AN ACT

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

H. R. 3540
104TH CONGRESS
104TH CONGRESS
2d Session

H. R. 3540

AN ACT

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

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

TITLE I—EXPORT AND INVESTMENT
ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is au-
thorized to make such expenditures within the limits of
funds and borrowing authority available to such corpora-
tion, and in accordance with law, and to make such con-
tracts and commitments without regard to fiscal year limi-
tations, as provided by section 104 of the Government
Corporation Control Act, as may be necessary in carrying
out the program for the current fiscal year for such cor-
poration: Provided, That none of the funds available dur-
ing the current fiscal year may be used to make expendi-
tures, contracts, or commitments for the export of nuclear
equipment, fuel, or technology to any country other than
a nuclear-weapon State as defined in Article IX of the
Treaty on the Non-Proliferation of Nuclear Weapons eligi-
ble to receive economic or military assistance under this
Act that has detonated a nuclear explosive after the date
of enactment of this Act.
For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $726,000,000 to remain available until September 30, 1998: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until 2012 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1997 and 1998: Provided further, That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: Provided further, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

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

OVERSEAS PRIVATE INVESTMENT CORPORATION
NONCREDIT ACCOUNT

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

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $72,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1997 and 1998: Provided further, That such sums shall remain available through fiscal year 2005 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997, and through fiscal year 2006 for the disbursement of direct and guaranteed loans obligated in fiscal year 1998. In ad-
dition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

**Funds Appropriated to the President**

**Trade and Development Agency**

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $38,000,000, to remain available for obligation until September 30, 1998: Provided, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1998, for necessary expenses under this paragraph: Provided further, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

**Title II—Bilateral Economic Assistance**

**Funds Appropriated to the President**

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

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other diseases, and related activities, in addition to funds otherwise available for such purposes, $600,000,000, to remain available until expended: Provided, That this amount shall be made available for such activities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria and other diseases, (7) not to exceed $98,000,000 for basic education programs for children, and (8) a contribution on a grant basis to the United Nations Children’s Fund (UNICEF) pursuant to section 301 of the Foreign Assistance Act of 1961.
DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961, $1,150,000,000, to remain available until September 30, 1998: Provided, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant’s religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants
shall comply with the requirements of the previous proviso:

Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export finance, and related programs, the term “motivate”, as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: Provided further, That the total amount of funds appropriated under this heading and under the heading “Child Survival and Disease Programs Fund” should be made available for each of the sub-Saharan Africa and Latin America and Caribbean regions in at least the same proportion as the total amount identified in the fiscal year 1997 draft congressional presentation document for development assistance for each such region is to the total amount requested for development assistance for such fiscal year.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total
annual funding for international activities from sources other than the United States Government: Provided, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the “Foreign Assistance and Related Programs Appropriations Act, 1985” (as enacted in Public Law 98–473) shall be superseded by the provisions of this section, except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph.

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

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $190,000,000, to remain available until expended.
DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, $10,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding...
section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That funds made available under this heading shall remain available until September 30, 1998.

HOUSING GUARANTY PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $500,000, to remain available until September 30, 1998: Provided, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $6,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961: Provided further, That funds appropriated under this heading for the cost of
guaranteed loans may be made available for obligation only for activities in South Africa.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

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

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $465,750,000: Provided, That of this amount not more than $1,475,000 may be made available to pay for printing costs: Provided further, That none of the funds appropriated by this Act for programs administered by the Agency for International Development (AID) may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of $25,000 without the approval of the Administrator of the Agency or the Administrator’s designee.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $30,000,000, to remain available until September 30, 1998, which sum shall be available for the Of-

**Other Bilateral Economic Assistance**

**Economic Support Fund**

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,336,000,000, to remain available until September 30, 1998: Provided, That any funds appropriated under this heading that are made available for Israel shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That none of the funds appropriated under this heading shall be made available for Zaire.

**International Fund for Ireland**

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 1998.
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ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

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

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.
(d) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.

(e) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

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

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE Former SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for
the new independent states of the former Soviet Union
and for related programs, $590,000,000, to remain avail-
able until September 30, 1998: Provided, That the provi-
sions of section 498B(j) of the Foreign Assistance Act of
1961 shall apply to funds appropriated by this paragraph.

