PARTICIPATION ACT.**

5 (a) *CONFORMING AMENDMENT.*—*The NATO Partici-*
6 *ipation Act of 1994 (title II of Public Law 103–447; 22*
7 *U.S.C. 1928 note) is amended in sections 203(a), 203(d)(1),*
8 *and 203(d)(2) by striking “countries emerging from com-*
9 *munist domination” each place it appears and inserting*
10 *“emerging democracies in Central and Eastern Europe”.*

11 (b) *DEFINITIONS.*—*The NATO Participation Act of*
12 *1994 (title II of Public Law 103–446; 22 U.S.C. 1928 note)*
13 *is amended by adding at the end the following new section:*

14 **“SEC. 206. DEFINITIONS.**

15 *“The term ‘emerging democracies in Central and East-*
16 *ern Europe’ includes, but is not limited to, Albania, Bul-*
17 *garia, the Czech Republic, Estonia, Hungary, Latvia, Lith-*
18 *uania, Moldova, Poland, Romania, Slovakia, Slovenia, and*
19 *Ukraine.”.*

20 **SEC. 613. DEFINITIONS.**

21 *As used in this title:*

22 (1) *EMERGING DEMOCRACIES IN CENTRAL AND*
23 *EASTERN EUROPE.*—*The term “emerging democracies*
24 *in Central and Eastern Europe” includes, but is not*
25 *limited to, Albania, Bulgaria, the Czech Republic, Es-*

1 *tonia, Hungary, Latvia, Lithuania, Moldova, Poland,*
2 *Romania, Slovakia, Slovenia, and Ukraine.*

3 (2) *NATO.*—*The term “NATO” means the North*
4 *Atlantic Treaty Organization.*

5 **TITLE VII—MIDDLE EAST DEVELOPMENT BANK**

6 **SEC. 701. SHORT TITLE.**

7 *This title may be cited as the “Bank for Economic Co-*
8 *operation and Development in the Middle East and North*
9 *Africa Act”.*

10 **SEC. 702. ACCEPTANCE OF MEMBERSHIP.**

11 *The President is hereby authorized to accept member-*
12 *ship for the United States in the Bank for Economic Co-*
13 *operation and Development in the Middle East and North*
14 *Africa (in this title referred to as the “Bank”) provided for*
15 *by the agreement establishing the Bank (in this title referred*
16 *to as the “Agreement”), signed on May 31, 1996.*

17 **SEC. 703. GOVERNOR AND ALTERNATE GOVERNOR.**

18 (a) *APPOINTMENT.*—*At the inaugural meeting of the*
19 *Board of Governors of the Bank, the Governor and the alter-*
20 *nate for the Governor of the International Bank for Recon-*
21 *struction and Development, appointed pursuant to section*
22 *3 of the Bretton Woods Agreements Act, shall serve ex-officio*
23 *as a Governor and the alternate for the Governor, respec-*
24 *tively, of the Bank. The President, by and with the advice*

1 *and consent of the Senate, shall appoint a Governor of the*
2 *Bank and an alternate for the Governor.*

3 (b) *COMPENSATION.*—*Any person who serves as a gov-*
4 *ernor of the Bank or as an alternate for the Governor may*
5 *not receive any salary or other compensation from the Unit-*
6 *ed States by reason of such service.*

7 **SEC. 704. APPLICABILITY OF CERTAIN PROVISIONS OF THE**
8 **BRETTON WOODS AGREEMENTS ACT.**

9 *Section 4 of the Bretton Woods Agreements Act shall*
10 *apply to the Bank in the same manner in which such sec-*
11 *tion applies to the International Bank for Reconstruction*
12 *and Development and the International Monetary Fund.*

13 **SEC. 705. FEDERAL RESERVE BANKS AS DEPOSITORIES.**

14 *Any Federal Reserve Bank which is requested to do*
15 *so by the Bank may act as its depository, or as its fiscal*
16 *agent, and the Board of Governors of the Federal Reserve*
17 *System shall exercise general supervision over the carrying*
18 *out of these functions.*

19 **SEC. 706. SUBSCRIPTION OF STOCK.**

20 (a) *SUBSCRIPTION AUTHORITY.*—

21 (1) *IN GENERAL.*—*The Secretary of the Treasury*
22 *may subscribe on behalf of the United States to not*
23 *more than 7,011,270 shares of the capital stock of the*
24 *Bank.*

