

Union Calendar No. 298

104TH CONGRESS
2^D SESSION

H. R. 3540

[Report No. 104-600]

A BILL

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

MAY 29, 1996

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 29, 1996

Mr. CALLAHAN, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any
4 money in the Treasury not otherwise appropriated, for the
5 fiscal year ending September 30, 1997, and for other pur-
6 poses, namely:

1 TITLE I—EXPORT AND INVESTMENT
2 ASSISTANCE

3 EXPORT-IMPORT BANK OF THE UNITED STATES

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

21 SUBSIDY APPROPRIATION

22 For the cost of direct loans, loan guarantees, insur-
23 ance, and tied-aid grants as authorized by section 10 of
24 the Export-Import Bank Act of 1945, as amended,
25 \$726,000,000 to remain available until September 30,
26 1998: *Provided*, That such costs, including the cost of

1 modifying such loans, shall be as defined in section 502
2 of the Congressional Budget Act of 1974: *Provided fur-*
3 *ther*, That such sums shall remain available until 2012 for
4 the disbursement of direct loans, loan guarantees, insur-
5 ance and tied-aid grants obligated in fiscal years 1997 and
6 1998: *Provided further*, That up to \$50,000,000 of funds
7 appropriated by this paragraph shall remain available
8 until expended and may be used for tied-aid grant pur-
9 poses: *Provided further*, That none of the funds appro-
10 priated by this paragraph may be used for tied-aid credits
11 or grants except through the regular notification proce-
12 dures of the Committees on Appropriations: *Provided fur-*
13 *ther*, That funds appropriated by this paragraph are made
14 available notwithstanding section 2(b)(2) of the Export-
15 Import Bank Act of 1945, in connection with the purchase
16 or lease of any product by any East European country,
17 any Baltic State, or any agency or national thereof.

18 ADMINISTRATIVE EXPENSES

19 For administrative expenses to carry out the direct
20 and guaranteed loan and insurance programs (to be com-
21 puted on an accrual basis), including hire of passenger
22 motor vehicles and services as authorized by 5 U.S.C.
23 3109, and not to exceed \$20,000 for official reception and
24 representation expenses for members of the Board of Di-
25 rectors, \$47,614,000: *Provided*, That necessary expenses
26 (including special services performed on a contract or fee

1 basis, but not including other personal services) in connec-
2 tion with the collection of moneys owed the Export-Import
3 Bank, repossession or sale of pledged collateral or other
4 assets acquired by the Export-Import Bank in satisfaction
5 of moneys owed the Export-Import Bank, or the investiga-
6 tion or appraisal of any property, or the evaluation of the
7 legal or technical aspects of any transaction for which an
8 application for a loan, guarantee or insurance commitment
9 has been made, shall be considered nonadministrative ex-
10 penses for the purposes of this heading: *Provided further,*
11 That, notwithstanding subsection (b) of section 117 of the
12 Export Enhancement Act of 1992, subsection (a) thereof
13 shall remain in effect until October 1, 1997.

14 OVERSEAS PRIVATE INVESTMENT CORPORATION

15 NONCREDIT ACCOUNT

16 The Overseas Private Investment Corporation is au-
17 thorized to make, without regard to fiscal year limitations,
18 as provided by 31 U.S.C. 9104, such expenditures and
19 commitments within the limits of funds available to it and
20 in accordance with law as may be necessary: *Provided,*
21 That the amount available for administrative expenses to
22 carry out the credit and insurance programs (including an
23 amount for official reception and representation expenses
24 which shall not exceed \$35,000) shall not exceed
25 \$30,000,000: *Provided further,* That project-specific trans-
26 action costs, including direct and indirect costs incurred

1 in claims settlements, and other direct costs associated
2 with services provided to specific investors or potential in-
3 vestors pursuant to section 234 of the Foreign Assistance
4 Act of 1961, shall not be considered administrative ex-
5 penses for the purposes of this heading.

6 PROGRAM ACCOUNT

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

1 FUNDS APPROPRIATED TO THE PRESIDENT

2 TRADE AND DEVELOPMENT AGENCY

3 For necessary expenses to carry out the provisions
4 of section 661 of the Foreign Assistance Act of 1961,
5 \$38,000,000, to remain available for obligation until Sep-
6 tember 30, 1998: *Provided*, That the Trade and Develop-
7 ment Agency may receive reimbursements from corpora-
8 tions and other entities for the costs of grants for feasibil-
9 ity studies and other project planning services, to be de-
10 posited as an offsetting collection to this account and to
11 be available for obligation until September 30, 1998, for
12 necessary expenses under this paragraph: *Provided fur-*
13 *ther*, That such reimbursements shall not cover, or be allo-
14 cated against, direct or indirect administrative costs of the
15 agency.

