

104TH CONGRESS
2^D SESSION

H. R. 3540

IN THE SENATE OF THE UNITED STATES

JUNE 12, 1996

Received; read twice and referred to the Committee on Appropriations

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,*

1 That the following sums are appropriated, out of any
2 money in the Treasury not otherwise appropriated, for the
3 fiscal year ending September 30, 1997, and for other pur-
4 poses, namely:

5 TITLE I—EXPORT AND INVESTMENT

6 ASSISTANCE

7 EXPORT-IMPORT BANK OF THE UNITED STATES

8 The Export-Import Bank of the United States is au-
9 thorized to make such expenditures within the limits of
10 funds and borrowing authority available to such corpora-
11 tion, and in accordance with law, and to make such con-
12 tracts and commitments without regard to fiscal year limi-
13 tations, as provided by section 104 of the Government
14 Corporation Control Act, as may be necessary in carrying
15 out the program for the current fiscal year for such cor-
16 poration: *Provided*, That none of the funds available dur-
17 ing the current fiscal year may be used to make expendi-
18 tures, contracts, or commitments for the export of nuclear
19 equipment, fuel, or technology to any country other than
20 a nuclear-weapon State as defined in Article IX of the
21 Treaty on the Non-Proliferation of Nuclear Weapons eligi-
22 ble to receive economic or military assistance under this
23 Act that has detonated a nuclear explosive after the date
24 of enactment of this Act.

1 puted on an accrual basis), including hire of passenger
2 motor vehicles and services as authorized by 5 U.S.C.
3 3109, and not to exceed \$20,000 for official reception and
4 representation expenses for members of the Board of Di-
5 rectors, \$47,614,000 (reduced by \$1,000,000): *Provided*,
6 That necessary expenses (including special services per-
7 formed on a contract or fee basis, but not including other
8 personal services) in connection with the collection of mon-
9 eys owed the Export-Import Bank, repossession or sale of
10 pledged collateral or other assets acquired by the Export-
11 Import Bank in satisfaction of moneys owed the Export-
12 Import Bank, or the investigation or appraisal of any
13 property, or the evaluation of the legal or technical aspects
14 of any transaction for which an application for a loan,
15 guarantee or insurance commitment has been made, shall
16 be considered nonadministrative expenses for the purposes
17 of this heading: *Provided further*, That, notwithstanding
18 subsection (b) of section 117 of the Export Enhancement
19 Act of 1992, subsection (a) thereof shall remain in effect
20 until October 1, 1997.

21 OVERSEAS PRIVATE INVESTMENT CORPORATION

22 NONCREDIT ACCOUNT

23 The Overseas Private Investment Corporation is au-
24 thorized to make, without regard to fiscal year limitations,
25 as provided by 31 U.S.C. 9104, such expenditures and
26 commitments within the limits of funds available to it and

1 in accordance with law as may be necessary: *Provided*,
2 That the amount available for administrative expenses to
3 carry out the credit and insurance programs (including an
4 amount for official reception and representation expenses
5 which shall not exceed \$35,000) shall not exceed
6 \$30,000,000: *Provided further*, That project-specific trans-
7 action costs, including direct and indirect costs incurred
8 in claims settlements, and other direct costs associated
9 with services provided to specific investors or potential in-
10 vestors pursuant to section 234 of the Foreign Assistance
11 Act of 1961, shall not be considered administrative ex-
12 penses for the purposes of this heading.

13 PROGRAM ACCOUNT

14 For the cost of direct and guaranteed loans,
15 \$72,000,000, as authorized by section 234 of the Foreign
16 Assistance Act of 1961: *Provided*, That such costs, includ-
17 ing the cost of modifying such loans, shall be as defined
18 in section 502 of the Congressional Budget Act of 1974:
19 *Provided further*, That such sums shall be available for di-
20 rect loan obligations and loan guaranty commitments in-
21 curred or made during fiscal years 1997 and 1998: *Pro-*
22 *vided further*, That such sums shall remain available
23 through fiscal year 2005 for the disbursement of direct
24 and guaranteed loans obligated in fiscal year 1997, and
25 through fiscal year 2006 for the disbursement of direct
26 and guaranteed loans obligated in fiscal year 1998. In ad-

1 dition, such sums as may be necessary for administrative
2 expenses to carry out the credit program may be derived
3 from amounts available for administrative expenses to
4 carry out the credit and insurance programs in the Over-
5 seas Private Investment Corporation Noncredit Account
6 and merged with said account.

7 FUNDS APPROPRIATED TO THE PRESIDENT

8 TRADE AND DEVELOPMENT AGENCY

9 For necessary expenses to carry out the provisions
10 of section 661 of the Foreign Assistance Act of 1961,
11 \$38,000,000, to remain available for obligation until Sep-
12 tember 30, 1998: *Provided*, That the Trade and Develop-
13 ment Agency may receive reimbursements from corpora-
14 tions and other entities for the costs of grants for feasibil-
15 ity studies and other project planning services, to be de-
16 posited as an offsetting collection to this account and to
17 be available for obligation until September 30, 1998, for
18 necessary expenses under this paragraph: *Provided fur-*
19 *ther*, That such reimbursements shall not cover, or be allo-
20 cated against, direct or indirect administrative costs of the
21 agency.

22 TITLE II—BILATERAL ECONOMIC ASSISTANCE

23 FUNDS APPROPRIATED TO THE PRESIDENT

24 For expenses necessary to enable the President to
25 carry out the provisions of the Foreign Assistance Act of

1 1961, and for other purposes, to remain available until
2 September 30, 1997, unless otherwise specified herein, as
3 follows:

4 AGENCY FOR INTERNATIONAL DEVELOPMENT

5 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

6 For necessary expenses to carry out the provisions
7 of part I and chapter 4 of part II of the Foreign Assist-
8 ance Act of 1961, for child survival, basic education, as-
9 sistance to combat tropical and other diseases, and related
10 activities, in addition to funds otherwise available for such
11 purposes, \$600,000,000, to remain available until ex-
12 pended: *Provided*, That this amount shall be made avail-
13 able for such activities as (1) immunization programs, (2)
14 oral rehydration programs, (3) health and nutrition pro-
15 grams, and related education programs, which address the
16 needs of mothers and children, (4) water and sanitation
17 programs, (5) assistance for displaced and orphaned chil-
18 dren, (6) programs for the prevention, treatment, and con-
19 trol of, and research on, tuberculosis, HIV/AIDS, polio,
20 malaria and other diseases, (7) not to exceed \$98,000,000
21 for basic education programs for children, and (8) a con-
22 tribution on a grant basis to the United Nations Chil-
23 dren's Fund (UNICEF) pursuant to section 301 of the
24 Foreign Assistance Act of 1961.

1 DEVELOPMENT ASSISTANCE

2 (INCLUDING TRANSFER OF FUNDS)

3 For necessary expenses to carry out the provisions
4 of sections 103 through 106 and chapter 10 of part I of
5 the Foreign Assistance Act of 1961, \$1,150,000,000, to
6 remain available until September 30, 1998: *Provided,*
7 That none of the funds made available in this Act nor
8 any unobligated balances from prior appropriations may
9 be made available to any organization or program which,
10 as determined by the President of the United States, sup-
11 ports or participates in the management of a program of
12 coercive abortion or involuntary sterilization: *Provided fur-*
13 *ther,* That none of the funds made available under this
14 heading may be used to pay for the performance of abor-
15 tion as a method of family planning or to motivate or co-
16 erce any person to practice abortions; and that in order
17 to reduce reliance on abortion in developing nations, funds
18 shall be available only to voluntary family planning
19 projects which offer, either directly or through referral to,
20 or information about access to, a broad range of family
21 planning methods and services: *Provided further,* That in
22 awarding grants for natural family planning under section
23 104 of the Foreign Assistance Act of 1961 no applicant
24 shall be discriminated against because of such applicant's
25 religious or conscientious commitment to offer only natu-
26 ral family planning; and, additionally, all such applicants

1 shall comply with the requirements of the previous proviso:
2 *Provided further*, That for purposes of this or any other
3 Act authorizing or appropriating funds for foreign oper-
4 ations, export financing, and related programs, the term
5 “motivate”, as it relates to family planning assistance,
6 shall not be construed to prohibit the provision, consistent
7 with local law, of information or counseling about all preg-
8 nancy options: *Provided further*, That nothing in this para-
9 graph shall be construed to alter any existing statutory
10 prohibitions against abortion under section 104 of the
11 Foreign Assistance Act of 1961: *Provided further*, That
12 the total amount of funds appropriated under this heading
13 and under the heading “Child Survival and Disease Pro-
14 grams Fund” should be made available for each of the
15 sub-Saharan Africa and Latin America and Caribbean re-
16 gions in at least the same proportion as the total amount
17 identified in the fiscal year 1997 draft congressional pres-
18 entation document for development assistance for each
19 such region is to the total amount requested for develop-
20 ment assistance for such fiscal year.

21 PRIVATE AND VOLUNTARY ORGANIZATIONS

22 None of the funds appropriated or otherwise made
23 available by this Act for development assistance may be
24 made available to any United States private and voluntary
25 organization, except any cooperative development organi-
26 zation, which obtains less than 20 per centum of its total

1 annual funding for international activities from sources
2 other than the United States Government: *Provided*, That
3 the requirements of the provisions of section 123(g) of the
4 Foreign Assistance Act of 1961 and the provisions on pri-
5 vate and voluntary organizations in title II of the “Foreign
6 Assistance and Related Programs Appropriations Act,
7 1985” (as enacted in Public Law 98–473) shall be super-
8 seded by the provisions of this section, except that the au-
9 thority contained in the last sentence of section 123(g)
10 may be exercised by the Administrator with regard to the
11 requirements of this paragraph.

12 Funds appropriated or otherwise made available
13 under title II of this Act should be made available to pri-
14 vate and voluntary organizations at a level which is equiv-
15 alent to the level provided in fiscal year 1995. Such private
16 and voluntary organizations shall include those which op-
17 erate on a not-for-profit basis, receive contributions from
18 private sources, receive voluntary support from the public
19 and are deemed to be among the most cost-effective and
20 successful providers of development assistance.

21 INTERNATIONAL DISASTER ASSISTANCE

22 For necessary expenses for international disaster re-
23 lief, rehabilitation, and reconstruction assistance pursuant
24 to section 491 of the Foreign Assistance Act of 1961, as
25 amended, \$190,000,000, to remain available until ex-
26 pended.