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

(1) unless that Government is making progress
in implementing comprehensive economic reforms
based on market principles, private ownership, negoti-
ating repayment of commercial debt, respect for
commercial contracts, and equitable treatment of
foreign private investment; and

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

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

d) None of the funds appropriated under this heading shall be made available to any government of the new
independent states of the former Soviet Union if that gov-
ernment directs any action in violation of the territorial
integrity or national sovereignty of any other new inde-
pendent state, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines and reports to the Committees on Appropriations that to do so is in the national security interest of the United States: Provided further, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

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

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.
(i) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations: *Provided*, That grantees and contractors should, to the maximum extent possible, place in key staff positions specialists with prior on the ground expertise in the region of activity and fluency in one of the local languages.

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

(k)(1) None of the funds appropriated under this heading may be made available for Russia unless the
President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(2) Subparagraph (1) shall not apply if the President determines and reports to the Committees on Appropriations that making such funds available is important to the national security interest of the United States. Any such determination shall cease to be effective six months after being made unless the President determines that its continuation is important to the national security interest of the United States.

(l) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.
(m)(1) Notwithstanding section 907 of the FREE-
DOM Support Act or any other provision of law, non-
governmental organizations and private voluntary organi-
izations shall not be precluded from using facilities or vehi-
cles of the Government of Azerbaijan to provide humani-
tarian assistance to refugees and internally displaced per-
sons in Azerbaijan with funds made available under this
heading, or from using such assistance to make necessary
repairs to such facilities (such as health clinics and hous-
ing) or vehicles that are used to provide the assistance.

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

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

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96–533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, $11,500,000: Provided, That when, with the permission of the President of the Foundation, funds made available to a grantee are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purpose for which the grant was made: Provided further, That this provision applies with respect to both interest earned before and interest earned after the enactment of this provision: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.
INTER-AMERICAN FOUNDATION

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

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $212,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 1998.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $150,000,000: Provided, That during fiscal year 1997, the Department of State may also use the authority of section 608 of the Act, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign coun-
try under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $650,000,000: Provided, That not more than $12,000,000 shall be available for administrative expenses: Provided further, That obligations of funds to the United Nations High Commissioner for Refugees for support of refugees from Rwanda shall be subject to the regular notification procedures of the Committees on Appropriations.

REFUGEE RESETTLEMENT ASSISTANCE

For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and
Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, $5,000,000.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

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

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $135,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmanent Fund, section 23 of the Arms Export Control Act for demining activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international
organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for the acquisition and provision of goods and services, or for grants to Israel necessary to support the eradication of terrorism in and around Israel: Provided, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That not to exceed
$13,000,000 may be made available to the Korean Penin-
sula Energy Development Organization (KEDO) only for
administrative expenses and heavy fuel oil costs associated
with the Agreed Framework: Provided further, That such
funds shall be subject to the regular notification proce-
dures of the Committees on Appropriations.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

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

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the
President to carry out the provisions of section 23 of the
Arms Export Control Act, $3,222,250,000: Provided, That
funds appropriated by this paragraph that are made avail-
able for Israel and Egypt shall be made available only as
grants: Provided further, That the funds appropriated by
this paragraph that are made available for Israel shall be
disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

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

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average market yield on outstanding marketable obligations of the United States of comparable maturities: Provided further, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed the following: $103,471,000 only for Greece and $147,816,000 only for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): Provided further, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Liberia, and Guatemala: Provided further, That only those countries for
which assistance was justified for the “Foreign Military
Sales Financing Program’’ in the fiscal year 1989 con-
gressional presentation for security assistance programs
may utilize funds made available under this heading for
procurement of defense articles, defense services or design
and construction services that are not sold by the United
States Government under the Arms Export Control Act:
Provided further, That, subject to the regular notification
procedures of the Committees on Appropriations, funds
made available under this heading for the cost of direct
loans may also be used to supplement the funds available
under this heading for grants, and funds made available
under this heading for grants may also be used to supple-
ment the funds available under this heading for the cost
of direct loans: Provided further, That funds appropriated
under this heading shall be expended at the minimum rate
necessary to make timely payment for defense articles and
services: Provided further, That not more than
$23,250,000 of the funds appropriated under this heading
may be obligated for necessary expenses, including the
purchase of passenger motor vehicles for replacement only
for use outside of the United States, for the general costs
of administering military assistance and sales: Provided
further, That not more than $355,000,000 of funds real-
ized pursuant to section 21(e)(1)(A) of the Arms Export
Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1997 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