16 TITLE II—BILATERAL ECONOMIC ASSISTANCE

17 FUNDS APPROPRIATED TO THE PRESIDENT

18 For expenses necessary to enable the President to
19 carry out the provisions of the Foreign Assistance Act of
20 1961, and for other purposes, to remain available until
21 September 30, 1997, unless otherwise specified herein, as
22 follows:

23 AGENCY FOR INTERNATIONAL DEVELOPMENT

24 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

25 For necessary expenses to carry out the provisions
26 of part I and chapter 4 of part II of the Foreign Assist-

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

18 DEVELOPMENT ASSISTANCE
19 (INCLUDING TRANSFER OF FUNDS)

20 For necessary expenses to carry out the provisions
21 of sections 103 through 106 and chapter 10 of part I of
22 the Foreign Assistance Act of 1961, \$1,150,000,000, to
23 remain available until September 30, 1998: *Provided*,
24 That none of the funds made available in this Act nor
25 any unobligated balances from prior appropriations may
26 be made available to any organization or program which,

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

1 graph shall be construed to alter any existing statutory
2 prohibitions against abortion under section 104 of the
3 Foreign Assistance Act of 1961: *Provided further*, That
4 the total amount of funds appropriated under this heading
5 and under the heading “Child Survival and Disease Pro-
6 grams Fund” should be made available for each of the
7 sub-Saharan Africa and Latin America and Caribbean re-
8 gions in at least the same proportion as the total amount
9 identified in the fiscal year 1997 draft congressional pres-
10 entation document for development assistance for each
11 such region is to the total amount requested for develop-
12 ment assistance for such fiscal year: *Provided further*,
13 That, notwithstanding section 109 of the Foreign Assist-
14 ance Act of 1961, of the funds appropriated under this
15 heading not to exceed a total of \$12,000,000 may be
16 transferred to “Debt restructuring”, and that any such
17 transfer of funds shall be subject to the regular notifica-
18 tion procedures of the Committees on Appropriations.

19 PRIVATE AND VOLUNTARY ORGANIZATIONS

20 None of the funds appropriated or otherwise made
21 available by this Act for development assistance may be
22 made available to any United States private and voluntary
23 organization, except any cooperative development organi-
24 zation, which obtains less than 20 per centum of its total
25 annual funding for international activities from sources
26 other than the United States Government: *Provided*, That

1 the requirements of the provisions of section 123(g) of the
2 Foreign Assistance Act of 1961 and the provisions on pri-
3 vate and voluntary organizations in title II of the “Foreign
4 Assistance and Related Programs Appropriations Act,
5 1985” (as enacted in Public Law 98–473) shall be super-
6 seded by the provisions of this section, except that the au-
7 thority contained in the last sentence of section 123(g)
8 may be exercised by the Administrator with regard to the
9 requirements of this paragraph.

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

19 INTERNATIONAL DISASTER ASSISTANCE

20 For necessary expenses for international disaster re-
21 lief, rehabilitation, and reconstruction assistance pursuant
22 to section 491 of the Foreign Assistance Act of 1961, as
23 amended, \$190,000,000, to remain available until ex-
24 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: *Provided further*, That funds appropriated or other-
21 wise made available by this Act may be made available
22 for expenses necessary to relocate the Agency for Inter-
23 national Development, or any part of that agency, to the
24 building at the Federal Triangle in Washington, District
25 of Columbia, only pursuant to an authorization of appro-
26 priations for such purpose or upon a written certification

1 and report to the Committees on Appropriations by the
2 Director of the Office of Management and Budget that
3 such relocation will result in savings to the United States
4 Government compared to other alternatives to such reloca-
5 tion.

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

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

14 OTHER BILATERAL ECONOMIC ASSISTANCE
15 ECONOMIC SUPPORT FUND

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

1 INTERNATIONAL FUND FOR IRELAND

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

13 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
14 STATES

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

22 (b) Funds appropriated under this heading or in prior
23 appropriations Acts that are or have been made available
24 for an Enterprise Fund may be deposited by such Fund
25 in interest-bearing accounts prior to the Fund's disburse-
26 ment of such funds for program purposes. The Fund may

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

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

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

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

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

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

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

22 (e) None of the funds appropriated under this head-
23 ing for the new independent states of the former Soviet
24 Union shall be made available for any state to enhance

1 its military capability: *Provided*, That this restriction does
2 not apply to demilitarization or nonproliferation programs.