1 DEBT RESTRUCTURING

2 For the cost, as defined in section 502 of the Con-
3 gressional Budget Act of 1974, of modifying direct loans
4 and loan guarantees, as the President may determine, for
5 which funds have been appropriated or otherwise made
6 available for programs within the International Affairs
7 Budget Function 150, including the cost of selling, reduc-
8 ing, or canceling amounts, through debt buybacks and
9 swaps, owed to the United States as a result of
10 concessional loans made to eligible Latin American and
11 Caribbean countries, pursuant to part IV of the Foreign
12 Assistance Act of 1961, \$10,000,000, to remain available
13 until expended: *Provided*, That none of the funds appro-
14 priated under this heading shall be obligated or expended
15 except as provided through the regular notification proce-
16 dures of the Committees on Appropriations.

17 MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM
18 ACCOUNT

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

1 section 108 of the Foreign Assistance Act of 1961. In ad-
2 dition, for administrative expenses to carry out programs
3 under this heading, \$500,000, all of which may be trans-
4 ferred to and merged with the appropriation for Operating
5 Expenses of the Agency for International Development:
6 *Provided further*, That funds made available under this
7 heading shall remain available until September 30, 1998.

8 HOUSING GUARANTY PROGRAM ACCOUNT

9 For the cost, as defined in section 502 of the Con-
10 gressional Budget Act of 1974, of guaranteed loans au-
11 thorized by sections 221 and 222 of the Foreign Assist-
12 ance Act of 1961, \$500,000, to remain available until Sep-
13 tember 30, 1998: *Provided*, That these funds are available
14 to subsidize loan principal, 100 percent of which shall be
15 guaranteed, pursuant to the authority of such sections. In
16 addition, for administrative expenses to carry out guaran-
17 teed loan programs, \$6,000,000, all of which may be
18 transferred to and merged with the appropriation for Op-
19 erating Expenses of the Agency for International Develop-
20 ment: *Provided further*, That commitments to guarantee
21 loans under this heading may be entered into notwith-
22 standing the second and third sentences of section 222(a)
23 and, with regard to programs for the benefit of South Af-
24 ricans disadvantaged by apartheid, section 223(j) of the
25 Foreign Assistance Act of 1961: *Provided further*, That
26 funds appropriated under this heading for the cost of

1 guaranteed loans may be made available for obligation
2 only for activities in South Africa.

3 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND
4 DISABILITY FUND

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

8 OPERATING EXPENSES OF THE AGENCY FOR
9 INTERNATIONAL DEVELOPMENT

10 For necessary expenses to carry out the provisions
11 of section 667, \$465,750,000: *Provided*, That of this
12 amount not more than \$1,475,000 may be made available
13 to pay for printing costs: *Provided further*, That none of
14 the funds appropriated by this Act for programs adminis-
15 tered by the Agency for International Development (AID)
16 may be used to finance printing costs of any report or
17 study (except feasibility, design, or evaluation reports or
18 studies) in excess of \$25,000 without the approval of the
19 Administrator of the Agency or the Administrator’s des-
20 ignee.

21 OPERATING EXPENSES OF THE AGENCY FOR INTER-
22 NATIONAL DEVELOPMENT OFFICE OF INSPECTOR
23 GENERAL

24 For necessary expenses to carry out the provisions
25 of section 667, \$30,000,000, to remain available until Sep-
26 tember 30, 1998, which sum shall be available for the Of-

1 fice of the Inspector General of the Agency for Inter-
2 national Development.

3 OTHER BILATERAL ECONOMIC ASSISTANCE

4 ECONOMIC SUPPORT FUND

5 For necessary expenses to carry out the provisions
6 of chapter 4 of part II, \$2,336,000,000, to remain avail-
7 able until September 30, 1998: *Provided*, That any funds
8 appropriated under this heading that are made available
9 for Israel shall be available on a grant basis as a cash
10 transfer and shall be disbursed within thirty days of enact-
11 ment of this Act or by October 31, 1996, whichever is
12 later: *Provided further*, That none of the funds appro-
13 priated under this heading shall be made available for
14 Zaire.

15 INTERNATIONAL FUND FOR IRELAND

16 For necessary expenses to carry out the provisions
17 of chapter 4 of part II of the Foreign Assistance Act of
18 1961, \$19,600,000, which shall be available for the United
19 States contribution to the International Fund for Ireland
20 and shall be made available in accordance with the provi-
21 sions of the Anglo-Irish Agreement Support Act of 1986
22 (Public Law 99–415): *Provided*, That such amount shall
23 be expended at the minimum rate necessary to make time-
24 ly payment for projects and activities: *Provided further*,
25 That funds made available under this heading shall re-
26 main available until September 30, 1998.

1 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
2 STATES

3 (a) For necessary expenses to carry out the provisions
4 of the Foreign Assistance Act of 1961 and the Support
5 for East European Democracy (SEED) Act of 1989,
6 \$475,000,000, to remain available until September 30,
7 1998, which shall be available, notwithstanding any other
8 provision of law, for economic assistance and for related
9 programs for Eastern Europe and the Baltic States.

10 (b) Funds appropriated under this heading or in prior
11 appropriations Acts that are or have been made available
12 for an Enterprise Fund may be deposited by such Fund
13 in interest-bearing accounts prior to the Fund's disburse-
14 ment of such funds for program purposes. The Fund may
15 retain for such program purposes any interest earned on
16 such deposits without returning such interest to the Treas-
17 ury of the United States and without further appropria-
18 tion by the Congress. Funds made available for Enterprise
19 Funds shall be expended at the minimum rate necessary
20 to make timely payment for projects and activities.

21 (c) Funds appropriated under this heading shall be
22 considered to be economic assistance under the Foreign
23 Assistance Act of 1961 for purposes of making available
24 the administrative authorities contained in that Act for
25 the use of economic assistance.

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

6 (e) With regard to funds appropriated or otherwise
7 made available under this heading for the economic revi-
8 talization program in Bosnia and Herzegovina, and local
9 currencies generated by such funds (including the conver-
10 sion of funds appropriated under this heading into cur-
11 rency used by Bosnia and Herzegovina as local currency
12 and local currency returned or repaid under such pro-
13 gram)—

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

20 (2) the provisions of section 531 of this Act
21 shall apply.

22 ASSISTANCE FOR THE NEW INDEPENDENT STATES OF
23 THE FORMER SOVIET UNION

24 (a) For necessary expenses to carry out the provisions
25 of chapter 11 of part I of the Foreign Assistance Act of
26 1961 and the FREEDOM Support Act, for assistance for

1 the new independent states of the former Soviet Union
2 and for related programs, \$590,000,000, to remain avail-
3 able until September 30, 1998: *Provided*, That the provi-
4 sions of section 498B(j) of the Foreign Assistance Act of
5 1961 shall apply to funds appropriated by this paragraph.

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

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

14 (2) if that Government applies or transfers
15 United States assistance to any entity for the pur-
16 pose of expropriating or seizing ownership or control
17 of assets, investments, or ventures.

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

21 (d) None of the funds appropriated under this head-
22 ing shall be made available to any government of the new
23 independent states of the former Soviet Union if that gov-
24 ernment directs any action in violation of the territorial
25 integrity or national sovereignty of any other new inde-

1 pendent state, such as those violations included in the Hel-
2 sinki Final Act: *Provided*, That such funds may be made
3 available without regard to the restriction in this sub-
4 section if the President determines and reports to the
5 Committees on Appropriations that to do so is in the na-
6 tional security interest of the United States: *Provided fur-*
7 *ther*, That the restriction of this subsection shall not apply
8 to the use of such funds for the provision of assistance
9 for purposes of humanitarian, disaster and refugee relief.

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

15 (f) Funds appropriated under this heading shall be
16 subject to the regular notification procedures of the Com-
17 mittees 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) Funds appropriated under this heading may be
24 made available for assistance for Mongolia.

1 (i) Funds made available in this Act for assistance
2 to the new independent states of the former Soviet Union
3 shall be provided to the maximum extent feasible through
4 the private sector, including small- and medium-size busi-
5 nesses, entrepreneurs, and others with indigenous private
6 enterprises in the region, intermediary development orga-
7 nizations committed to private enterprise, and private vol-
8 untary organizations: *Provided*, That grantees and con-
9 tractors should, to the maximum extent possible, place in
10 key staff positions specialists with prior on the ground ex-
11 pertise in the region of activity and fluency in one of the
12 local languages.

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

24 (k)(1) None of the funds appropriated under this
25 heading may be made available for Russia unless the

1 President determines and certifies in writing to the Com-
2 mittees on Appropriations that the Government of Russia
3 has terminated implementation of arrangements to pro-
4 vide Iran with technical expertise, training, technology, or
5 equipment necessary to develop a nuclear reactor or relat-
6 ed nuclear research facilities or programs.

7 (2) Subparagraph (1) shall not apply if the President
8 determines and reports to the Committees on Appropria-
9 tions that making such funds available is important to the
10 national security interest of the United States. Any such
11 determination shall cease to be effective six months after
12 being made unless the President determines that its con-
13 tinuation is important to the national security interest of
14 the United States.

15 (1) Funds appropriated under this heading or in prior
16 appropriations Acts that are or have been made available
17 for an Enterprise Fund may be deposited by such Fund
18 in interest-bearing accounts prior to the disbursement of
19 such funds by the Fund for program purposes. The Fund
20 may retain for such program purposes any interest earned
21 on such deposits without returning such interest to the
22 Treasury of the United States and without further appro-
23 priation by the Congress. Funds made available for Enter-
24 prise Funds shall be expended at the minimum rate nec-
25 essary to make timely payment for projects and activities.

1 (m)(1) Notwithstanding section 907 of the FREE-
2 DOM Support Act or any other provision of law, non-
3 governmental organizations and private voluntary organi-
4 zations shall not be precluded from using facilities or vehi-
5 cles of the Government of Azerbaijan to provide humani-
6 tarian assistance to refugees and internally displaced per-
7 sons in Azerbaijan with funds made available under this
8 heading, or from using such assistance to make necessary
9 repairs to such facilities (such as health clinics and hous-
10 ing) or vehicles that are used to provide the assistance.