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

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $30,000,000, to remain available until September 30, 1998.
CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $525,000,000, for the United States contribution to the tenth replenishment, to remain available until expended: Provided, That none of the funds made available for the International Development Association may be obligated until the Secretary of the Treasury submits a report to the Committees on Appropriations detailing the efforts made by United States officials, during discussions leading to an agreement to undertake the eleventh replenishment of the Association, to oppose the formation of an Interim Trust Fund, and fully describing the adverse impacts to the United States resulting from the Interim Trust Fund and other potential alternative funding structures for the Association during 1996 and 1997.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $6,656,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.
CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, $25,610,667, and for the United States share of the increase in the resources of the Fund for Special Operations, $10,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $1,503,718,910.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $27,500,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

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

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

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

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

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

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

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

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

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of
the United States share of such capital stock in an amount not to exceed $27,805,043.

**NORTH AMERICAN DEVELOPMENT BANK**

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

**LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS**

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed $318,750,000.

**INTERNATIONAL ORGANIZATIONS AND PROGRAMS**

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $136,000,000: Provided, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: Provided further, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People’s Republic of China: Provided further, That not more than $25,000,000 of the funds appropriated under this
heading may be made available to the UNFPA: Provided further, That none of the funds appropriated under this heading shall be made available to the UNFPA unless the Secretary of State determines and reports to the Congress that UNFPA programs in the People’s Republic of China have ended and the United States has received assurances that the UNFPA will not resume such programs during fiscal year 1997: Provided further, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO).

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

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

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

Sec. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.
LIMITATION ON RESIDENCE EXPENSES

Sec. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

Sec. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

Sec. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading “Foreign Military Financing Program”, not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be
available for representation allowances: Provided further,
That of the funds made available by this Act under the
heading “International Military Education and Training”,
not to exceed $50,000 shall be available for entertainment
allowances: Provided further, That of the funds made
available by this Act for the Inter-American Foundation,
not to exceed $2,000 shall be available for entertainment
and representation allowances: Provided further, That of
the funds made available by this Act for the Peace Corps,
not to exceed a total of $4,000 shall be available for enter-
tainment expenses: Provided further, That of the funds
made available by this Act under the heading “Trade and
Development Agency”, not to exceed $2,000 shall be avail-
able for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

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

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
COUNTRIES

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

MILITARY COUPS

Sec. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: Provided, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

Sec. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.
DEOBLIGATION/REOBLIGATION AUTHORITY

Sec. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1997, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 1997.
Sec. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading “Assistance for Eastern Europe and the Baltic States”, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: Provided further, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.
LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

Sec. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: Provided, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

Sec. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the
assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

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

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.
SURPLUS COMMODITIES

Sec. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

Sec. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for “Child Survival and Disease Programs Fund”, “Development Assistance”, “Debt restructuring”, “International organizations and programs”, “Trade and Development Agency”, “International narcotics control”, “Assistance for Eastern
Europe and the Baltic States”, “Assistance for the New
Independent States of the Former Soviet Union”, “Eco-
nomic Support Fund”, “Peacekeeping operations”, “Oper-
ating expenses of the Agency for International Develop-
ment”, “Operating expenses of the Agency for Inter-
national Development Office of Inspector General”, “Non-
proliferation, anti-terrorism, demining and related pro-
grams”, “Foreign Military Financing Program”, “Inter-
national military education and training”, “Inter-American
Foundation”, “African Development Foundation”,
“Peace Corps”, “Migration and refugee assistance”, shall
be available for obligation for activities, programs,
projects, type of materiel assistance, countries, or other
operations not justified or in excess of the amount justi-
fied to the Appropriations Committees for obligation
under any of these specific headings unless the Appropria-
tions Committees of both Houses of Congress are pre-
viously notified fifteen days in advance: Provided, That the
President shall not enter into any commitment of funds
appropriated for the purposes of section 23 of the Arms
Export Control Act for the provision of major defense
equipment, other than conventional ammunition, or other
major defense items defined to be aircraft, ships, missiles,
or combat vehicles, not previously justified to Congress or
20 per centum in excess of the quantities justified to Con-
gress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a) (2) of the Foreign Assistance Act of 1961 shall be subject to the
regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for “International Organizations and Programs” shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: Provided, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1998.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

Sec. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the
Treaty of Peace Between the Arab Republic of Egypt and 
the State of Israel, done at Washington on March 26, 
1979, Israel incurred severe economic burdens. Further-
more, the Congress recognizes that an economically and 
militarily secure Israel serves the security interests of the 
United States, for a secure Israel is an Israel which has 
the incentive and confidence to continue pursuing the 
peace process. Therefore, the Congress declares that, sub-
ject to the availability of appropriations, it is the policy 
and the intention of the United States that the funds pro-
vided in annual appropriations for the Economic Support 
Fund which are allocated to Israel shall not be less than 
the annual debt repayment (interest and principal) from 
Israel to the United States Government in recognition that 
such a principle serves United States interests in the re-

gion.