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

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

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

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

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

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

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

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

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

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

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

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

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

16 INDEPENDENT AGENCIES

17 AFRICAN DEVELOPMENT FOUNDATION

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

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

14 INTER-AMERICAN FOUNDATION

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

21 PEACE CORPS

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

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

5 DEPARTMENT OF STATE

6 INTERNATIONAL NARCOTICS CONTROL

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

17 MIGRATION AND REFUGEE ASSISTANCE

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

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

11 REFUGEE RESETTLEMENT ASSISTANCE

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

19 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
20 ASSISTANCE FUND

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

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

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

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

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

19 TITLE III—MILITARY ASSISTANCE

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 INTERNATIONAL MILITARY EDUCATION AND TRAINING

22 For necessary expenses to carry out the provisions
23 of section 541 of the Foreign Assistance Act of 1961,
24 \$45,000,000: *Provided*, That none of the funds appro-
25 priated under this heading shall be available for Zaire and

1 Guatemala: *Provided further*, That funds appropriated
2 under this heading for grant financed military education
3 and training for Indonesia may only be available for ex-
4 panded international military education and training.

5 FOREIGN MILITARY FINANCING PROGRAM

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

1 country participating in the Partnership for Peace Pro-
2 gram except through the regular notification procedures
3 of the Committees on Appropriations.

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

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

1 specifying the conditions under which such procurements
2 may be financed with such funds: *Provided*, That all coun-
3 try and funding level increases in allocations shall be sub-
4 mitted through the regular notification procedures of sec-
5 tion 515 of this Act: *Provided further*, That funds made
6 available under this heading shall be obligated upon appor-
7 tionment in accordance with paragraph (5)(C) of title 31,
8 United States Code, section 1501(a): *Provided further*,
9 That none of the funds appropriated under this heading
10 shall be available for Zaire, Sudan, Liberia, and Guate-
11 mala: *Provided further*, That only those countries for
12 which assistance was justified for the “Foreign Military
13 Sales Financing Program” in the fiscal year 1989 con-
14 gressional presentation for security assistance programs
15 may utilize funds made available under this heading for
16 procurement of defense articles, defense services or design
17 and construction services that are not sold by the United
18 States Government under the Arms Export Control Act:
19 *Provided further*, That, subject to the regular notification
20 procedures of the Committees on Appropriations, funds
21 made available under this heading for the cost of direct
22 loans may also be used to supplement the funds available
23 under this heading for grants, and funds made available
24 under this heading for grants may also be used to supple-
25 ment the funds available under this heading for the cost

1 of direct loans: *Provided further*, That funds appropriated
2 under this heading shall be expended at the minimum rate
3 necessary to make timely payment for defense articles and
4 services: *Provided further*, That not more than
5 \$23,250,000 of the funds appropriated under this heading
6 may be obligated for necessary expenses, including the
7 purchase of passenger motor vehicles for replacement only
8 for use outside of the United States, for the general costs
9 of administering military assistance and sales: *Provided*
10 *further*, That not more than \$355,000,000 of funds real-
11 ized pursuant to section 21(e)(1)(A) of the Arms Export
12 Control Act may be obligated for expenses incurred by the
13 Department of Defense during fiscal year 1997 pursuant
14 to section 43(b) of the Arms Export Control Act, except
15 that this limitation may be exceeded only through the reg-
16 ular notification procedures of the Committees on Appro-
17 priations.

18 PEACEKEEPING OPERATIONS

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

1 TITLE IV—MULTILATERAL ECONOMIC
2 ASSISTANCE
3 FUNDS APPROPRIATED TO THE PRESIDENT
4 INTERNATIONAL FINANCIAL INSTITUTIONS
5 CONTRIBUTION TO THE INTERNATIONAL BANK FOR
6 RECONSTRUCTION AND DEVELOPMENT

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

12 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT
13 ASSOCIATION

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

1 potential alternative funding structures for the Association
2 during 1996 and 1997.

3 CONTRIBUTION TO THE INTERNATIONAL FINANCE

4 CORPORATION

5 For payment to the International Finance Corpora-
6 tion by the Secretary of the Treasury, \$6,656,000, for the
7 United States share of the increase in subscriptions to
8 capital stock, to remain available until expended.

9 CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT

10 BANK

11 For payment to the Inter-American Development
12 Bank by the Secretary of the Treasury, for the United
13 States share of the paid-in share portion of the increase
14 in capital stock, \$25,610,667, and for the United States
15 share of the increase in the resources of the Fund for Spe-
16 cial Operations, \$10,000,000, to remain available until ex-
17 pended.

18 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

19 The United States Governor of the Inter-American
20 Development Bank may subscribe without fiscal year limi-
21 tation to the callable capital portion of the United States
22 share of such capital stock in an amount not to exceed
23 \$1,503,718,910.

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

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

8 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

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

13 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

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

19 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

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

1 CONTRIBUTION TO THE EUROPEAN BANK FOR
2 RECONSTRUCTION AND DEVELOPMENT

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

8 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9 The United States Governor of the European Bank
10 for Reconstruction and Development may subscribe with-
11 out fiscal year limitation to the callable capital portion of
12 the United States share of such capital stock in an amount
13 not to exceed \$27,805,043.