11 (2) Humanitarian assistance may be provided with
12 funds made available under this heading to refugees and
13 internally displaced persons in Azerbaijan only if humani-
14 tarian assistance is also provided to refugees and inter-
15 nally displaced persons in Nagorno-Karabagh with funds
16 made available under this heading, in accordance with
17 paragraph (3).

18 (3) Humanitarian assistance may be provided with
19 funds made available under this heading to refugees and
20 internally displaced persons in Azerbaijan and Nagorno-
21 Karabagh only in the proportion that the number of refu-
22 gees and internally displaced persons in Azerbaijan and
23 Nagorno-Karabagh, respectively, bears to the total num-
24 ber of refugees and internally displaced persons in both
25 Azerbaijan and Nagorno-Karabagh, but in no case more

1 than \$7 to Azerbaijan for every dollar to Nagorno-
2 Karabagh.

3 INDEPENDENT AGENCIES

4 AFRICAN DEVELOPMENT FOUNDATION

5 For necessary expenses to carry out the provisions
6 of title V of the International Security and Development
7 Cooperation Act of 1980, Public Law 96–533, and to
8 make such contracts and commitments without regard to
9 fiscal year limitations, as provided by 31 U.S.C. 9104,
10 \$11,500,000: *Provided*, That when, with the permission
11 of the President of the Foundation, funds made available
12 to a grantee are invested pending disbursement, the re-
13 sulting interest is not required to be deposited in the Unit-
14 ed States Treasury if the grantee uses the resulting inter-
15 est for the purpose for which the grant was made: *Pro-*
16 *vided further*, That this provision applies with respect to
17 both interest earned before and interest earned after the
18 enactment of this provision: *Provided further*, That not-
19 withstanding section 505(a)(2) of the African Develop-
20 ment Foundation Act, in exceptional circumstances the
21 board of directors of the Foundation may waive the
22 \$250,000 limitation contained in that section with respect
23 to a project: *Provided further*, That the Foundation shall
24 provide a report to the Committees on Appropriations
25 after each time such waiver authority is exercised.

1 INTER-AMERICAN FOUNDATION

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

8 PEACE CORPS

9 For expenses necessary to carry out the provisions
10 of the Peace Corps Act (75 Stat. 612), \$212,000,000, in-
11 cluding the purchase of not to exceed five passenger motor
12 vehicles for administrative purposes for use outside of the
13 United States: *Provided*, That none of the funds appro-
14 priated under this heading shall be used to pay for abor-
15 tions: *Provided further*, That funds appropriated under
16 this heading shall remain available until September 30,
17 1998.

18 DEPARTMENT OF STATE

19 INTERNATIONAL NARCOTICS CONTROL

20 For necessary expenses to carry out section 481 of
21 the Foreign Assistance Act of 1961, \$150,000,000: *Pro-*
22 *vided*, That during fiscal year 1997, the Department of
23 State may also use the authority of section 608 of the
24 Act, without regard to its restrictions, to receive non-lethal
25 excess property from an agency of the United States Gov-
26 ernment for the purpose of providing it to a foreign coun-

1 try under chapter 8 of part I of that Act subject to the
2 regular notification procedures of the Committees on Ap-
3 propriations.

4 MIGRATION AND REFUGEE ASSISTANCE

5 For expenses, not otherwise provided for, necessary
6 to enable the Secretary of State to provide, as authorized
7 by law, a contribution to the International Committee of
8 the Red Cross, assistance to refugees, including contribu-
9 tions to the International Organization for Migration and
10 the United Nations High Commissioner for Refugees, and
11 other activities to meet refugee and migration needs; sala-
12 ries and expenses of personnel and dependents as author-
13 ized by the Foreign Service Act of 1980; allowances as
14 authorized by sections 5921 through 5925 of title 5, Unit-
15 ed States Code; purchase and hire of passenger motor ve-
16 hicles; and services as authorized by section 3109 of title
17 5, United States Code, \$650,000,000: *Provided*, That not
18 more than \$12,000,000 shall be available for administra-
19 tive expenses: *Provided further*, That obligations of funds
20 to the United Nations High Commissioner for Refugees
21 for support of refugees from Rwanda shall be subject to
22 the regular notification procedures of the Committees on
23 Appropriations.

24 REFUGEE RESETTLEMENT ASSISTANCE

25 For necessary expenses for the targeted assistance
26 program authorized by title IV of the Immigration and

1 Nationality Act and section 501 of the Refugee Education
2 Assistance Act of 1980 and administered by the Office of
3 Refugee Resettlement of the Department of Health and
4 Human Services, in addition to amounts otherwise avail-
5 able for such purposes, \$5,000,000.

6 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
7 ASSISTANCE FUND

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

16 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
17 RELATED PROGRAMS

18 For necessary expenses for nonproliferation, anti-ter-
19 rorism and related programs and activities, \$135,000,000,
20 to carry out the provisions of chapter 8 of part II of the
21 Foreign Assistance Act of 1961 for anti-terrorism assist-
22 ance, section 504 of the FREEDOM Support Act for the
23 Nonproliferation and Disarmanent Fund, section 23 of the
24 Arms Export Control Act for demining activities, notwith-
25 standing any other provision of law, including activities
26 implemented through nongovernmental and international

1 organizations, section 301 of the Foreign Assistance Act
2 of 1961 for a voluntary contribution to the International
3 Atomic Energy Agency (IAEA) and a voluntary contribu-
4 tion to the Korean Peninsula Energy Development Orga-
5 nization (KEDO), and for the acquisition and provision
6 of goods and services, or for grants to Israel necessary
7 to support the eradication of terrorism in and around Is-
8 rael: *Provided*, That of this amount not to exceed
9 \$15,000,000, to remain available until expended, may be
10 made available for the Nonproliferation and Disarmament
11 Fund, notwithstanding any other provision of law, to pro-
12 mote bilateral and multilateral activities relating to non-
13 proliferation and disarmament: *Provided further*, That
14 such funds may also be used for such countries other than
15 the new independent states of the former Soviet Union
16 and international organizations when it is in the national
17 security interest of the United States to do so: *Provided*
18 *further*, That such funds shall be subject to the regular
19 notification procedures of the Committees on Appropria-
20 tions: *Provided further*, That funds appropriated under
21 this heading may be made available for the International
22 Atomic Energy Agency only if the Secretary of State de-
23 termines (and so reports to the Congress) that Israel is
24 not being denied its right to participate in the activities
25 of that Agency: *Provided further*, That not to exceed

1 \$13,000,000 may be made available to the Korean Penin-
2 sula Energy Development Organization (KEDO) only for
3 administrative expenses and heavy fuel oil costs associated
4 with the Agreed Framework: *Provided further*, That such
5 funds shall be subject to the regular notification proce-
6 dures of the Committees on Appropriations.

7 TITLE III—MILITARY ASSISTANCE

8 FUNDS APPROPRIATED TO THE PRESIDENT

9 INTERNATIONAL MILITARY EDUCATION AND TRAINING

10 For necessary expenses to carry out the provisions
11 of section 541 of the Foreign Assistance Act of 1961,
12 \$45,000,000 (reduced by \$1,525,000): *Provided*, That
13 none of the funds appropriated under this heading shall
14 be available for Zaire and Guatemala: *Provided further*,
15 That funds appropriated under this heading for grant fi-
16 nanced military education and training for Indonesia may
17 only be available for expanded international military edu-
18 cation and training.

19 FOREIGN MILITARY FINANCING PROGRAM

20 For expenses necessary for grants to enable the
21 President to carry out the provisions of section 23 of the
22 Arms Export Control Act, \$3,222,250,000: *Provided*, That
23 funds appropriated by this paragraph that are made avail-
24 able for Israel and Egypt shall be made available only as
25 grants: *Provided further*, That the funds appropriated by
26 this paragraph that are made available for Israel shall be

1 disbursed within thirty days of enactment of this Act or
2 by October 31, 1996, whichever is later: *Provided further*,
3 That to the extent that the Government of Israel requests
4 that funds be used for such purposes, grants made avail-
5 able for Israel by this paragraph shall, as agreed by Israel
6 and the United States, be available for advanced weapons
7 systems, of which not less than \$475,000,000 shall be
8 available for the procurement in Israel of defense articles
9 and defense services, including research and development:
10 *Provided further*, That funds made available under this
11 paragraph shall be nonrepayable notwithstanding any re-
12 quirement in section 23 of the Arms Export Control Act:
13 *Provided further*, That none of the funds made available
14 under this heading shall be available for any non-NATO
15 country participating in the Partnership for Peace Pro-
16 gram except through the regular notification procedures
17 of the Committees on Appropriations.

18 For the cost, as defined in section 502 of the Con-
19 gressional Budget Act of 1974, of direct loans authorized
20 by section 23 of the Arms Export Control Act as follows:
21 cost of direct loans, \$35,000,000: *Provided*, That these
22 funds are available to subsidize gross obligations for the
23 principal amount of direct loans of not to exceed
24 \$323,815,000: *Provided further*, That the rate of interest
25 charged on such loans shall be not less than the current

1 average market yield on outstanding marketable obliga-
2 tions of the United States of comparable maturities: *Pro-*
3 *vided further*, That funds appropriated under this heading
4 shall be made available for Greece and Turkey only on
5 a loan basis, and the principal amount of direct loans for
6 each country shall not exceed the following: \$103,471,000
7 only for Greece and \$147,816,000 only for Turkey.

