

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2404

To authorize appropriations for foreign assistance programs, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 1993

Mr. HAMILTON introduced the following bill; which was referred to the Committee on Foreign Affairs

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## A BILL

To authorize appropriations for foreign assistance programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Foreign Assistance Au-  
5 thorization Act of 1993”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

### TITLE I—REFORM OF FOREIGN ASSISTANCE PROGRAMS

- Sec. 101. Need for foreign assistance reform.
- Sec. 102. Evaluation and accountability.

TITLE II—AUTHORIZATIONS FOR FOREIGN ASSISTANCE  
PROGRAMS

- Sec. 201. Authorizations of appropriations for fiscal year 1994.
- Sec. 202. Child survival activities and Vitamin A Deficiency Program and related activities.
- Sec. 203. Housing guarantee program.
- Sec. 204. Overseas Private Investment Corporation.
- Sec. 205. Special debt reduction authority.
- Sec. 206. Special Defense Acquisition Fund.

## TITLE III—REGIONAL PROVISIONS

- Sec. 301. Sub-Saharan Africa disaster assistance.
- Sec. 302. African Development Foundation.
- Sec. 303. Conflict resolution initiative for Africa.
- Sec. 304. SADC projects.
- Sec. 305. South Africa.
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- Sec. 307. Zaire.
- Sec. 308. Afghanistan humanitarian assistance.
- Sec. 309. Multilateral Assistance Initiative for the Philippines.
- Sec. 310. Assistance for Eastern Europe and the Baltics.
- Sec. 311. Assistance for the independent states of the former Soviet Union.
- Sec. 312. Assistance for Mongolia.
- Sec. 313. Termination of IMET program for Malta.
- Sec. 314. Administration of justice and other law enforcement assistance programs for Latin America and the Caribbean.
- Sec. 315. Waiver of Brooke amendment for Nicaragua.
- Sec. 316. Special notification requirements for Guatemala and Peru.
- Sec. 317. Assistance for the Middle East.
- Sec. 318. Military drawdown for Israel.

## TITLE IV—PROVISIONS RELATING TO ARMS TRANSFERS

- Sec. 401. Competitive pricing for sales of defense articles and services.
- Sec. 402. Increase in aggregate ceiling on transfers of excess defense articles.
- Sec. 403. Eligibility of East European countries to receive nonlethal excess defense articles.
- Sec. 404. Exception to payment of full cost for sales of defense training services to certain countries and international organizations.
- Sec. 405. Eligibility of major non-NATO allies to receive certain contract services in connection with sales of defense articles and services.
- Sec. 406. Additions to war reserve stockpiles for allies.
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## TITLE V—OTHER FOREIGN ASSISTANCE PROVISIONS

- Sec. 501. Interest accruing to nongovernmental organizations.
- Sec. 502. Private Sector Revolving Fund.
- Sec. 503. Development assistance through nongovernmental organizations.
- Sec. 504. Impact of foreign assistance programs on jobs in the United States.
- Sec. 505. Capital projects.
- Sec. 506. Microenterprise development.
- Sec. 507. Report on AID's implementation of Agenda 21 principles.
- Sec. 508. Authority to provide reconstruction assistance under international disaster assistance.

Sec. 509. Deobligation of certain unexpended economic assistance funds.

TITLE VI—BOSNIA-HERCEGOVINA

Sec. 601. Short title.

Sec. 602. Findings.

Sec. 603. United States arms embargo of the Government of Bosnia-Herzegovina.

Sec. 604. United States military assistance for Bosnia-Herzegovina.

Sec. 605. Authority of the Secretary of Defense.