14 NORTH AMERICAN DEVELOPMENT BANK

15 For payment to the North American Development
16 Bank by the Secretary of the Treasury, for the United
17 States share of the paid-in portion of the capital stock,
18 \$50,625,000, to remain available until expended.

19 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

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

1 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

2 For necessary expenses to carry out the provisions
3 of section 301 of the Foreign Assistance Act of 1961, and
4 of section 2 of the United Nations Environment Program
5 Participation Act of 1973, \$136,000,000: *Provided*, That
6 none of the funds appropriated under this heading shall
7 be made available for the United Nations Fund for
8 Science and Technology: *Provided further*, That none of
9 the funds appropriated under this heading that are made
10 available to the United Nations Population Fund
11 (UNFPA) shall be made available for activities in the Peo-
12 ple's Republic of China: *Provided further*, That not more
13 than \$25,000,000 of the funds appropriated under this
14 heading may be made available to the UNFPA: *Provided*
15 *further*, That none of the funds appropriated under this
16 heading shall be made available to the UNFPA unless the
17 Secretary of State determines and reports to the Congress
18 that UNFPA programs in the People's Republic of China
19 have ended and the United States has received assurances
20 that the UNFPA will not resume such programs during
21 fiscal year 1997: *Provided further*, That none of the funds
22 appropriated under this heading may be made available
23 to the Korean Peninsula Energy Development Organiza-
24 tion (KEDO).

1 TITLE V—GENERAL PROVISIONS

2 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

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

9 PROHIBITION OF BILATERAL FUNDING FOR

10 INTERNATIONAL FINANCIAL INSTITUTIONS

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

14 LIMITATION ON RESIDENCE EXPENSES

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

22 LIMITATION ON EXPENSES

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

1 LIMITATION ON REPRESENTATIONAL ALLOWANCES

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

1 Development Agency”, not to exceed \$2,000 shall be avail-
2 able for representation and entertainment allowances.

3 PROHIBITION ON FINANCING NUCLEAR GOODS

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

11 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
12 COUNTRIES

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

21 MILITARY COUPS

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

1 resumed to such country if the President determines and
2 reports to the Committees on Appropriations that subse-
3 quent to the termination of assistance a democratically
4 elected government has taken office.

5 TRANSFERS BETWEEN ACCOUNTS

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

15 DEOBLIGATION/REOBLIGATION AUTHORITY

16 SEC. 510. (a) Amounts certified pursuant to section
17 1311 of the Supplemental Appropriations Act, 1955, as
18 having been obligated against appropriations heretofore
19 made under the authority of the Foreign Assistance Act
20 of 1961 for the same general purpose as any of the head-
21 ings under title II of this Act are, if deobligated, hereby
22 continued available for the same period as the respective
23 appropriations under such headings or until September
24 30, 1997, whichever is later, and for the same general pur-
25 pose, and for countries within the same region as origi-
26 nally obligated: *Provided*, That the Appropriations Com-

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

5 (b) Obligated balances of funds appropriated to carry
6 out section 23 of the Arms Export Control Act as of the
7 end of the fiscal year immediately preceding the current
8 fiscal year are, if deobligated, hereby continued available
9 during the current fiscal year for the same purpose under
10 any authority applicable to such appropriations under this
11 Act: *Provided*, That the authority of this subsection may
12 not be used in fiscal year 1997.

13 AVAILABILITY OF FUNDS

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

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

11 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

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

1 COMMERCE AND TRADE

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

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

1 duction, consultancy, publication, conference, or training
2 in connection with the growth or production in a foreign
3 country of an agricultural commodity for export which
4 would compete with a similar commodity grown or pro-
5 duced in the United States: *Provided*, That this subsection
6 shall not prohibit—

7 (1) activities designed to increase food security
8 in developing countries where such activities will not
9 have a significant impact in the export of agricul-
10 tural commodities of the United States; or

11 (2) research activities intended primarily to
12 benefit American producers.

13 SURPLUS COMMODITIES

14 SEC. 514. The Secretary of the Treasury shall in-
15 struct the United States Executive Directors of the Inter-
16 national Bank for Reconstruction and Development, the
17 International Development Association, the International
18 Finance Corporation, the Inter-American Development
19 Bank, the International Monetary Fund, the Asian Devel-
20 opment Bank, the Inter-American Investment Corpora-
21 tion, the North American Development Bank, the Euro-
22 pean Bank for Reconstruction and Development, the Afri-
23 can Development Bank, and the African Development
24 Fund to use the voice and vote of the United States to
25 oppose any assistance by these institutions, using funds
26 appropriated or made available pursuant to this Act, for

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

5 NOTIFICATION REQUIREMENTS

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

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

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

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

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

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

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

7 ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

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

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

3 PROHIBITION ON FUNDING FOR ABORTIONS AND
4 INVOLUNTARY STERILIZATION

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

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

3 POPULATION ASSISTANCE FUNDING LIMITATIONS

4 SEC. 518A. (a) IN GENERAL.—

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

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

19 (b) LOBBYING ACTIVITIES.—

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

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

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

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

1 (d) Funds made available pursuant to subsection (c)
2 shall be apportioned on a monthly basis for the first four
3 months of fiscal year 1997 only, and monthly disburse-
4 ments during such period to each organization covered by
5 said subsection may not exceed 8.34 percent of the total
6 each such organization could receive pursuant to said sub-
7 section.