8 None of the funds made available under this heading
9 shall be available to finance the procurement of defense
10 articles, defense services, or design and construction serv-
11 ices that are not sold by the United States Government
12 under the Arms Export Control Act unless the foreign
13 country proposing to make such procurements has first
14 signed an agreement with the United States Government
15 specifying the conditions under which such procurements
16 may be financed with such funds: *Provided*, That all coun-
17 try and funding level increases in allocations shall be sub-
18 mitted through the regular notification procedures of sec-
19 tion 515 of this Act: *Provided further*, That funds made
20 available under this heading shall be obligated upon appor-
21 tionment in accordance with paragraph (5)(C) of title 31,
22 United States Code, section 1501(a): *Provided further*,
23 That none of the funds appropriated under this heading
24 shall be available for Zaire, Sudan, Liberia, and Guate-
25 mala: *Provided further*, That only those countries for

1 which assistance was justified for the “Foreign Military
2 Sales Financing Program” in the fiscal year 1989 con-
3 gressional presentation for security assistance programs
4 may utilize funds made available under this heading for
5 procurement of defense articles, defense services or design
6 and construction services that are not sold by the United
7 States Government under the Arms Export Control Act:
8 *Provided further*, That, subject to the regular notification
9 procedures of the Committees on Appropriations, funds
10 made available under this heading for the cost of direct
11 loans may also be used to supplement the funds available
12 under this heading for grants, and funds made available
13 under this heading for grants may also be used to supple-
14 ment the funds available under this heading for the cost
15 of direct loans: *Provided further*, That funds appropriated
16 under this heading shall be expended at the minimum rate
17 necessary to make timely payment for defense articles and
18 services: *Provided further*, That not more than
19 \$23,250,000 of the funds appropriated under this heading
20 may be obligated for necessary expenses, including the
21 purchase of passenger motor vehicles for replacement only
22 for use outside of the United States, for the general costs
23 of administering military assistance and sales: *Provided*
24 *further*, That not more than \$355,000,000 of funds real-
25 ized pursuant to section 21(e)(1)(A) of the Arms Export

1 Control Act may be obligated for expenses incurred by the
2 Department of Defense during fiscal year 1997 pursuant
3 to section 43(b) of the Arms Export Control Act, except
4 that this limitation may be exceeded only through the reg-
5 ular notification procedures of the Committees on Appro-
6 priations.

7 PEACEKEEPING OPERATIONS

8 For necessary expenses to carry out the provisions
9 of section 551 of the Foreign Assistance Act of 1961,
10 \$65,000,000: *Provided*, That none of the funds appro-
11 priated under this paragraph shall be obligated or ex-
12 pended except as provided through the regular notification
13 procedures of the Committees on Appropriations.

14 TITLE IV—MULTILATERAL ECONOMIC
15 ASSISTANCE

16 FUNDS APPROPRIATED TO THE PRESIDENT

17 INTERNATIONAL FINANCIAL INSTITUTIONS

18 CONTRIBUTION TO THE INTERNATIONAL BANK FOR
19 RECONSTRUCTION AND DEVELOPMENT

20 For payment to the International Bank for Recon-
21 struction and Development by the Secretary of the Treas-
22 ury, for the United States contribution to the Global Envi-
23 ronment Facility (GEF), \$30,000,000, to remain available
24 until September 30, 1998.

1 CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT
2 BANK

3 For payment to the Inter-American Development
4 Bank by the Secretary of the Treasury, for the United
5 States share of the paid-in share portion of the increase
6 in capital stock, \$25,610,667, and for the United States
7 share of the increase in the resources of the Fund for Spe-
8 cial Operations, \$10,000,000, to remain available until ex-
9 pended.

10 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

11 The United States Governor of the Inter-American
12 Development Bank may subscribe without fiscal year limi-
13 tation to the callable capital portion of the United States
14 share of such capital stock in an amount not to exceed
15 \$1,503,718,910.

16 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS
17 MULTILATERAL INVESTMENT FUND

18 For payment to the Enterprise for the Americas Mul-
19 tilateral Investment Fund by the Secretary of the Treas-
20 ury, for the United States contribution to the Fund to
21 be administered by the Inter-American Development
22 Bank, \$27,500,000 to remain available until expended.

23 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

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

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

3 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

4 The United States Governor of the Asian Develop-
5 ment Bank may subscribe without fiscal year limitation
6 to the callable capital portion of the United States share
7 of such capital stock in an amount not to exceed
8 \$647,858,204.

9 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

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

15 CONTRIBUTION TO THE EUROPEAN BANK FOR
16 RECONSTRUCTION AND DEVELOPMENT

17 For payment to the European Bank for Reconstruc-
18 tion and Development by the Secretary of the Treasury,
19 \$11,916,447, for the United States share of the paid-in
20 share portion of the initial capital subscription, to remain
21 available until expended.

22 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

23 The United States Governor of the European Bank
24 for Reconstruction and Development may subscribe with-
25 out fiscal year limitation to the callable capital portion of

1 the United States share of such capital stock in an amount
2 not to exceed \$27,805,043.

3 NORTH AMERICAN DEVELOPMENT BANK

4 For payment to the North American Development
5 Bank by the Secretary of the Treasury, for the United
6 States share of the paid-in portion of the capital stock,
7 \$50,625,000, to remain available until expended.

8 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9 The United States Governor of the North American
10 Development Bank may subscribe without fiscal year limi-
11 tation to the callable capital portion of the United States
12 share of the capital stock of the North American Develop-
13 ment Bank in an amount not to exceed \$318,750,000.

14 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

15 For necessary expenses to carry out the provisions
16 of section 301 of the Foreign Assistance Act of 1961, and
17 of section 2 of the United Nations Environment Program
18 Participation Act of 1973, \$136,000,000: *Provided*, That
19 none of the funds appropriated under this heading shall
20 be made available for the United Nations Fund for
21 Science and Technology: *Provided further*, That none of
22 the funds appropriated under this heading that are made
23 available to the United Nations Population Fund
24 (UNFPA) shall be made available for activities in the Peo-
25 ple's Republic of China: *Provided further*, That not more
26 than \$25,000,000 of the funds appropriated under this

1 heading may be made available to the UNFPA: *Provided*
2 *further*, That none of the funds appropriated under this
3 heading shall be made available to the UNFPA unless the
4 Secretary of State determines and reports to the Congress
5 that UNFPA programs in the People's Republic of China
6 have ended and the United States has received assurances
7 that the UNFPA will not resume such programs during
8 fiscal year 1997: *Provided further*, That none of the funds
9 appropriated under this heading may be made available
10 to the Korean Peninsula Energy Development Organiza-
11 tion (KEDO).

12 TITLE V—GENERAL PROVISIONS

13 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

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

20 PROHIBITION OF BILATERAL FUNDING FOR

21 INTERNATIONAL FINANCIAL INSTITUTIONS

22 SEC. 502. None of the funds contained in title II of
23 this Act may be used to carry out the provisions of section
24 209(d) of the Foreign Assistance Act of 1961.

1 LIMITATION ON RESIDENCE EXPENSES

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

9 LIMITATION ON EXPENSES

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

14 LIMITATION ON REPRESENTATIONAL ALLOWANCES

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

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

15 PROHIBITION ON FINANCING NUCLEAR GOODS

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

23 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN

24 COUNTRIES

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

1 or expended to finance directly any assistance or repara-
2 tions to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or
3 Syria: *Provided*, That for purposes of this section, the pro-
4 hibition on obligations or expenditures shall include direct
5 loans, credits, insurance and guarantees of the Export-Im-
6 port Bank or its agents.

7
8 **MILITARY COUPS**

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

17
18 **TRANSFERS BETWEEN ACCOUNTS**

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

1 DEOBLIGATION/REOBLIGATION AUTHORITY

2 SEC. 510. (a) Amounts certified pursuant to section
3 1311 of the Supplemental Appropriations Act, 1955, as
4 having been obligated against appropriations heretofore
5 made under the authority of the Foreign Assistance Act
6 of 1961 for the same general purpose as any of the head-
7 ings under title II of this Act are, if deobligated, hereby
8 continued available for the same period as the respective
9 appropriations under such headings or until September
10 30, 1997, whichever is later, and for the same general pur-
11 pose, and for countries within the same region as origi-
12 nally obligated: *Provided*, That the Appropriations Com-
13 mittees of both Houses of the Congress are notified fifteen
14 days in advance of the reobligation of such funds in ac-
15 cordance with regular notification procedures of the Com-
16 mittees on Appropriations.

17 (b) Obligated balances of funds appropriated to carry
18 out section 23 of the Arms Export Control Act as of the
19 end of the fiscal year immediately preceding the current
20 fiscal year are, if deobligated, hereby continued available
21 during the current fiscal year for the same purpose under
22 any authority applicable to such appropriations under this
23 Act: *Provided*, That the authority of this subsection may
24 not be used in fiscal year 1997.

1 AVAILABILITY OF FUNDS

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

1 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

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

15 COMMERCE AND TRADE

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

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

10 (b) None of the funds appropriated by this or any
11 other Act to carry out chapter 1 of part I of the Foreign
12 Assistance Act of 1961 shall be available for any testing
13 or breeding feasibility study, variety improvement or intro-
14 duction, consultancy, publication, conference, or training
15 in connection with the growth or production in a foreign
16 country of an agricultural commodity for export which
17 would compete with a similar commodity grown or pro-
18 duced in the United States: *Provided*, That this subsection
19 shall not prohibit—

20 (1) activities designed to increase food security
21 in developing countries where such activities will not
22 have a significant impact in the export of agricul-
23 tural commodities of the United States; or

24 (2) research activities intended primarily to
25 benefit American producers.

1 SURPLUS COMMODITIES

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

19 NOTIFICATION REQUIREMENTS

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

1 Europe and the Baltic States”, “Assistance for the New
2 Independent States of the Former Soviet Union”, “Eco-
3 nomic Support Fund”, “Peacekeeping operations”, “Oper-
4 ating expenses of the Agency for International Develop-
5 ment”, “Operating expenses of the Agency for Inter-
6 national Development Office of Inspector General”, “Non-
7 proliferation, anti-terrorism, demining and related pro-
8 grams”, “Foreign Military Financing Program”, “Inter-
9 national military education and training”, “Inter-Amer-
10 ican Foundation”, “African Development Foundation”,
11 “Peace Corps”, “Migration and refugee assistance”, shall
12 be available for obligation for activities, programs,
13 projects, type of materiel assistance, countries, or other
14 operations not justified or in excess of the amount justi-
15 fied to the Appropriations Committees for obligation
16 under any of these specific headings unless the Appropria-
17 tions Committees of both Houses of Congress are pre-
18 viously notified fifteen days in advance: *Provided*, That the
19 President shall not enter into any commitment of funds
20 appropriated for the purposes of section 23 of the Arms
21 Export Control Act for the provision of major defense
22 equipment, other than conventional ammunition, or other
23 major defense items defined to be aircraft, ships, missiles,
24 or combat vehicles, not previously justified to Congress or
25 20 per centum in excess of the quantities justified to Con-

1 gress unless the Committees on Appropriations are noti-
2 fied fifteen days in advance of such commitment: *Provided*
3 *further*, That this section shall not apply to any re-
4 programming for an activity, program, or project under
5 chapter 1 of part I of the Foreign Assistance Act of 1961
6 of less than 10 per centum of the amount previously justi-
7 fied to the Congress for obligation for such activity, pro-
8 gram, or project for the current fiscal year: *Provided fur-*
9 *ther*, That the requirements of this section or any similar
10 provision of this Act or any other Act, including any prior
11 Act requiring notification in accordance with the regular
12 notification procedures of the Committees on Appropria-
13 tions, may be waived if failure to do so would pose a sub-
14 stantial risk to human health or welfare: *Provided further*,
15 That in case of any such waiver, notification to the Con-
16 gress, or the appropriate congressional committees, shall
17 be provided as early as practicable, but in no event later
18 than three days after taking the action to which such noti-
19 fication requirement was applicable, in the context of the
20 circumstances necessitating such waiver: *Provided further*,
21 That any notification provided pursuant to such a waiver
22 shall contain an explanation of the emergency cir-
23 cumstances.