1                   **TITLE I—REFORM OF FOREIGN**  
 2                   **ASSISTANCE PROGRAMS**

3 **SEC. 101. NEED FOR FOREIGN ASSISTANCE REFORM.**

4           (a) NEED FOR REFORM.—The Congress—

5                   (1) remains convinced that United States for-  
 6           eign assistance programs and the Agency for Inter-  
 7           national Development are in need of immediate re-  
 8           form; and

9                   (2) remains prepared to enact reform legislation  
 10          in time for the fiscal year 1995 authorization and  
 11          appropriations cycle.

12          (b) COMPREHENSIVE REFORM PLAN.—To facilitate  
 13          this reform process, the President shall submit to the Con-  
 14          gress, within 60 days after the date of enactment of this  
 15          Act, a plan for comprehensive reform of United States for-  
 16          eign assistance programs and of the agency primarily re-  
 17          sponsible for administering part I of the Foreign Assist-  
 18          ance Act of 1961.

1 **SEC. 102. EVALUATION AND ACCOUNTABILITY.**

2 Section 125 of the Foreign Assistance Act of 1961  
3 is amended to read as follows:

4 **“SEC. 125. EVALUATION AND ACCOUNTABILITY.**

5 “(a) **NEED FOR EVALUATION.**—In order to effec-  
6 tively and responsibly manage the resources with which  
7 it is provided, the agency primarily responsible for admin-  
8 istering this part must have a capacity to evaluate objec-  
9 tively the extent of its progress in achieving development  
10 results and to derive lessons from its development experi-  
11 ence.

12 “(b) **ACTIONS TO BE TAKEN.**—In furtherance of  
13 subsection (a), the President shall establish a program  
14 performance, monitoring, and evaluation capacity within  
15 the agency primarily responsible for administering this  
16 part that will do the following:

17 “(1) Enhance, through training and other  
18 means, the use of program performance, monitoring,  
19 and evaluation as a management tool, by both the  
20 agency and its counterparts in countries receiving  
21 assistance, in the planning, designing, and imple-  
22 mentation of foreign assistance projects and pro-  
23 grams.

24 “(2) Develop a program performance informa-  
25 tion system to afford agency managers at all levels  
26 a means for monitoring and assessing achievement

1 of impact and interim performance of the agency's  
2 major programs in support of the strategic manage-  
3 ment of economic assistance.

4 “(3) Prepare and disseminate objective and  
5 periodic reports on the progress of the agency in  
6 meeting development objectives and on lessons  
7 learned from its development programs.

8 “(4) Strengthen the capacity to utilize the find-  
9 ings of program performance, measurement, and  
10 evaluation in decisions of the agency about program  
11 direction and resource allocation.

12 “(5) Coordinate with the Inspector General of  
13 the agency so as to ensure appropriate  
14 complementarity of efforts, recognizing that—

15 “(A) it is the responsibility of the agency  
16 to direct a system of performance measurement  
17 and independent evaluations of its programs  
18 and policies, as well as the operational and  
19 management systems that affect the develop-  
20 ment impact of those programs and policies;  
21 and

22 “(B) it is the responsibility of the Inspec-  
23 tor General to conduct regular and comprehen-  
24 sive assessments and audits of financial man-  
25 agement and administrative systems, including

1           the adequacy of the systems for monitoring and  
2           evaluating agency projects and programs.

3           “(c) ACCOUNTABILITY.—The President shall prepare  
4 an annual report to the Congress as a separate part of  
5 the congressional presentation materials of the agency pri-  
6 marily responsible for administering this part. This report  
7 shall include the following:

8           “(1) An assessment of progress toward the  
9 achievement of sustainable development objectives,  
10 based on the findings of program performance, mon-  
11 itoring, and evaluation studies conducted by the  
12 agency and on such other empirical analyses as may  
13 be appropriate.