8 (e) Subsections (a), (b) and (c) apply to funds made
9 available for a foreign organization either directly or as
10 a subcontractor or sub-grantee, and the required certifi-
11 cations apply to activities in which the organization en-
12 gages either directly or through a subcontractor or sub-
13 grantee.

14 (f) Funds appropriated or otherwise made available
15 in title II of this Act for population planning activities or
16 other population assistance may be made available for ob-
17 ligation and expenditure in an amount not to exceed 65
18 percent of the total amount appropriated or otherwise
19 made available by Public Law 103-306 and Public Law
20 104-19 for such activities for fiscal year 1995.

21 REPORTING REQUIREMENT

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

1 SPECIAL NOTIFICATION REQUIREMENTS

2 SEC. 520. None of the funds appropriated in this Act
3 shall be obligated or expended for Colombia, Dominican
4 Republic, Haiti, Liberia, Pakistan, Peru, Russia, Serbia,
5 South Africa, Sudan, or Zaire except as provided through
6 the regular notification procedures of the Committees on
7 Appropriations.

8 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

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

1 CHILD SURVIVAL AND AIDS ACTIVITIES

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

1 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN
2 COUNTRIES

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

10 RECIPROCAL LEASING

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

14 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

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

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

3 AUTHORIZATION REQUIREMENT

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

8 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
9 COUNTRIES

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

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

18 (2) otherwise supports international terrorism.

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

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

3 COMMERCIAL LEASING OF DEFENSE ARTICLES

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

18 COMPETITIVE INSURANCE

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

1 STINGERS IN THE PERSIAN GULF REGION

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

9 DEBT-FOR-DEVELOPMENT

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

23 SEPARATE ACCOUNTS

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

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

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

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

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

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

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

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

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

4 (i) project and sector assistance activities,
5 or
6 (ii) debt and deficit financing; or

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

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

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

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

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

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

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

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

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

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

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

20 COMPENSATION FOR UNITED STATES EXECUTIVE DIREC-
21 TORS TO INTERNATIONAL FINANCING INSTITUTIONS

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

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

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

17 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST
18 IRAQ

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

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

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

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

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

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

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

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

23 POW/MIA MILITARY DRAWDOWN

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

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

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

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

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

3 MEDITERRANEAN EXCESS DEFENSE ARTICLES

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

13 CASH FLOW FINANCING

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

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

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

16 IMPACT ON JOBS IN THE UNITED STATES

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

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

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

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

22 AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

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

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

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

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

22 RESTRICTIONS ON THE TERMINATION OF SANCTIONS

23 AGAINST SERBIA AND MONTENEGRO

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

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

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

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

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

10 (1) there is substantial progress toward—

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

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

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

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

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

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

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

5 SPECIAL AUTHORITIES

6 SEC. 541. (a) Funds appropriated in title II of this
7 Act that are made available for Afghanistan, Lebanon,
8 and Cambodia, and for victims of war, displaced children,
9 displaced Burmese, humanitarian assistance for Romania,
10 and humanitarian assistance for the peoples of Bosnia and
11 Herzegovina, Croatia, and Kosova, may be made available
12 notwithstanding any other provision of law: *Provided*,
13 That any such funds that are made available for Cam-
14 bodia shall be subject to the provisions of section 531(e)
15 of the Foreign Assistance Act of 1961 and section 906
16 of the International Security and Development Coopera-
17 tion Act of 1985: *Provided further*, That the President
18 shall terminate assistance to any country or organization
19 that he determines is cooperating, tactically or strategi-
20 cally, with the Khmer Rouge in their military operations,
21 or to the military of any country which the President de-
22 termines is not taking steps to prevent a pattern or prac-
23 tice of commercial relations between its members and the
24 Khmer Rouge.