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

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

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

5 SEC. 516. Notwithstanding any other provision of law
6 or of this Act, none of the funds provided for “Inter-
7 national Organizations and Programs” shall be available
8 for the United States proportionate share, in accordance
9 with section 307(c) of the Foreign Assistance Act of 1961,
10 for any programs identified in section 307, or for Libya,
11 Iran, or, at the discretion of the President, Communist
12 countries listed in section 620(f) of the Foreign Assistance
13 Act of 1961, as amended: *Provided*, That, subject to the
14 regular notification procedures of the Committees on Ap-
15 propriations, funds appropriated under this Act or any
16 previously enacted Act making appropriations for foreign
17 operations, export financing, and related programs, which
18 are returned or not made available for organizations and
19 programs because of the implementation of this section
20 or any similar provision of law, shall remain available for
21 obligation through September 30, 1998.

22 ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

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

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

17 PROHIBITION ON FUNDING FOR ABORTIONS AND
18 INVOLUNTARY STERILIZATION

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

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

17 POPULATION ASSISTANCE FUNDING LIMITATIONS

18 SEC. 518A. (a) IN GENERAL.—

19 (1) Notwithstanding any other provision of this
20 Act, funds appropriated by this Act for population
21 assistance activities may be made available for a for-
22 eign private or nongovernmental organization only if
23 the organization certifies that it will not during the
24 period for which the funds are made available, per-
25 form abortions in any foreign country, except where
26 the life of the mother would be endangered if the

1 fetus were carried to term or in cases of forcible
2 rape or incest.

3 (2) Paragraph (1) may not be construed to
4 apply to the treatment of injuries or illnesses caused
5 by legal or illegal abortions or to assistance provided
6 directly to the government of a country.

7 (b) LOBBYING ACTIVITIES.—

8 (1) None of the funds made available under this
9 Act may be used to lobby for or against abortion,
10 and, notwithstanding any other provision of this Act
11 or other law, none of the funds appropriated by this
12 Act for population assistance activities may be made
13 available for any foreign private or nongovernmental
14 organization until the organization certifies that it
15 will not during the period for which the funds are
16 made available, violate the laws of any foreign coun-
17 try concerning the circumstances under which abor-
18 tion is permitted, regulated, or prohibited, or engage
19 in any activity or effort in a foreign country to alter
20 the laws or governmental policies of any foreign
21 country concerning the circumstances under which
22 abortion is permitted, regulated, or prohibited.

23 (2) Notwithstanding any other provision of this
24 Act, paragraph (1) shall not apply to activities in

1 opposition to coercive abortion or involuntary steri-
2 lization.

3 (c) Notwithstanding subsections (a)(1) and (b)(1), a
4 foreign private or nongovernmental organization may re-
5 ceive funds appropriated by this Act for population assist-
6 ance activities in the absence of the certifications required
7 in said subsections, but funds made available for each such
8 organization by this Act shall not exceed 50 percent of
9 the funds made available to the organization during fiscal
10 year 1995. Funds for population assistance activities may
11 not be made available for any foreign private or non-
12 governmental organization that did not receive such funds
13 during fiscal year 1995 unless the organization meets the
14 certification requirements of subsections (a)(1) and (b)(1).

15 (d) Funds made available pursuant to subsection (c)
16 shall be apportioned on a monthly basis for the first four
17 months of fiscal year 1997 only, and monthly disburse-
18 ments during such period to each organization covered by
19 said subsection may not exceed 8.34 percent of the total
20 each such organization could receive pursuant to said sub-
21 section.

22 (e) Subsections (a), (b) and (c) apply to funds made
23 available for a foreign organization either directly or as
24 a subcontractor or sub-grantee, and the required certifi-
25 cations apply to activities in which the organization en-

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

3 (f) Funds appropriated or otherwise made available
4 in title II of this Act for population planning activities or
5 other population assistance may be made available for ob-
6 ligation and expenditure in an amount not to exceed 65
7 percent of the total amount appropriated or otherwise
8 made available by Public Law 103–306 and Public Law
9 104–19 for such activities for fiscal year 1995.

10 REPORTING REQUIREMENT

11 SEC. 519. The President shall submit to the Commit-
12 tees on Appropriations the reports required by section
13 25(a)(1) of the Arms Export Control Act.

14 SPECIAL NOTIFICATION REQUIREMENTS

15 SEC. 520. None of the funds appropriated in this Act
16 shall be obligated or expended for Colombia, Dominican
17 Republic, Haiti, Liberia, Pakistan, Peru, Russia, Serbia,
18 South Africa, Sudan, or Zaire except as provided through
19 the regular notification procedures of the Committees on
20 Appropriations.

21 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

22 SEC. 521. For the purpose of this Act, “program,
23 project, and activity” shall be defined at the Appropria-
24 tions Act account level and shall include all Appropriations
25 and Authorizations Acts earmarks, ceilings, and limita-
26 tions with the exception that for the following accounts:

1 Economic Support Fund and Foreign Military Financing
2 Program, “program, project, and activity” shall also be
3 considered to include country, regional, and central pro-
4 gram level funding within each such account; for the devel-
5 opment assistance accounts of the Agency for Inter-
6 national Development “program, project, and activity”
7 shall also be considered to include central program level
8 funding, either as (1) justified to the Congress, or (2) allo-
9 cated by the executive branch in accordance with a report,
10 to be provided to the Committees on Appropriations within
11 thirty days of enactment of this Act, as required by section
12 653(a) of the Foreign Assistance Act of 1961.

13 CHILD SURVIVAL AND AIDS ACTIVITIES

14 SEC. 522. Up to \$8,000,000 of the funds made avail-
15 able by this Act for assistance for family planning, health,
16 child survival, and AIDS, may be used to reimburse Unit-
17 ed States Government agencies, agencies of State govern-
18 ments, institutions of higher learning, and private and vol-
19 untary organizations for the full cost of individuals (in-
20 cluding for the personal services of such individuals) de-
21 tailed or assigned to, or contracted by, as the case may
22 be, the Agency for International Development for the pur-
23 pose of carrying out family planning activities, child sur-
24 vival activities and activities relating to research on, and
25 the treatment and control of acquired immune deficiency
26 syndrome in developing countries: *Provided*, That funds

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

10 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN
11 COUNTRIES

12 SEC. 523. None of the funds appropriated or other-
13 wise made available pursuant to this Act shall be obligated
14 to finance indirectly any assistance or reparations to
15 Cuba, Iraq, Libya, Iran, Syria, North Korea, or the Peo-
16 ple's Republic of China, unless the President of the United
17 States certifies that the withholding of these funds is con-
18 trary to the national interest of the United States.

19 RECIPROCAL LEASING

20 SEC. 524. Section 61(a) of the Arms Export Control
21 Act is amended by striking out "1996" and inserting in
22 lieu thereof "1997".

23 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

24 SEC. 525. Prior to providing excess Department of
25 Defense articles in accordance with section 516(a) of the
26 Foreign Assistance Act of 1961, the Department of De-

1 fense shall notify the Committees on Appropriations to the
2 same extent and under the same conditions as are other
3 committees pursuant to subsection (c) of that section: *Pro-*
4 *vided*, That before issuing a letter of offer to sell excess
5 defense articles under the Arms Export Control Act, the
6 Department of Defense shall notify the Committees on
7 Appropriations in accordance with the regular notification
8 procedures of such Committees: *Provided further*, That
9 such Committees shall also be informed of the original ac-
10 quisition cost of such defense articles.

11 AUTHORIZATION REQUIREMENT

12 SEC. 526. Funds appropriated by this Act may be
13 obligated and expended notwithstanding section 10 of
14 Public Law 91-672 and section 15 of the State Depart-
15 ment Basic Authorities Act of 1956.

16 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
17 COUNTRIES

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

23 (1) grants sanctuary from prosecution to any
24 individual or group which has committed an act of
25 international terrorism, or

26 (2) otherwise supports international terrorism.

1 (b) The President may waive the application of sub-
2 section (a) to a country if the President determines that
3 national security or humanitarian reasons justify such
4 waiver. The President shall publish each waiver in the
5 Federal Register and, at least fifteen days before the waiv-
6 er takes effect, shall notify the Committees on Appropria-
7 tions of the waiver (including the justification for the waiv-
8 er) in accordance with the regular notification procedures
9 of the Committees on Appropriations.

10 COMMERCIAL LEASING OF DEFENSE ARTICLES

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

1 this Act and any interest earned on such investment shall
2 be used for the purpose for which the assistance was pro-
3 vided to that organization.

4 SEPARATE ACCOUNTS

5 SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL
6 CURRENCIES.—(1) If assistance is furnished to the gov-
7 ernment of a foreign country under chapters 1 and 10 of
8 part I or chapter 4 of part II of the Foreign Assistance
9 Act of 1961 under agreements which result in the genera-
10 tion of local currencies of that country, the Administrator
11 of the Agency for International Development shall—

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

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

16 (i) the amount of the local currencies to be
17 generated, and

18 (ii) the terms and conditions under which
19 the currencies so deposited may be utilized, con-
20 sistent with this section; and

21 (C) establish by agreement with that govern-
22 ment the responsibilities of the Agency for Inter-
23 national Development and that government to mon-
24 itor and account for deposits into and disbursements
25 from the separate account.

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

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

9 (i) project and sector assistance activities,

10 or

11 (ii) debt and deficit financing; or

12 (B) for the administrative requirements of the
13 United States Government.