PROHIBITION ON FUNDING FOR ABORTIONS AND 
INVOLUNTARY STERILIZATION

Sec. 518. None of the funds made available to carry 
out part I of the Foreign Assistance Act of 1961, as 
amended, may be used to pay for the performance of abor-
tions as a method of family planning or to motivate or 
coerce any person to practice abortions. None of the funds 
made available to carry out part I of the Foreign Assist-
ance Act of 1961, as amended, may be used to pay for 
the performance of involuntary sterilization as a method
of family planning or to coerce or provide any financial
incentive to any person to undergo sterilizations. None of
the funds made available to carry out part I of the Foreign
Assistance Act of 1961, as amended, may be used to pay
for any biomedical research which relates in whole or in
part, to methods of, or the performance of, abortions or
involuntary sterilization as a means of family planning.
None of the funds made available to carry out part I of
the Foreign Assistance Act of 1961, as amended, may be
obligated or expended for any country or organization if
the President certifies that the use of these funds by any
such country or organization would violate any of the
above provisions related to abortions and involuntary steri-
lizations: Provided, That none of the funds made available
under this Act may be used to lobby for or against abor-
tion.

POPULATION ASSISTANCE FUNDING LIMITATIONS
SEC. 518A. (a) IN GENERAL.—
(1) Notwithstanding any other provision of this
Act, funds appropriated by this Act for population
assistance activities may be made available for a for-

eign private or nongovernmental organization only if
the organization certifies that it will not during the
period for which the funds are made available, per-
form abortions in any foreign country, except where
the life of the mother would be endangered if the

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

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

(b) LOBBYING ACTIVITIES.—

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

(2) Notwithstanding any other provision of this
Act, paragraph (1) shall not apply to activities in
opposition to coercive abortion or involuntary sterilization.

(c) Notwithstanding subsections (a)(1) and (b)(1), a foreign private or nongovernmental organization may receive funds appropriated by this Act for population assistance activities in the absence of the certifications required in said subsections, but funds made available for each such organization by this Act shall not exceed 50 percent of the funds made available to the organization during fiscal year 1995. Funds for population assistance activities may not be made available for any foreign private or nongovernmental organization that did not receive such funds during fiscal year 1995 unless the organization meets the certification requirements of subsections (a)(1) and (b)(1).

(d) Funds made available pursuant to subsection (e) shall be apportioned on a monthly basis for the first four months of fiscal year 1997 only, and monthly disbursements during such period to each organization covered by said subsection may not exceed 8.34 percent of the total each such organization could receive pursuant to said subsection.

(e) Subsections (a), (b) and (c) apply to funds made available for a foreign organization either directly or as a subcontractor or sub-grantee, and the required certifications apply to activities in which the organization en-
gages either directly or through a subcontractor or sub-
grantee.

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

REPORTING REQUIREMENT

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

SPECIAL NOTIFICATION REQUIREMENTS

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

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

Sec. 521. For the purpose of this Act, “program,
project, and activity” shall be defined at the Appropria-
tions Act account level and shall include all Appropriations
and Authorizations Acts earmarks, ceilings, and limita-
tions with the exception that for the following accounts:
Economic Support Fund and Foreign Military Financing Program, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development “program, project, and activity” shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of acquired immune deficiency syndrome in developing countries: Provided, That funds
appropriate by this Act that are made available for child
survival activities or activities relating to research on, and
the treatment and control of, acquired immune deficiency
syndrome may be made available notwithstanding any pro-
vision of law that restricts assistance to foreign countries:

Provided further, That funds appropriated by this Act that
are made available for family planning activities may be
made available notwithstanding section 512 of this Act
and section 620(q) of the Foreign Assistance Act of 1961.