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

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

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

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

16 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT
17 OF ISRAEL

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

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

24 (2) the President should—

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

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

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

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

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

21 ANTI-NARCOTICS ACTIVITIES

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

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

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

13 ELIGIBILITY FOR ASSISTANCE

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

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

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

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

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

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

5 EARMARKS

6 SEC. 544A. (a) Funds appropriated by this Act which
7 are earmarked may be reprogrammed for other programs
8 within the same account notwithstanding the earmark if
9 compliance with the earmark is made impossible by oper-
10 ation of any provision of this or any other Act or, with
11 respect to a country with which the United States has an
12 agreement providing the United States with base rights
13 or base access in that country, if the President determines
14 that the recipient for which funds are earmarked has sig-
15 nificantly reduced its military or economic cooperation
16 with the United States since enactment of the Foreign Op-
17 erations, Export Financing, and Related Programs Appro-
18 priations Act, 1991; however, before exercising the author-
19 ity of this subsection with regard to a base rights or base
20 access country which has significantly reduced its military
21 or economic cooperation with the United States, the Presi-
22 dent shall consult with, and shall provide a written policy
23 justification to the Committees on Appropriations: *Pro-*
24 *vided*, That any such reprogramming shall be subject to
25 the regular notification procedures of the Committees on
26 Appropriations: *Provided further*, That assistance that is

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

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

18 CEILINGS AND EARMARKS

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

23 PROHIBITION ON PUBLICITY OR PROPAGANDA

24 SEC. 546. No part of any appropriation contained in
25 this Act shall be used for publicity or propaganda purposes
26 within the United States not authorized before the date

1 of enactment of this Act by the Congress: *Provided*, That
2 not to exceed \$750,000 may be made available to carry
3 out the provisions of section 316 of Public Law 96-533.

4 USE OF AMERICAN RESOURCES

5 SEC. 547. To the maximum extent possible, assist-
6 ance provided under this Act should make full use of
7 American resources, including commodities, products, and
8 services.

9 PROHIBITION OF PAYMENTS TO UNITED NATIONS

10 MEMBERS

11 SEC. 548. None of the funds appropriated or made
12 available pursuant to this Act for carrying out the Foreign
13 Assistance Act of 1961, may be used to pay in whole or
14 in part any assessments, arrearages, or dues of any mem-
15 ber of the United Nations.

16 CONSULTING SERVICES

17 SEC. 549. The expenditure of any appropriation
18 under this Act for any consulting service through procure-
19 ment contract, pursuant to section 3109 of title 5, United
20 States Code, shall be limited to those contracts where such
21 expenditures are a matter of public record and available
22 for public inspection, except where otherwise provided
23 under existing law, or under existing Executive order pur-
24 suant to existing law.

1 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

2 SEC. 550. None of the funds appropriated or made
3 available pursuant to this Act shall be available to a pri-
4 vate voluntary organization which fails to provide upon
5 timely request any document, file, or record necessary to
6 the auditing requirements of the Agency for International
7 Development.

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

12 SEC. 551. (a) None of the funds appropriated or oth-
13 erwise made available by this Act may be available to any
14 foreign government which provides lethal military equip-
15 ment to a country the government of which the Secretary
16 of State has determined is a terrorist government for pur-
17 poses of section 40(d) of the Arms Export Control Act.
18 The prohibition under this section with respect to a for-
19 eign government shall terminate 12 months after that gov-
20 ernment ceases to provide such military equipment. This
21 section applies with respect to lethal military equipment
22 provided under a contract entered into after the date of
23 enactment of this Act.

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

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

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

11 WITHHOLDING OF ASSISTANCE FOR PARKING FINES
12 OWED BY FOREIGN COUNTRIES

13 SEC. 552. (a) IN GENERAL.—Of the funds made
14 available for a foreign country under part I of the Foreign
15 Assistance Act of 1961, an amount equivalent to 110 per-
16 cent of the total unpaid fully adjudicated parking fines
17 and penalties owed to the District of Columbia by such
18 country as of the date of enactment of this Act shall be
19 withheld from obligation for such country until the Sec-
20 retary of State certifies and reports in writing to the ap-
21 propriate congressional committees that such fines and
22 penalties are fully paid to the government of the District
23 of Columbia.

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

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

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

6 SEC. 553. None of the funds appropriated by this Act
7 may be obligated for assistance for the Palestine Libera-
8 tion Organization for the West Bank and Gaza unless the
9 President has exercised the authority under section 604(a)
10 of the Middle East Peace Facilitation Act of 1995 (title
11 VI of Public Law 104–107) or any other legislation to sus-
12 pend or make inapplicable section 307 of the Foreign As-
13 sistance Act of 1961 and that suspension is still in effect:
14 *Provided*, That if the President fails to make the certifi-
15 cation under section 604(b)(2) of the Middle East Peace
16 Facilitation Act of 1995 or to suspend the prohibition
17 under other legislation, funds appropriated by this Act
18 may not be obligated for assistance for the Palestine Lib-
19 eration Organization for the West Bank and Gaza.