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

21 (4) TERMINATION OF ASSISTANCE PROGRAMS.—
22 Upon termination of assistance to a country under chap-
23 ters 1 or 10 of part I or chapter 4 of part II (as the case
24 may be), any unencumbered balances of funds which re-
25 main in a separate account established pursuant to sub-

1 section (a) shall be disposed of for such purposes as may
2 be agreed to by the government of that country and the
3 United States Government.

4 (5) CONFORMING AMENDMENTS.—The provisions of
5 this subsection shall supersede the tenth and eleventh pro-
6 visos contained under the heading “Sub-Saharan Africa,
7 Development Assistance” as included in the Foreign Oper-
8 ations, Export Financing, and Related Programs Appro-
9 priations Act, 1989 and sections 531(d) and 609 of the
10 Foreign Assistance Act of 1961.

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

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

1 ance, that country shall be required to maintain such
2 funds in a separate account and not commingle them with
3 any other funds.

4 (2) APPLICABILITY OF OTHER PROVISIONS OF
5 LAW.—Such funds may be obligated and expended not-
6 withstanding provisions of law which are inconsistent with
7 the nature of this assistance including provisions which
8 are referenced in the Joint Explanatory Statement of the
9 Committee of Conference accompanying House Joint Res-
10 olution 648 (H. Report No. 98–1159).

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

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

1 COMPENSATION FOR UNITED STATES EXECUTIVE DIREC-
2 TORS TO INTERNATIONAL FINANCING INSTITUTIONS

3 SEC. 532. (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
6 institution is compensated by the institution at a rate
7 which, together with whatever compensation such Director
8 receives from the United States, is in excess of the rate
9 provided for an individual occupying a position at level IV
10 of the Executive Schedule under section 5315 of title 5,
11 United States Code, or while any alternate United States
12 Director to such institution is compensated by the institu-
13 tion at a rate in excess of the rate provided for an individ-
14 ual occupying a position at level V of the Executive Sched-
15 ule under 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 De-
20 velopment Fund, the African Development Bank, the Afri-
21 can Development Fund, the International Monetary Fund,
22 the North American Development Bank, and the Euro-
23 pean Bank for Reconstruction and Development.

1 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST
2 IRAQ

3 SEC. 533. (a) DENIAL OF ASSISTANCE.—None of the
4 funds appropriated or otherwise made available pursuant
5 to this Act to carry out the Foreign Assistance Act of
6 1961 (including title IV of chapter 2 of part I, relating
7 to the Overseas Private Investment Corporation) or the
8 Arms Export Control Act may be used to provide assist-
9 ance to any country that is not in compliance with the
10 United Nations Security Council sanctions against Iraq,
11 Serbia or Montenegro unless the President determines and
12 so certifies to the Congress that—

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

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

17 (3) the assistance to be provided will be human-
18 itarian assistance for foreign nationals who have fled
19 Iraq and Kuwait.

20 (b) IMPORT SANCTIONS.—If the President considers
21 that the taking of such action would promote the effective-
22 ness of the economic sanctions of the United Nations and
23 the United States imposed with respect to Iraq, Serbia,
24 or Montenegro, as the case may be, and is consistent with
25 the national interest, the President may prohibit, for such

1 a period of time as he considers appropriate, the importa-
2 tion into the United States of any or all products of any
3 foreign 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,
7 or Montenegro, as the case may be.

8 POW/MIA MILITARY DRAWDOWN

9 SEC. 534. (a) Notwithstanding any other provision
10 of law, the President may direct the drawdown, without
11 reimbursement by the recipient, of defense articles from
12 the stocks of the Department of Defense, defense services
13 of the Department of Defense, and military education and
14 training, of an aggregate value not to exceed \$15,000,000
15 in fiscal year 1997, as may be necessary to carry out sub-
16 section (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
20 support efforts to locate and repatriate members of the
21 United States Armed Forces and civilians employed di-
22 rectly or indirectly by the United States Government who
23 remain unaccounted for from the Vietnam War, and to
24 ensure the safety of United States Government personnel
25 engaged in such cooperative efforts and to support United
26 States Department of Defense-sponsored humanitarian

1 projects associated with the POW/MIA efforts. Any air-
2 craft shall be provided under this section only to Laos and
3 only on a lease or loan basis, but may be provided at no
4 cost notwithstanding section 61 of the Arms Export Con-
5 trol Act and may be maintained with defense articles, serv-
6 ices and training provided 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 identi-
10 fies the articles, services, and training drawn down under
11 this section.

12 MEDITERRANEAN EXCESS DEFENSE ARTICLES

13 SEC. 535. For the four-year period beginning on Oc-
14 tober 1, 1996, the President shall ensure that excess de-
15 fense articles will be made available under section 516 and
16 519 of the Foreign Assistance Act of 1961 consistent with
17 the manner in which the President made available excess
18 defense articles under those sections during the four-year
19 period that began on October 1, 1992, pursuant to section
20 573(e) of the Foreign Operations, Export Financing, Re-
21 lated Programs Appropriations Act, 1990.

22 CASH FLOW FINANCING

23 SEC. 536. 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
2 purchase agreement, or any amendment thereto, for a pro-
3 curement in excess of \$100,000,000 that is to be financed
4 in whole or in part with funds made available under this
5 Act shall be submitted through the regular notification
6 procedures to the Committees on Appropriations.

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

10 SEC. 537. 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. 538. 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 in-
3 ducement is likely to reduce the number of employ-
4 ees of such business enterprise in the United States
5 because United States production is being replaced
6 by such enterprise outside the United States;

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

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

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

3 AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

4 SEC. 539. (a) The President is authorized to direct
5 the transfer, subject to 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
10 value that equals the difference between \$100,000,000
11 and the aggregate value of any such articles and services
12 that were transferred under the authority of Section 540
13 of Public Law 104–107, the Foreign Operations, Export
14 Financing, and Related Programs Appropriations Act,
15 1996: *Provided*, That the President certifies in a timely
16 fashion to the Congress that the transfer of such defense
17 articles would assist that nation in self-defense and there-
18 by promote the security and stability of the region.

19 (b) Within 60 days of any transfer under the author-
20 ity provided in subsection (b), and every 60 days there-
21 after, the President shall report in writing to the Speaker
22 of the House of Representatives and the President pro
23 tempore of the Senate concerning the articles transferred
24 and the disposition thereof.

25 (c) There are authorized to be appropriated to the
26 President such sums as may be necessary to reimburse

1 the applicable appropriation, fund, or account for defense
2 articles provided under this section.

3 RESTRICTIONS ON THE TERMINATION OF SANCTIONS
4 AGAINST SERBIA AND MONTENEGRO

5 SEC. 540. (a) RESTRICTIONS.—Notwithstanding any
6 other provision of law, no sanction, prohibition, or require-
7 ment described in section 1511 of the National Defense
8 Authorization Act for Fiscal Year 1994 (Public Law 103–
9 160), with respect to Serbia or Montenegro, may cease
10 to be effective, unless—

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

13 (2) the requirements of section 1511 of that
14 Act are met.

15 (b) CERTIFICATION.—A certification described in this
16 subsection is a certification that—

17 (1) there is substantial progress toward—

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

21 (B) the creation of an international protec-
22 torate for Kosova;

23 (2) there is substantial improvement in the
24 human rights situation in Kosova;

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

1 or to the military of any country which the President de-
2 termines is not taking steps to prevent a pattern or prac-
3 tice of commercial relations between its members and the
4 Khmer Rouge.

5 (b) Funds appropriated by this Act to carry out the
6 provisions of sections 103 through 106 of the Foreign As-
7 sistance Act of 1961 may be used, notwithstanding any
8 other provision of law, for the purpose of supporting tropi-
9 cal forestry and energy programs aimed at reducing emis-
10 sions of greenhouse gases, and for the purpose of support-
11 ing biodiversity conservation activities: *Provided*, That
12 such assistance shall be subject to sections 116, 502B, and
13 620A of the Foreign Assistance Act of 1961.

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

18 (d) The Agency for International Development may
19 employ personal services contractors, notwithstanding any
20 other provision of law, for the purpose of administering
21 programs for the West Bank and Gaza.

22 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT
23 OF ISRAEL

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

25 (1) the Arab League countries should imme-
26 diately and publicly renounce the primary boycott of

1 Israel and the secondary and tertiary boycott of
2 American firms that have commercial ties with Is-
3 rael; and

4 (2) the President should—

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

11 (B) take into consideration the participa-
12 tion of any recipient country in the primary
13 boycott of Israel and the secondary and tertiary
14 boycotts of American firms that have commer-
15 cial relations with Israel when determining
16 whether to sell weapons to said country;

17 (C) report to Congress on the specific
18 steps being taken by the President to bring
19 about a public renunciation of the Arab primary
20 boycott of Israel and the secondary and tertiary
21 boycotts of American firms that have commer-
22 cial relations with Israel; and

23 (D) encourage the allies and trading part-
24 ners of the United States to enact laws prohib-

1 iting businesses from complying with the boy-
2 cott and penalizing businesses that do comply.

3 ANTI-NARCOTICS ACTIVITIES

4 SEC. 543. (a) Of the funds appropriated or otherwise
5 made available by this Act for “Economic Support Fund”,
6 assistance may be provided to strengthen the administra-
7 tion of justice in countries in Latin America and the Car-
8 ibbean and in other regions consistent with the provisions
9 of section 534(b) of the Foreign Assistance Act of 1961,
10 except that programs to enhance protection of participants
11 in judicial cases may be conducted notwithstanding section
12 660 of that Act.

13 (b) Funds made available pursuant to this section
14 may be made available notwithstanding section 534(c) and
15 the second and third sentences of section 534(e) of the
16 Foreign Assistance Act of 1961. Funds made available
17 pursuant to subsection (a) for Bolivia, Colombia and Peru
18 may be made available notwithstanding section 534(c) and
19 the second sentence of section 534(e) of the Foreign As-
20 sistance Act of 1961.