Prohibition Against Indirect Funding to Certain
Countries

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

Reciprocal Leasing

Sec. 524. Section 61(a) of the Arms Export Control
Act is amended by striking out “1996” and inserting in
lieu thereof “1997”.

Notification on Excess Defense Equipment

Sec. 525. Prior to providing excess Department of
Defense articles in accordance with section 516(a) of the
Foreign Assistance Act of 1961, the Department of De-
fense shall notify the Committees on Appropriations to the
same extent and under the same conditions as are other
committees pursuant to subsection (c) of that section: Pro-
vided, That before issuing a letter of offer to sell excess
defense articles under the Arms Export Control Act, the
Department of Defense shall notify the Committees on
Appropriations in accordance with the regular notification
procedures of such Committees: Provided further, That
such Committees shall also be informed of the original ac-
quision cost of such defense articles.

AUTHORIZATION REQUIREMENT

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

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assist-
ance under any heading of this Act and funds appro-
priated under any such heading in a provision of law en-
acted prior to enactment of this Act, shall not be made
available to any country which the President determines—
(1) grants sanctuary from prosecution to any
individual or group which has committed an act of
international terrorism, or
(2) otherwise supports international terrorism.
(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.
COMPETITIVE INSURANCE

SEC. 528A. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 529. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 530. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of
this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

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

(B) enter into an agreement with that government which sets forth—

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

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.
(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

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

(i) project and sector assistance activities,

or

(ii) debt and deficit financing; or

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

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

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

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading “Sub-Saharan Africa, Development Assistance” as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

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

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—

(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assist-
ance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) **Applicability of Other Provisions of Law.**—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98–1159).

(3) **Notification.**—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) **Exemption.**—Nonproject sector assistance funds may be exempt from the requirements of subsection (b) (1) only through the notification procedures of the Committees on Appropriations.
COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCING INSTITUTIONS

Sec. 532. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, “international financial institutions” are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.
COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

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

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

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

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

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

(1) the importation of products of Iraq, Serbia,
or Montenegro into its customs territory, and
(2) the export of its products to Iraq, Serbia,
or Montenegro, as the case may be.

POW/MIA MILITARY DRAWDOWN

SEC. 534. (a) Notwithstanding any other provision
of law, the President may direct the drawdown, without
reimbursement by the recipient, of defense articles from
the stocks of the Department of Defense, defense services
of the Department of Defense, and military education and
training, of an aggregate value not to exceed $15,000,000
in fiscal year 1997, as may be necessary to carry out sub-
section (b).

(b) Such defense articles, services and training may
be provided to Vietnam, Cambodia and Laos, under sub-
section (a) as the President determines are necessary to
support efforts to locate and repatriate members of the
United States Armed Forces and civilians employed di-
rectly or indirectly by the United States Government who
remain unaccounted for from the Vietnam War, and to
ensure the safety of United States Government personnel
engaged in such cooperative efforts and to support United
States Department of Defense-sponsored humanitarian
projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

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

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 535. For the four-year period beginning on October 1, 1996, the President shall ensure that excess defense articles will be made available under section 516 and 519 of the Foreign Assistance Act of 1961 consistent with the manner in which the President made available excess defense articles under those sections during the four-year period that began on October 1, 1992, pursuant to section 573(e) of the Foreign Operations, Export Financing, Related Programs Appropriations Act, 1990.

CASH FLOW FINANCING

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

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

Sec. 537. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

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

(a) any financial incentive to a business enterprise currently located in the United States for the
purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

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

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

AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

SEC. 539. (a) The President is authorized to direct the transfer, subject to notification of the Committees on Appropriations, to the government of Bosnia and Herzegovina, without reimbursement, of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, of an aggregate value that equals the difference between $100,000,000 and the aggregate value of any such articles and services that were transferred under the authority of Section 540 of Public Law 104–107, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996: Provided, That the President certifies in a timely fashion to the Congress that the transfer of such defense articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(b) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

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

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

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

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

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

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

(1) there is substantial progress toward—

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

(B) the creation of an international protectorate for Kosova;

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

(3) international human rights observers are allowed to return to Kosova; and
(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) WAIVER AUTHORITY.—The President may waive the application in whole or in part, of subsection (a) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Bosnia and Herzegovina that is acceptable to the parties.