20 EXPORT FINANCING TRANSFER AUTHORITIES

21 SEC. 554. Not to exceed 5 percent of any appropria-
22 tion other than for administrative expenses made available
23 for fiscal year 1997 for programs under title I of this Act
24 may be transferred between such appropriations for use
25 for any of the purposes, programs and activities for which
26 the funds in such receiving account may be used, but no

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

6 WAR CRIMES TRIBUNALS

7 SEC. 555. If the President determines that doing so
8 will contribute to a just resolution of charges regarding
9 genocide or other violations of international humanitarian
10 law, the President may direct a drawdown pursuant to sec-
11 tion 552(c) of the Foreign Assistance Act of 1961, as
12 amended, of up to \$25,000,000 of commodities and serv-
13 ices for the United Nations War Crimes Tribunal estab-
14 lished with regard to the former Yugoslavia by the United
15 Nations Security Council or such other tribunals or com-
16 missions as the Council may establish to deal with such
17 violations, without regard to the ceiling limitation con-
18 tained in paragraph (2) thereof: *Provided*, That the deter-
19 mination required under this section shall be in lieu of
20 any determinations otherwise required under section
21 552(c): *Provided further*, That 60 days after the date of
22 enactment of this Act, and every 180 days thereafter, the
23 Secretary of State shall submit a report to the Committees
24 on Appropriations describing the steps the United States
25 Government is taking to collect information regarding alle-
26 gations of genocide or other violations of international law

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

4 LANDMINES

5 SEC. 556. Notwithstanding any other provision of
6 law, demining equipment available to any department or
7 agency and used in support of the clearing of landmines
8 for humanitarian purposes may be disposed of on a grant
9 basis in foreign countries, subject to such terms and condi-
10 tions as the President may prescribe.

11 RESTRICTIONS CONCERNING THE PALESTINIAN

12 AUTHORITY

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

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

9 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

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

16 (1) alcoholic beverages;

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

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

1 HUMANITARIAN ASSISTANCE

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

8 (b) EXCEPTION.—Funds may be made available with-
9 out regard to the restriction in subsection (a) if the Presi-
10 dent determines that to do so is in the national security
11 interest of the United States.

12 WITHHOLDING OF ASSISTANCE TO COUNTRIES

13 SUPPORTING NUCLEAR PLANT IN CUBA

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

22 (b) EXCEPTIONS.—The requirement of subsection (a)
23 to withhold assistance shall not apply with respect to—
24 (1) assistance to meet urgent humanitarian
25 needs including disaster and refugee relief;

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

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

6 (4) the development of a free market economic
7 system; and

8 (5) assistance for the purposes described in the
9 Cooperative Threat Reduction Act of 1993 (title XII
10 of Public Law 103–160).

11 EQUITABLE ALLOCATION OF FUNDS

12 SEC. 561. Not more than 20 percent of the funds
13 appropriated by this Act to carry out the provisions of sec-
14 tions 103 through 106 and chapter 4 of part II of the
15 Foreign Assistance Act of 1961, that are made available
16 for Latin America and the Caribbean region may be made
17 available, through bilateral and Latin America and the
18 Caribbean regional programs, to provide assistance for
19 any country in such region.

20 PURCHASE OF AMERICAN-MADE EQUIPMENT AND

21 PRODUCTS

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

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

7 LIMITATION OF FUNDS FOR NORTH AMERICAN
8 DEVELOPMENT BANK

9 SEC. 563. None of the funds appropriated in this Act
10 under the heading “North American Development Bank”
11 and made available for the Community Adjustment and
12 Investment Program shall be used for purposes other than
13 those set out in the binational agreement establishing the
14 Bank.

15 INTERNATIONAL DEVELOPMENT ASSOCIATION

16 SEC. 564. In order to pay for the United States con-
17 tribution to the tenth replenishment of the resources of
18 the International Development Association authorized in
19 section 526 of Public Law 103–87, there is authorized to
20 be appropriated, without fiscal year limitation,
21 \$525,000,000 for payment by the Secretary of the Treas-
22 ury.

23 SPECIAL DEBT RELIEF FOR THE POOREST

24 SEC. 565. (a) AUTHORITY TO REDUCE DEBT.—The
25 President may reduce amounts owed to the United States

1 (or any agency of the United States) by an eligible country
2 as a result of—

3 (1) guarantees issued under sections 221 and
4 222 of the Foreign Assistance Act of 1961; or

5 (2) credits extended or guarantees issued under
6 the Arms Export Control Act.

7 (b) LIMITATIONS.—

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

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

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

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

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

3 (2) has not repeatedly provided support for acts
4 of international terrorism;

5 (3) is not failing to cooperate on international
6 narcotics control matters;

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

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

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

18 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
19 duction of debt pursuant to subsection (a) shall not be
20 considered assistance for purposes of any provision of law
21 limiting assistance to a country. The authority provided
22 by subsection (a) may be exercised notwithstanding sec-
23 tion 620(r) of the Foreign Assistance Act of 1961.