21 ELIGIBILITY FOR ASSISTANCE

22 SEC. 544. (a) ASSISTANCE THROUGH NONGOVERN-
23 MENTAL ORGANIZATIONS.—Restrictions contained in this
24 or any other Act with respect to assistance for a country
25 shall not be construed to restrict assistance in support of
26 programs of nongovernmental organizations from funds

1 appropriated by this Act to carry out the provisions of
2 chapters 1 and 10 of part I of the Foreign Assistance Act
3 of 1961: *Provided*, That the President shall take into con-
4 sideration, in any case in which a restriction on assistance
5 would be applicable but for this subsection, whether assist-
6 ance in support of programs of nongovernmental organiza-
7 tions is in the national interest of the United States: *Pro-*
8 *vided further*, That before using the authority of this sub-
9 section to furnish assistance in support of programs of
10 nongovernmental organizations, the President shall notify
11 the Committees on Appropriations under the regular noti-
12 fication procedures of those committees, including a de-
13 scription of the program to be assisted, the assistance to
14 be provided, and the reasons for furnishing such assist-
15 ance: *Provided further*, That nothing in this subsection
16 shall be construed to alter any existing statutory prohibi-
17 tions against abortion or involuntary sterilizations con-
18 tained in this or any other Act.

19 (b) PUBLIC LAW 480.—During fiscal year 1997, re-
20 strictions contained in this or any other Act with respect
21 to assistance for a country shall not be construed to re-
22 strict assistance under the Agricultural Trade Develop-
23 ment and Assistance Act of 1954: *Provided*, That none
24 of the funds appropriated to carry out title I of such Act
25 and made available pursuant to this subsection may be

1 obligated or expended except as provided through the reg-
2 ular notification procedures of the Committees on Appro-
3 priations.

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

5 (1) with respect to section 620A of the Foreign
6 Assistance Act or any comparable provision of law
7 prohibiting assistance to countries that support
8 international terrorism; or

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

13 EARMARKS

14 SEC. 544A. (a) Funds appropriated by this Act which
15 are earmarked may be reprogrammed for other programs
16 within the same account notwithstanding the earmark if
17 compliance with the earmark is made impossible by oper-
18 ation of any provision of this or any other Act or, with
19 respect to a country with which the United States has an
20 agreement providing the United States with base rights
21 or base access in that country, if the President determines
22 that the recipient for which funds are earmarked has sig-
23 nificantly reduced its military or economic cooperation
24 with the United States since enactment of the Foreign Op-
25 erations, Export Financing, and Related Programs Appro-
26 priations Act, 1991; however, before exercising the author-

1 ity of this subsection with regard to a base rights or base
2 access country which has significantly reduced its military
3 or economic cooperation with the United States, the Presi-
4 dent shall consult with, and shall provide a written policy
5 justification to the Committees on Appropriations: *Pro-*
6 *vided*, That any such reprogramming shall be subject to
7 the regular notification procedures of the Committees on
8 Appropriations: *Provided further*, That assistance that is
9 reprogrammed pursuant to this subsection shall be made
10 available under the same terms and conditions as origi-
11 nally provided.

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

1 CEILINGS AND EARMARKS

2 SEC. 545. Ceilings and earmarks contained in this
3 Act shall not be applicable to funds or authorities appro-
4 priated or otherwise made available by any subsequent Act
5 unless such Act specifically so directs.

6 PROHIBITION ON PUBLICITY OR PROPAGANDA

7 SEC. 546. No part of any appropriation contained in
8 this Act shall be used for publicity or propaganda purposes
9 within the United States not authorized before the date
10 of enactment of this Act by the Congress: *Provided*, That
11 not to exceed \$750,000 may be made available to carry
12 out the provisions of section 316 of Public Law 96-533.

13 USE OF AMERICAN RESOURCES

14 SEC. 547. To the maximum extent possible, assist-
15 ance provided under this Act should make full use of
16 American resources, including commodities, products, and
17 services.

18 PROHIBITION OF PAYMENTS TO UNITED NATIONS

19 MEMBERS

20 SEC. 548. None of the funds appropriated or made
21 available pursuant to this Act for carrying out the Foreign
22 Assistance Act of 1961, may be used to pay in whole or
23 in part any assessments, arrearages, or dues of any mem-
24 ber of the United Nations.

1 CONSULTING SERVICES

2 SEC. 549. The expenditure of any appropriation
3 under this Act for any consulting service through procure-
4 ment contract, pursuant to section 3109 of title 5, United
5 States Code, shall be limited to those contracts where such
6 expenditures are a matter of public record and available
7 for public inspection, except where otherwise provided
8 under existing law, or under existing Executive order pur-
9 suant to existing law.

10 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

11 SEC. 550. None of the funds appropriated or made
12 available pursuant to this Act shall be available to a pri-
13 vate voluntary organization which fails to provide upon
14 timely request any document, file, or record necessary to
15 the auditing requirements of the Agency for International
16 Development.

17 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-
18 MENTS THAT EXPORT LETHAL MILITARY EQUIP-
19 MENT TO COUNTRIES SUPPORTING INTERNATIONAL
20 TERRORISM

21 SEC. 551. (a) None of the funds appropriated or oth-
22 erwise made available by this Act may be available to any
23 foreign government which provides lethal military equip-
24 ment to a country the government of which the Secretary
25 of State has determined is a terrorist government for pur-
26 poses of section 40(d) of the Arms Export Control Act.

1 The prohibition under this section with respect to a for-
2 eign government shall terminate 12 months after that gov-
3 ernment ceases to provide such military equipment. This
4 section applies with respect to lethal military equipment
5 provided under a contract entered into after the date of
6 enactment of this Act.

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

11 (c) Whenever the waiver of subsection (b) is exer-
12 cised, the President shall submit to the appropriate con-
13 gressional committees a report with respect to the furnish-
14 ing of such assistance. Any such report shall include a de-
15 tailed explanation of the assistance to be provided, includ-
16 ing the estimated dollar amount of such assistance, and
17 an explanation of how the assistance furthers United
18 States national interests.

19 WITHHOLDING OF ASSISTANCE FOR PARKING FINES
20 OWED BY FOREIGN COUNTRIES

21 SEC. 552. (a) IN GENERAL.—Of the funds made
22 available for a foreign country under part I of the Foreign
23 Assistance Act of 1961, an amount equivalent to 110 per-
24 cent of the total unpaid fully adjudicated parking fines
25 and penalties owed to the District of Columbia by such
26 country as of the date of enactment of this Act shall be

1 withheld from obligation for such country until the Sec-
2 retary of State certifies and reports in writing to the ap-
3 propriate congressional committees that such fines and
4 penalties are fully paid to the government of the District
5 of Columbia.

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

12 LIMITATION ON ASSISTANCE FOR THE PLO FOR THE
13 WEST BANK AND GAZA

14 SEC. 553. None of the funds appropriated by this Act
15 may be obligated for assistance for the Palestine Libera-
16 tion Organization for the West Bank and Gaza unless the
17 President has exercised the authority under section 604(a)
18 of the Middle East Peace Facilitation Act of 1995 (title
19 VI of Public Law 104–107) or any other legislation to sus-
20 pend or make inapplicable section 307 of the Foreign As-
21 sistance Act of 1961 and that suspension is still in effect:
22 *Provided*, That if the President fails to make the certifi-
23 cation under section 604(b)(2) of the Middle East Peace
24 Facilitation Act of 1995 or to suspend the prohibition
25 under other legislation, funds appropriated by this Act

1 may not be obligated for assistance for the Palestine Lib-
2 eration Organization for the West Bank and Gaza.

3 EXPORT FINANCING TRANSFER AUTHORITIES

4 SEC. 554. Not to exceed 5 percent of any appropria-
5 tion other than for administrative expenses made available
6 for fiscal year 1997 for programs under title I of this Act
7 may be transferred between such appropriations for use
8 for any of the purposes, programs and activities for which
9 the funds in such receiving account may be used, but no
10 such appropriation, except as otherwise specifically pro-
11 vided, shall be increased by more than 25 percent by any
12 such transfer: *Provided*, That the exercise of such author-
13 ity shall be subject to the regular notification procedures
14 of the Committees on Appropriations.

15 WAR CRIMES TRIBUNALS

16 SEC. 555. If the President determines that doing so
17 will contribute to a just resolution of charges regarding
18 genocide or other violations of international humanitarian
19 law, the President may direct a drawdown pursuant to sec-
20 tion 552(c) of the Foreign Assistance Act of 1961, as
21 amended, of up to \$50,000,000 of commodities and serv-
22 ices for the United Nations War Crimes Tribunal estab-
23 lished with regard to the former Yugoslavia by the United
24 Nations Security Council or such other tribunals or com-
25 missions as the Council may establish to deal with such
26 violations, without regard to the ceiling limitation con-

1 tained in paragraph (2) thereof: *Provided*, That the deter-
2 mination required under this section shall be in lieu of
3 any determinations otherwise required under section
4 552(c): *Provided further*, That 60 days after the date of
5 enactment of this Act, and every 180 days thereafter, the
6 Secretary of State shall submit a report to the Committees
7 on Appropriations describing the steps the United States
8 Government is taking to collect information regarding alle-
9 gations of genocide or other violations of international law
10 in the former Yugoslavia and to furnish that information
11 to the United Nations War Crimes Tribunal for the former
12 Yugoslavia.

13 LANDMINES

14 SEC. 556. Notwithstanding any other provision of
15 law, demining equipment available to any department or
16 agency and used in support of the clearing of landmines
17 for humanitarian purposes may be disposed of on a grant
18 basis in foreign countries, subject to such terms and condi-
19 tions as the President may prescribe.

20 RESTRICTIONS CONCERNING THE PALESTINIAN

21 AUTHORITY

22 SEC. 557. None of the funds appropriated by this Act
23 may be obligated or expended to create in any part of Je-
24 rusalem a new office of any department or agency of the
25 United States Government for the purpose of conducting
26 official United States Government business with the Pal-

1 estinian Authority over Gaza and Jericho or any successor
2 Palestinian governing entity provided for in the Israel-
3 PLO Declaration of Principles: *Provided*, That this re-
4 striction shall not apply to the acquisition of additional
5 space for the existing Consulate General in Jerusalem:
6 *Provided further*, That meetings between officers and em-
7 ployees of the United States and officials of the Palestin-
8 ian Authority, or any successor Palestinian governing en-
9 tity provided for in the Israel-PLO Declaration of Prin-
10 ciples, for the purpose of conducting official United States
11 Government business with such authority should continue
12 to take place in locations other than Jerusalem. As has
13 been true in the past, officers and employees of the United
14 States Government may continue to meet in Jerusalem on
15 other subjects with Palestinians (including those who now
16 occupy positions in the Palestinian Authority), have social
17 contacts, and have incidental discussions.