SPECIAL AUTHORITIES

Sec. 541. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia and Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: Provided further, That the President shall terminate assistance to any country or organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations,
or to the military of any country which the President determines is not taking steps to prevent a pattern or practice of commercial relations between its members and the Khmer Rouge.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

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

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

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

Sec. 542. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of
Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

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

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

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohib-
ity businesses from complying with the boy-
coff and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

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

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

ELIGIBILITY FOR ASSISTANCE

Sec. 544. (a) Assistance Through Nongovern-
mental Organizations.—Restrictions contained in this
or any other Act with respect to assistance for a country
shall not be construed to restrict assistance in support of
programs of nongovernmental organizations from funds
appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: Provided, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) Public Law 480.—During fiscal year 1997, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be
obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) Exception.—This section shall not apply—

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

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

EARMARKS

Sec. 544A. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authori
ity of this subsection with regard to a base rights or base
access country which has significantly reduced its military
or economic cooperation with the United States, the Presi-
dent shall consult with, and shall provide a written policy
justification to the Committees on Appropriations: Pro-
vided, That any such reprogramming shall be subject to
the regular notification procedures of the Committees on
 Appropriations: Provided further, That assistance that is
reprogrammed pursuant to this subsection shall be made
available under the same terms and conditions as origi-
nally provided.

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

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

PROHIBITION ON PUBLICITY OR PROPAGANDA

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

USE OF AMERICAN RESOURCES

Sec. 547. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

Sec. 548. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.
CONSULTING SERVICES

Sec. 549. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

Sec. 550. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

Sec. 551. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act.
The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

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

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 552. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be
withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term “appropriate congressional committees” means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

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

SEC. 553. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act
may not be obligated for assistance for the Palestine Lib-
eration Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

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

WAR CRIMES TRIBUNALS

SEC. 555. If the President determines that doing so
will contribute to a just resolution of charges regarding
genocide or other violations of international humanitarian
law, the President may direct a drawdown pursuant to sec-
tion 552(c) of the Foreign Assistance Act of 1961, as
amended, of up to $50,000,000 of commodities and serv-
ices for the United Nations War Crimes Tribunal estab-
lished with regard to the former Yugoslavia by the United
Nations Security Council or such other tribunals or com-
missions as the Council may establish to deal with such
violations, without regard to the ceiling limitation con-
tained in paragraph (2) thereof: Provided, That the deter-
mination required under this section shall be in lieu of
any determinations otherwise required under section
552(c): Provided further, That 60 days after the date of
enactment of this Act, and every 180 days thereafter, the
Secretary of State shall submit a report to the Committees
on Appropriations describing the steps the United States
Government is taking to collect information regarding alle-
gations of genocide or other violations of international law
in the former Yugoslavia and to furnish that information
to the United Nations War Crimes Tribunal for the former
Yugoslavia.

LANDMINES

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

RESTRICTIONS CONCERNING THE PALESTINIAN
AUTHORITY

Sec. 557. None of the funds appropriated by this Act
may be obligated or expended to create in any part of Je-
rusalem a new office of any department or agency of the
United States Government for the purpose of conducting
official United States Government business with the Pal-
estinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-
PLO Declaration of Principles: Provided, That this re-
striction shall not apply to the acquisition of additional
space for the existing Consulate General in Jerusalem:
Provided further, That meetings between officers and em-
ployees of the United States and officials of the Palestin-
ian Authority, or any successor Palestinian governing en-
tity provided for in the Israel-PLO Declaration of Prin-
ciples, for the purpose of conducting official United States
Government business with such authority should continue
to take place in locations other than Jerusalem. As has
been true in the past, officers and employees of the United
States Government may continue to meet in Jerusalem on
other subjects with Palestinians (including those who now
occupy positions in the Palestinian Authority), have social
contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

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

(1) alcoholic beverages;
(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

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

HUMANITARIAN ASSISTANCE

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

(b) EXCEPTION.—Funds (other than funds appropriated in this Act under the heading “Economic Support Fund”) may be made available without regard to the restriction in subsection (a) if the President determines that to do so is in the national security interest of the United States.

WITHHOLDING OF ASSISTANCE TO COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA

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

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

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

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

(3) support for private sector and nongovernmental organizations that are independent of government control;

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

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

EQUITABLE ALLOCATION OF FUNDS

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

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

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

(b) Notice Requirement.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

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

INTERNATIONAL DEVELOPMENT ASSOCIATION

SEC. 564. In order to pay for the United States contribution to the tenth replenishment of the resources of the International Development Association authorized in...
section 526 of Public Law 103–87, there is authorized to be appropriated, without fiscal year limitation, $525,000,000 for payment by the Secretary of the Treasury.