1 (2) *EFFECTIVENESS OF SUBSCRIPTION COMMIT-*
2 *MENT.*—*Any commitment to make such subscription*
3 *shall be effective only to such extent or in such*
4 *amounts as are provided for in advance by appro-*
5 *priations Acts.*

6 (b) *LIMITATIONS ON AUTHORIZATION OF APPROPRIA-*
7 *TIONS.*—*For payment by the Secretary of the Treasury of*
8 *the subscription of the United States for shares described*
9 *in subsection (a), there are authorized to be appropriated*
10 *\$1,050,007,800 without fiscal year limitation.*

11 (c) *LIMITATIONS ON OBLIGATION OF APPROPRIATED*
12 *AMOUNTS FOR SHARES OF CAPITAL STOCK.*—

13 (1) *PAID-IN CAPITAL STOCK.*—

14 (A) *IN GENERAL.*—*Not more than*
15 *\$105,000,000 of the amounts appropriated pur-*
16 *suant to subsection (b) may be obligated for sub-*
17 *scription to shares of paid-in capital stock.*

18 (B) *FISCAL YEAR 1997.*—*Not more than*
19 *\$52,500,000 of the amounts appropriated pursu-*
20 *ant to subsection (b) for fiscal year 1997 may be*
21 *obligated for subscription to shares of paid-in*
22 *capital stock.*

23 (2) *CALLABLE CAPITAL STOCK.*—*Not more than*
24 *\$787,505,852 of the amounts appropriated pursuant*

1 **SEC. 709. EXEMPTION FROM SECURITIES LAWS FOR CER-**
2 **TAIN SECURITIES ISSUED BY THE BANK; RE-**
3 **PORTS REQUIRED.**

4 (a) *EXEMPTION FROM SECURITIES LAWS; REPORTS TO*
5 *SECURITIES AND EXCHANGE COMMISSION.*—Any securities
6 *issued by the Bank (including any guaranty by the Bank,*
7 *whether or not limited in scope) in connection with borrow-*
8 *ing of funds, or the guarantee of securities as to both prin-*
9 *cipal and interest, shall be deemed to be exempted securities*
10 *within the meaning of section 3(a)(2) of the Securities Act*
11 *of 1933 and section 3(a)(12) of the Securities Exchange Act*
12 *of 1934. The Bank shall file with the Securities and Ex-*
13 *change Commission such annual and other reports with re-*
14 *gard to such securities as the Commission shall determine*
15 *to be appropriate in view of the special character of the*
16 *Bank and its operations and necessary in the public inter-*
17 *est or for the protection of investors.*

18 (b) *AUTHORITY OF SECURITIES AND EXCHANGE COM-*
19 *MISSION TO SUSPEND EXEMPTION; REPORTS TO THE CON-*
20 *GRESS.*—The Securities and Exchange Commission, acting
21 *in consultation with such agency or officer as the President*
22 *shall designate, may suspend the provisions of subsection*
23 *(a) at any time as to any or all securities issued or guaran-*
24 *teed by the Bank during the period of such suspension. The*
25 *Commission shall include in its annual reports to the Con-*

1 *gress such information as it shall deem advisable with re-*
2 *gard to the operations and effect of this section.*

3 **SEC. 710. TECHNICAL AMENDMENTS.**

4 *(a) ANNUAL REPORT REQUIRED ON PARTICIPATION OF*
5 *THE UNITED STATES IN THE BANK.—Section 1701 (c)(2)*
6 *of the International Financial Institutions Act (22 U.S.C.*
7 *262r(c)(2)) is amended by inserting “Bank for Economic*
8 *Cooperation and Development in the Middle East and*
9 *North Africa,” after “Inter-American Development Bank”.*

10 *(b) EXEMPTION FROM LIMITATIONS AND RESTRIC-*
11 *TIONS ON POWER OF NATIONAL, BANKING ASSOCIATIONS*
12 *TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES*
13 *OF THE BANK.—The seventh sentence of paragraph 7 of sec-*
14 *tion 5136 of the Revised Statutes of the United States (12*
15 *U.S.C. 24) is amended by inserting “Bank for Economic*
16 *Cooperation and Development in the Middle East and*
17 *North Africa,” after “the Inter-American Development*
18 *Bank”.*

19 *(c) BENEFITS FOR UNITED STATES CITIZEN-REP-*
20 *RESENTATIVES TO THE BANK.—Section 51 of Public Law*
21 *91–599 (22 U.S.C. 276c–2) is amended by inserting “the*
22 *Bank for Economic Cooperation and Development in the*
23 *Middle East and North Africa,” after “the Inter-American*
24 *Development Bank,”.*