18 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

19 SEC. 558. None of the funds appropriated or other-
20 wise made available by this Act under the heading
21 “INTERNATIONAL MILITARY EDUCATION AND TRAINING”
22 or “FOREIGN MILITARY FINANCING PROGRAM” for Infor-
23 mational Program activities may be obligated or expended
24 to pay for—

25 (1) alcoholic beverages;

1 equal to the sum of assistance and credits, if any, provided
2 on or after the date of the enactment of this Act by that
3 country, or any entity in that country, in support of the
4 completion of the Cuban nuclear facility at Juragua, near
5 Cienfuegos, Cuba.

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

8 (1) assistance to meet urgent humanitarian
9 needs including disaster and refugee relief;

10 (2) democratic political reform and rule of law
11 activities;

12 (3) support for private sector and nongovern-
13 mental organizations that are independent of govern-
14 ment control;

15 (4) the development of a free market economic
16 system; and

17 (5) assistance for the purposes described in the
18 Cooperative Threat Reduction Act of 1993 (title XII
19 of Public Law 103–160).

20 EQUITABLE ALLOCATION OF FUNDS

21 SEC. 561. Not more than 20 percent of the funds
22 appropriated by this Act to carry out the provisions of sec-
23 tions 103 through 106 and chapter 4 of part II of the
24 Foreign Assistance Act of 1961, that are made available
25 for Latin America and the Caribbean region may be made
26 available, through bilateral and Latin America and the

1 Caribbean regional programs, to provide assistance for
2 any country in such region.

3 PURCHASE OF AMERICAN-MADE EQUIPMENT AND
4 PRODUCTS

5 SEC. 562. (a) SENSE OF CONGRESS.—It is the sense
6 of the Congress that, to the greatest extent practicable,
7 all equipment and products purchased with funds made
8 available in this Act should be American-made.

9 (b) NOTICE REQUIREMENT.—In providing financial
10 assistance to, or entering into any contract with, any en-
11 tity using funds made available in this Act, the head of
12 each Federal agency, to the greatest extent practicable,
13 shall provide to such entity a notice describing the state-
14 ment made in subsection (a) by the Congress.

15 LIMITATION OF FUNDS FOR NORTH AMERICAN
16 DEVELOPMENT BANK

17 SEC. 563. None of the funds appropriated in this Act
18 under the heading “North American Development Bank”
19 and made available for the Community Adjustment and
20 Investment Program shall be used for purposes other than
21 those set out in the binational agreement establishing the
22 Bank.

23 INTERNATIONAL DEVELOPMENT ASSOCIATION

24 SEC. 564. In order to pay for the United States con-
25 tribution to the tenth replenishment of the resources of
26 the International Development Association authorized in

1 section 526 of Public Law 103–87, there is authorized to
2 be appropriated, without fiscal year limitation,
3 \$525,000,000 for payment by the Secretary of the Treas-
4 ury.

5 SPECIAL DEBT RELIEF FOR THE POOREST

6 SEC. 565. (a) AUTHORITY TO REDUCE DEBT.—The
7 President may reduce amounts owed to the United States
8 (or any agency of the United States) by an eligible country
9 as a result of—

10 (1) guarantees issued under sections 221 and
11 222 of the Foreign Assistance Act of 1961; or

12 (2) credits extended or guarantees issued under
13 the Arms Export Control Act.

14 (b) LIMITATIONS.—

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

19 (2) The authority provided by subsection (a)
20 may be exercised only in such amounts or to such
21 extent as is provided in advance by appropriations
22 Acts.

23 (3) The authority provided by subsection (a)
24 may be exercised only with respect to countries with
25 heavy debt burdens that are eligible to borrow from
26 the International Development Association, but not

1 from the International Bank for Reconstruction and
2 Development, commonly referred to as “IDA-only”
3 countries.

4 (c) CONDITIONS.—The authority provided by sub-
5 section (a) may be exercised only with respect to a country
6 whose government—

7 (1) does not have an excessive level of military
8 expenditures;

9 (2) has not repeatedly provided support for acts
10 of international terrorism;

11 (3) is not failing to cooperate on international
12 narcotics control matters;

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

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

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

24 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
25 duction of debt pursuant to subsection (a) shall not be

1 considered assistance for purposes of any provision of law
2 limiting assistance to a country. The authority provided
3 by subsection (a) may be exercised notwithstanding sec-
4 tion 620(r) of the Foreign Assistance Act of 1961.

5 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

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

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

19 (A) debt-for-equity swaps, debt-for-develop-
20 ment swaps, or debt-for-nature swaps; or

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

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

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

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

1 accounts to reflect the sale, reduction, or cancella-
2 tion.

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

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

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

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

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

5 LIBERIA

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

10 GUATEMALA

11 SEC. 568. (a) Funds provided in this Act may be
12 made available for the Guatemalan military forces, and
13 the restrictions on Guatemala under the headings “Inter-
14 national Military Education and Training” and “Foreign
15 Military Financing Program” shall not apply, only if the
16 President determines and certifies to the Congress that
17 the Guatemalan military is cooperating with efforts to re-
18 solve human rights abuses which elements of the Guate-
19 malan military forces are alleged to have committed, or-
20 dered or attempted to thwart the investigation of.

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

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

1 (d) Any funds made available pursuant to subsections
2 (a) and (b) for international military education and train-
3 ing may only be for expanded international military edu-
4 cation and training.

5 SANCTIONS AGAINST COUNTRIES HARBORING WAR
6 CRIMINALS

7 SEC. 569. (a) BILATERAL ASSISTANCE.—The Presi-
8 dent is authorized to withhold funds appropriated by this
9 Act under the Foreign Assistance Act of 1961 or the Arms
10 Export Control Act for any country described in sub-
11 section (c).

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

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

22 (1) have been indicted by the International
23 Criminal Tribunal for the former Yugoslavia, the
24 International Criminal Tribunal for Rwanda, or any
25 other international tribunal with similar standing
26 under international law, or

1 (2) have been indicted for war crimes or crimes
2 against humanity committed during the period be-
3 ginning March 23, 1933 and ending on May 8, 1945
4 under the direction of, or in association with—

5 (A) the Nazi government of Germany;

6 (B) any government in any area occupied
7 by the military forces of the Nazi government
8 of Germany;

9 (C) any government which was established
10 with the assistance or cooperation of the Nazi
11 government; or

12 (D) any government which was an ally of
13 the Nazi government of Germany.

14 LIMITATION ON ASSISTANCE FOR HAITI

15 SEC. 570. (a) LIMITATION.—None of the funds ap-
16 propriated or otherwise made available by this Act, may
17 be provided to the Government of Haiti until the President
18 reports to Congress that—

19 (1) the Government is conducting thorough in-
20 vestigations of extrajudicial and political killings, in-
21 cluding the murders of Mireille Bertin, Michel Gon-
22 zalez, and Jean Hubert Feuille; and

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

1 (b) Nothing in this section shall be construed to re-
2 strict the provision of humanitarian or electoral assist-
3 ance.

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

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

11 LIMITATION OF ASSISTANCE TO TURKEY

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

16 REPORTS REGARDING HONG KONG

17 SEC. 572. (a) Section 301 of the United States-Hong
18 Kong Policy Act of 1992 (22 U.S.C. 5731) is amended
19 in the text above paragraph (1) by inserting “March 31,
20 1997,” after “March 31, 1996,”.

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

1 developments affecting, implementation of the Sino-Brit-
2 ish Joint Declaration on the Question of Hong Kong, in-
3 cluding—

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

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

8 (3) the openness and fairness of the election of
9 the chief executive and the executive's accountability
10 to the legislature;

11 (4) the treatment of political parties;

12 (5) the independence of the Judiciary and its
13 ability to exercise the power of final judgment over
14 Hong Kong law; and

15 (6) the Bill of Rights.

16 LIMITATION ON USE OF FUNDS FOR PURCHASE OF
17 PRODUCTS NOT MADE IN AMERICA

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

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

25 (2) substantially similar equipment or products
26 are made in the United States and available for pur-

1 chase at a price that is not more than 10 percent
2 higher.

3 LIMITATION ON ASSISTANCE TO TURKEY

4 SEC. 574. Not more than \$22,000,000 of the funds
5 appropriated in this Act under the heading “Economic
6 Support Fund” may be made available to the Government
7 of Turkey, except when it is made known to the Federal
8 official having authority to obligate or expend such funds
9 that the Government of Turkey has (1) joined the United
10 States in acknowledging the atrocity committed against
11 the Armenian population of the Ottoman Empire from
12 1915 to 1923; and (2) taken all appropriate steps to honor
13 the memory of the victims of the Armenian genocide.

14 LIMITATION ON FOREIGN MILITARY FINANCING

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

1 LIMITATION UNDER ARMS EXPORT CONTROL ACT

2 SEC. 576. Not more than \$100,000,000 of the funds
3 made available under the heading “Foreign Military Fi-
4 nancing Program” may be made available for use in fi-
5 nancing the procurement of defense articles, defense serv-
6 ices, or design and construction services that are not sold
7 by the United States Government under the Arms Export
8 Control Act to countries other than Israel and Egypt.

9 LIMITATION ON ASSISTANCE TO MEXICO

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

15 (1) the Government of Mexico is taking actions
16 to reduce the amount of illegal drugs entering the
17 United States from Mexico; and

18 (2) the Government of Mexico—

19 (A) is taking effective actions to apply vig-
20 ously all law enforcement resources to inves-
21 tigate, track, capture, incarcerate, and pros-
22 ecute individuals controlling, supervising, or
23 managing international narcotics cartels or
24 other similar entities and the accomplices of
25 such individuals, individuals responsible for, or

1 otherwise involved in, corruption, and individ-
2 uals involved in money-laundering;

3 (B) is pursuing international anti-drug
4 trafficking initiatives;

5 (C) is cooperating fully with international
6 efforts at narcotics interdiction; and

7 (D) is cooperating fully with requests by
8 the United States for assistance in investiga-
9 tions of money-laundering violations and is
10 making progress toward implementation of ef-
11 fective laws to prohibit money-laundering.

12 This Act may be cited as the “Foreign Operations,
13 Export Financing, and Related Programs Appropriations
14 Act, 1997”.

Passed the House of Representatives June 11, 1996.

Attest:

ROBIN H. CARLE,

Clerk.

By LINDA NAVE,

Deputy Clerk.