14           “(2) An analysis, on a country-by-country basis,  
15 of the impact on economic development in each such  
16 country during the preceding 3 to 5 fiscal years of  
17 United States economic assistance programs, with a  
18 discussion of the United States interests that were  
19 served by the assistance. Each country receiving eco-  
20 nomic assistance under this part or under the Sup-  
21 port for East European Democracy (SEED) Act of  
22 1989 shall be included in such an analysis at least  
23 once every 5 years. For each country, the analysis  
24 shall—

1           “(A) describe the specific objectives the  
2 United States sought to achieve in providing  
3 economic assistance, and specify the extent to  
4 which those objectives were or were not  
5 achieved;

6           “(B) to the extent possible, be done on a  
7 sector-by-sector basis and identify trends (both  
8 favorable and unfavorable) within each sector  
9 and, if relevant, identify any economic policy re-  
10 forms conducive to sustainable economic growth  
11 that were promoted by the assistance and the  
12 progress being made by the country in adopting  
13 economic policies that foster and enhance the  
14 freedom and opportunity of individuals to par-  
15 ticipate in economic growth in the country;

16           “(C) as part of the context of United  
17 States economic assistance, describe the amount  
18 and nature of economic assistance provided by  
19 other major donors during the preceding 3 to 5  
20 fiscal years, set forth by the development sector  
21 to the extent possible; and

22           “(D) contain statistical and other informa-  
23 tion necessary to evaluate the impact and effec-  
24 tiveness of United States economic assistance  
25 on development in the country.”.

1           **TITLE II—AUTHORIZATIONS FOR**  
2           **FOREIGN ASSISTANCE PROGRAMS**

3   **SEC. 1201. AUTHORIZATIONS OF APPROPRIATIONS FOR FIS-**  
4           **CAL YEAR 1994.**

5           (a) ECONOMIC ASSISTANCE.—There are authorized  
6 to be appropriated for fiscal year 1994 the following  
7 amounts for the following purposes:

8           (1) DEVELOPMENT ASSISTANCE FUND.—  
9           \$850,000,000 to carry out sections 103 through 106  
10          of the Foreign Assistance Act of 1961.

11          (2) POPULATION, DEVELOPMENT ASSIST-  
12          ANCE.—\$395,000,000 to carry out section 104(b) of  
13          the Foreign Assistance Act of 1961.

14          (3) DEVELOPMENT FUND FOR AFRICA.—  
15          \$900,000,000 to carry out chapter 10 of part I of  
16          the Foreign Assistance Act of 1961.

17          (4) INTERNATIONAL DISASTER ASSISTANCE.—  
18          \$148,965,000 to carry out section 491 of the For-  
19          eign Assistance Act of 1961.

20          (5) AMERICAN SCHOOLS AND HOSPITALS.—  
21          \$35,000,000 to carry out section 214 of the Foreign  
22          Assistance Act of 1961.

23          (6) MULTILATERAL ASSISTANCE INITIATIVE  
24          FOR THE PHILIPPINES.—\$30,000,000 for assistance

1 for the Philippines under chapter 4 of part I of the  
2 Foreign Assistance Act of 1961.

3 (7) ASSISTANCE FOR EASTERN EUROPE AND  
4 THE BALTIC STATES.—\$400,000,000 for economic  
5 assistance for Eastern Europe and the Baltic states  
6 under the Foreign Assistance Act of 1961 and the  
7 Support for East European Democracy (SEED) Act  
8 of 1989.

9 (8) ASSISTANCE FOR THE INDEPENDENT  
10 STATES OF THE FORMER SOVIET UNION.—  
11 \$903,820,000 to carry out chapter 11 of part I of  
12 the Foreign Assistance Act of 1961 and to carry out  
13 exchanges and training and similar programs under  
14 section 807 of the Freedom for Russia and Emerg-  
15 ing Eurasian Democracies and Open Markets Sup-  
16 port Act of 1992.

17 (9) INTER-AMERICAN FOUNDATION.—  
18 \$30,960,000 to carry out section 401 of the Foreign  
19 Assistance Act of 1969.

20 (10) AFRICAN DEVELOPMENT FOUNDATION.—  
21 \$18,000,000 to carry out the African Development  
22 Foundation Act.