24 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES
25 SEC. 566. (a) LOANS ELIGIBLE FOR SALE, REDUC-
26 TION, OR CANCELLATION.—

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

12 (A) debt-for-equity swaps, debt-for-develop-
13 ment swaps, or debt-for-nature swaps; or

14 (B) a debt buyback by an eligible country
15 of its own qualified debt, only if the eligible
16 country uses an additional amount of the local
17 currency of the eligible country, equal to not
18 less than 40 percent of the price paid for such
19 debt by such eligible country, or the difference
20 between the price paid for such debt and the
21 face value of such debt, to support activities
22 that link conservation and sustainable use of
23 natural resources with local community develop-
24 ment, and child survival and other child devel-
25 opment, in a manner consistent with sections

1 707 through 710 of the Foreign Assistance Act
2 of 1961, if the sale, reduction, or cancellation
3 would not contravene any term or condition of
4 any prior agreement relating to such loan.

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

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

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

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

6 (c) ELIGIBLE PURCHASERS.—A loan may be sold
7 pursuant to subsection (a)(1)(A) only to a purchaser who
8 presents plans satisfactory to the President for using the
9 loan for the purpose of engaging in debt-for-equity swaps,
10 debt-for-development swaps, or debt-for-nature swaps.

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

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

22 LIBERIA

23 SEC. 567. Funds appropriated by this Act may be
24 made available for assistance for Liberia notwithstanding
25 section 620(q) of the Foreign Assistance Act of 1961 and
26 section 512 of this Act.

GUATEMALA

1
2 SEC. 568. (a) Funds provided in this Act may be
3 made available for the Guatemalan military forces, and
4 the restrictions on Guatemala under the headings “Inter-
5 national Military Education and Training” and “Foreign
6 Military Financing Program” shall not apply, only if the
7 President determines and certifies to the Congress that
8 the Guatemalan military is cooperating with efforts to re-
9 solve human rights abuses which elements of the Guate-
10 malan military forces are alleged to have committed, or-
11 dered or attempted to thwart the investigation of.

12 (b) The prohibition contained in subsection (a) shall
13 not apply to funds made available to implement a ceasefire
14 or peace agreement.

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

18 (d) Any funds made available pursuant to subsections
19 (a) and (b) for international military education and train-
20 ing may only be for expanded international military edu-
21 cation and training.

SANCTIONS AGAINST COUNTRIES HARBORING WAR

CRIMINALS

24 SEC. 569. (a) BILATERAL ASSISTANCE.—The Presi-
25 dent is authorized to withhold funds appropriated by this
26 Act under the Foreign Assistance Act of 1961 or the Arms

1 Export Control Act for any country described in sub-
2 section (c).

3 (b) MULTILATERAL ASSISTANCE.—The Secretary of
4 the Treasury should instruct the United States executive
5 directors of the international financial institutions to work
6 in opposition to, and vote against, any extension by such
7 institutions of financing or financial or technical assist-
8 ance to any country described in subsection (c).

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

13 (1) have been indicted by the International
14 Criminal Tribunal for the former Yugoslavia, the
15 International Criminal Tribunal for Rwanda, or any
16 other international tribunal with similar standing
17 under international law, or

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

22 (A) the Nazi government of Germany;

23 (B) any government in any area occupied
24 by the military forces of the Nazi government
25 of Germany;

1 (C) any government which was established
2 with the assistance or cooperation of the Nazi
3 government; or

4 (D) any government which was an ally of
5 the Nazi government of Germany.

6 LIMITATION ON ASSISTANCE FOR HAITI

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

11 (1) the Government is conducting thorough in-
12 vestigations of extrajudicial and political killings;
13 and

14 (2) the Government is cooperating with United
15 States authorities in the investigations of political
16 and extrajudicial killings.

17 (b) Nothing in this section shall be construed to re-
18 strict the provision of humanitarian or electoral assist-
19 ance.

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

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

1 LIMITATION OF ASSISTANCE TO TURKEY

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

6 REPORTS REGARDING HONG KONG

7 SEC. 572. (a) Section 301 of the United States-Hong
8 Kong Policy Act of 1992 (22 U.S.C. 5731) is amended
9 in the text above paragraph (1) by inserting “March 31,
10 1997,” after “March 31, 1996,”.

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

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

22 (2) Beijing’s plans to replace the elected legisla-
23 ture with an appointed body;

24 (3) the openness and fairness of the election of
25 the chief executive and the executive’s accountability
26 to the legislature;

- 1 (4) the treatment of political parties;
- 2 (5) the independence of the Judiciary and its
- 3 ability to exercise the power of final judgment over
- 4 Hong Kong law; and
- 5 (6) the Bill of Rights.

6 This Act may be cited as the “Foreign Operations,
7 Export Financing, and Related Programs Appropriations
8 Act, 1997”.