SPECIAL DEBT RELIEF FOR THE POOREST

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

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

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

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as “Paris Club Agreed Minutes”.

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

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

(e) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

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

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

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

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

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

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt restructuring”.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be
considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 566. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

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

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

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

(4) LIMITATION. — The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

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

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

(d) DEBTOR CONSULTATIONS. — Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.
(e) **Availability of Funds.**—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt restructuring”.

**Liberia**

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

**Guatemala**

SEC. 568. (a) Funds provided in this Act may be made available for the Guatemalan military forces, and the restrictions on Guatemala under the headings “International Military Education and Training” and “Foreign Military Financing Program” shall not apply, only if the President determines and certifies to the Congress that the Guatemalan military is cooperating with efforts to resolve human rights abuses which elements of the Guatemalan military forces are alleged to have committed, ordered or attempted to thwart the investigation of.

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

(e) Any funds made available pursuant to subsections (a) or (b) shall be subject to the regular notification procedures of the Committees on Appropriations.
(d) Any funds made available pursuant to subsections (a) and (b) for international military education and training may only be for expanded international military education and training.

SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS

SEC. 569. (a) BILATERAL ASSISTANCE.—The President is authorized to withhold funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

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

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

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

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

(A) the Nazi government of Germany;

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

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

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

LIMITATION ON ASSISTANCE FOR HAITI

SEC. 570. (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act, may be provided to the Government of Haiti until the President reports to Congress that—

(1) the Government is conducting thorough investigations of extrajudicial and political killings, including the murders of Mireille Bertin, Michel Gonzalez, and Jean Hubert Feuille; and

(2) the Government is cooperating with United States authorities in the investigations of political and extrajudicial killings.
(b) Nothing in this section shall be construed to restrict the provision of humanitarian or electoral assistance.

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

d) The authority contained in the previous subsection to make such a determination may be exercised by the President only and may not be delegated.

LIMITATION OF ASSISTANCE TO TURKEY

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

REPORTS REGARDING HONG KONG

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

(b) In light of the deficiencies in reports submitted to the Congress pursuant to section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731), the Congress directs that the additional report required to be submitted under such section by subsection (a) of this section include detailed information on the status of, and other
developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong Kong, including—

(1) the Basic Law and its consistency with the Joint Declaration;
(2) Beijing’s plans to replace the elected legislature with an appointed body;
(3) the openness and fairness of the election of the chief executive and the executive’s accountability to the legislature;
(4) the treatment of political parties;
(5) the independence of the Judiciary and its ability to exercise the power of final judgment over Hong Kong law; and
(6) the Bill of Rights.

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

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

(1) the funds are to be used to purchase any equipment or product made in a country other than such foreign country or the United States; and
(2) substantially similar equipment or products are made in the United States and available for pur-
chase at a price that is not more than 10 percent higher.

LIMITATION ON ASSISTANCE TO TURKEY

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

LIMITATION ON FOREIGN MILITARY FINANCING

SEC. 575. None of the funds made available under the heading “Foreign Military Financing Program” may be made available for any country when it is made known to the President that the government of such country has not agreed to the Department of Defense conducting during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency.
LIMITATION UNDER ARMS EXPORT CONTROL ACT

Sec. 576. Not more than $100,000,000 of the funds made available under the heading “Foreign Military Financing Program” may be made available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt.

LIMITATION ON ASSISTANCE TO MEXICO

Sec. 577. None of the funds appropriated or otherwise made available by this Act may be obligated or expended for the Government of Mexico, except if it is made known to the Federal entity or official to which funds are appropriated under this Act that—

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

(2) the Government of Mexico—

(A) is taking effective actions to apply vigorously all law enforcement resources to investigate, track, capture, incarcerate, and prosecute individuals controlling, supervising, or managing international narcotics cartels or other similar entities and the accomplices of such individuals, individuals responsible for, or
otherwise involved in, corruption, and individuals involved in money-laundering;

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

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

(D) is cooperating fully with requests by the United States for assistance in investigations of money-laundering violations and is making progress toward implementation of effective laws to prohibit money-laundering.

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

Passed the House of Representatives June 11, 1996.

Attest:

Clerk.