23 (11) INTERNATIONAL FUND FOR IRELAND.—  
24 \$19,600,000 to carry out part I of the Foreign As-  
25 sistance Act of 1961, which shall be available for the

1 United States contribution to the International  
2 Fund for Ireland in accordance with the Anglo-Irish  
3 Agreement Support Act of 1986. Amounts appro-  
4 priated under this paragraph are authorized to re-  
5 main available until expended.

6 (b) SECURITY ASSISTANCE.—There are authorized to  
7 be appropriated for fiscal year 1994 the following amounts  
8 for the following purposes:

9 (1) FOREIGN MILITARY FINANCING PROGRAM  
10 GRANTS.—\$3,200,000,000 for grants under section  
11 23 of the Arms Export Control Act. Funds made  
12 available under this paragraph shall be nonrepayable  
13 notwithstanding any requirement of that section.

14 (2) FOREIGN MILITARY FINANCING PROGRAM  
15 LOANS.—\$57,000,000 for the cost (as defined in  
16 section 502(5) of the Federal Credit Reform Act of  
17 1990) of loans under section 23 of the Arms Export  
18 Control Act.

19 (3) ECONOMIC SUPPORT FUND.—  
20 \$2,424,400,000 to carry out chapter 4 of part II of  
21 the Foreign Assistance Act of 1961.

22 (4) INTERNATIONAL MILITARY EDUCATION AND  
23 TRAINING.—\$40,000,000 to carry out chapter 5 of  
24 part II of the Foreign Assistance Act of 1961.

1           (5)       ANTI-TERRORISM       ASSISTANCE.—  
2       \$15,555,000 to carry out chapter 8 of part II of the  
3       Foreign Assistance Act of 1961.

4           (6)       NONPROLIFERATION   AND   DISARMAMENT  
5       FUND.—\$25,000,000 to carry out section 504 of the  
6       Freedom for Russia and Emerging Eurasian Democ-  
7       racies and Open Markets Support Act of 1992.

8           (c)       PEACE CORPS.—There are authorized to be ap-  
9       propriated \$219,745,000 for fiscal year 1994 to carry out  
10      the Peace Corps Act.

11          (d)       REDUCTION IN PREVIOUSLY ENACTED AUTHOR-  
12      IZATION FOR INTERNATIONAL NARCOTICS CONTROL AS-  
13      SISTANCE.—Section 482(a)(1) of the Foreign Assistance  
14      Act of 1961 is amended by striking “\$171,500,000” and  
15      inserting “\$135,000,000”.

16          (e)       RULE OF CONSTRUCTION.—In order to ensure  
17      that all otherwise applicable authorities, restrictions, and  
18      other provisions of law apply with respect to the amounts  
19      that are authorized to be appropriated by this section for  
20      fiscal year 1994, those amounts shall be deemed to be au-  
21      thorized to be appropriated by the provision of the Foreign  
22      Assistance Act of 1961 or other Act that provided the cor-  
23      responding authorization of appropriations for prior fiscal  
24      years.

1 **SEC. 202. CHILD SURVIVAL ACTIVITIES AND VITAMIN A DE-**  
2 **FICIENCY PROGRAM AND RELATED ACTIVI-**  
3 **TIES.**

4 (a) CHILD SURVIVAL ACTIVITIES.—The Congress ex-  
5 pects that not less than \$275,000,000 of the funds made  
6 available for fiscal year 1994 to carry out part I of the  
7 Foreign Assistance Act of 1961 (relating to development  
8 and other economic assistance) will be used for child sur-  
9 vival activities.

10 (b) VITAMIN A DEFICIENCY PROGRAM AND RELATED  
11 ACTIVITIES.—The Congress expects that not less than  
12 \$25,000,000 of the funds made available for fiscal year  
13 1994 to carry out sections 103 through 106 of the Foreign  
14 Assistance Act of 1961 (relating to development assist-  
15 ance) will be made available for the Vitamin A Deficiency  
16 Program and activities relating to iodine deficiency and  
17 other micro-nutrients.

18 **SEC. 203. HOUSING GUARANTEE PROGRAM.**

19 (a) AUTHORIZATIONS.—

20 (1) COST OF GUARANTEED LOANS.—There are  
21 authorized to be appropriated \$16,407,000 for fiscal  
22 year 1994 for the cost (as defined in section 502(5)  
23 of the Federal Credit Reform Act of 1990) of guar-  
24 anteed loans under sections 221 and 222 of the For-  
25 eign Assistance Act of 1961.

1           (2) PROGRAM CEILING.—Section 222(a) of that  
2 Act is amended by striking “\$2,558,000,000” in the  
3 second sentence and inserting “\$3,000,000,000”.

4           (3) PROGRAM EXPIRATION DATE.—Section  
5 222(a) of that Act is amended by striking “1992”  
6 in the third sentence and inserting “1995”.

7           (4) ADMINISTRATIVE EXPENSES.—(A) There  
8 are authorized to be appropriated \$8,407,000 for  
9 fiscal year 1994 for administrative expenses to carry  
10 out guaranteed loan programs under sections 221  
11 and 222 of that Act. Amounts appropriated under  
12 this paragraph are authorized to remain available  
13 until expended.

14           (B) Amounts appropriated under this para-  
15 graph may be transferred to and merged with the  
16 appropriations for “Operating Expenses of the  
17 Agency for International Development”.

18           (b) PREFERENTIAL TREATMENT TO PROJECTS IN  
19 POORER COUNTRIES.—Section 222 of the Foreign Assist-  
20 ance Act of 1961 is amended—

21           (1) by redesignating subsection (k) as sub-  
22 section (e); and

23           (2) by inserting after subsection (c) the follow-  
24 ing:

1       “(d) PREFERENTIAL CONSIDERATION TO PROJECTS  
2 IN POORER COUNTRIES.—In issuing guarantees under  
3 this section and in carrying out related activities, the  
4 President shall give preferential consideration to projects  
5 in countries with an annual per capita income of \$1,196  
6 or less in 1991 United States dollars, and shall restrict  
7 guarantees and related activities for projects in countries  
8 with an annual per capita income of \$5,190 or more in  
9 1991 United States dollars.”.

10       (c) FEE INCREASE.—

11           (1) STUDY.—The administrator of the agency  
12 primarily responsible for administering part I of the  
13 Foreign Assistance Act of 1961—

14           (A) shall conduct a study to determine the  
15 feasibility of increasing the fees charged pursu-  
16 ant to section 223(a) of that Act for guarantees  
17 issued under sections 221 and 222 of that Act  
18 in an effort to reduce the costs (as defined in  
19 section 502(5) of the Federal Credit Reform  
20 Act of 1990) of the guarantee program; and

21           (B) shall submit the results of this study  
22 to the Committee on Foreign Affairs of the  
23 House of Representatives and the Committee  
24 on Foreign Relations of the Senate not later

1 than 6 months after the date of enactment of  
2 this Act.

3 (2) POLICY.—The administrator should in-  
4 crease the fees described in paragraph (1)(A) to the  
5 extent determined to be feasible in the study con-  
6 ducted pursuant to this subsection.

7 **SEC. 204. OVERSEAS PRIVATE INVESTMENT CORPORATION.**

8 (a) PROGRAM AUTHORIZATION OF FISCAL YEAR  
9 1995.—Section 235(a) of the Foreign Assistance Act of  
10 1961 is amended—

11 (1) in paragraph (1) by striking  
12 “\$9,000,000,000” and inserting “\$10,000,000,000”;

13 (2) in paragraph (2)(A) by striking  
14 “\$2,500,000,000” and inserting “\$3,500,000,000”;  
15 and

16 (3) in paragraph (2)(B)—

17 (A) by striking “and” at the end of clause

18 (i);

19 (B) by striking the period at the end of  
20 clause (ii) and inserting “; and”; and

21 (C) by inserting after clause (ii) the follow-  
22 ing:

23 “(iii) to transfer such sums as are nec-  
24 essary from its noncredit account revolving  
25 fund to pay for the subsidy cost of a program

1 level for the loan and loan guarantee program  
2 under subsections (b) and (c) of section 234 of  
3 \$1,000,000,000 for fiscal year 1995.”.

4 (b) TERMINATION DATE.—Section 235(a)(3) of that  
5 Act is amended by striking “1994” and inserting “1995”.

6 (c) ADMINISTRATIVE EXPENSES.—Section 235(g) of  
7 that Act is amended—

8 (1) in paragraph (1) by striking “and”;

9 (2) in paragraph (2) by striking the period and  
10 inserting “; and”; and

11 (3) by adding at the end the following:

12 “(3) \$15,000,000 for fiscal year 1995.”.

13 **SEC. 205. SPECIAL DEBT REDUCTION AUTHORITY.**

14 (a) AUTHORITY TO REDUCE DEBT.—Notwithstand-  
15 ing any other provision of law (other than the Federal  
16 Credit Reform Act of 1990), the President may reduce  
17 amounts of principal and interest owed to the United  
18 States (or any agency of the United States) by an eligible  
19 country as a result of—

20 (1) guarantees issued under sections 221 and  
21 222 of the Foreign Assistance Act of 1961; or

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

24 (b) IMPLEMENTATION OF PARIS CLUB DEBT REDUC-  
25 TION.—The authority provided by this section may be ex-

1 exercised only to implement the multilateral official debt re-  
2 lief ad referendum agreements that are commonly referred  
3 to as “Paris Club Agreed Minutes”.

4 (c) APPROPRIATIONS REQUIREMENT.—The authority  
5 provided by this section may be exercised only in such  
6 amounts or to such extent as is provided in advance by  
7 appropriations Acts in accordance with the requirements  
8 of the Federal Credit Reform Act of 1990.

9 (d) ELIGIBLE COUNTRIES.—For purposes of this sec-  
10 tion, the term “eligible country” means a country that the  
11 President determines—

12 (1) has a heavy debt burden; and

13 (2) is eligible to borrow from the International  
14 Development Association but not from the Inter-  
15 national Bank for Reconstruction and Development  
16 (commonly referred to as an “IDA-only” country).

17 **SEC. 206. SPECIAL DEFENSE ACQUISITION FUND.**

18 (a) DECAPITALIZATION.—Notwithstanding section  
19 51(b) of the Arms Export Control Act, collections de-  
20 scribed in that section that are in excess of obligational  
21 authority provided in foreign operations, export financing,  
22 and related appropriations Acts for fiscal years prior to  
23 fiscal year 1994 shall be deposited in the Treasury as mis-  
24 cellaneous receipts.

1 (b) AVOIDANCE OF DUPLICATIVE PROVISIONS.—Sub-  
2 section (a) shall not apply if the Foreign Operations, Ex-  
3 port Financing, and Related Programs Appropriations  
4 Act, 1994, contains an identical requirement.

5 **TITLE III—REGIONAL PROVISIONS**

6 **SEC. 301. SUB-SAHARAN AFRICA DISASTER ASSISTANCE.**

7 The Congress expects that not less than  
8 \$100,000,000 of the funds made available for fiscal year  
9 1994 to carry out section 491 of the Foreign Assistance  
10 Act of 1961 (relating to international disaster assistance)  
11 will be used for disaster relief, rehabilitation, and recon-  
12 struction assistance for sub-Saharan Africa.

13 **SEC. 302. AFRICAN DEVELOPMENT FOUNDATION.**

14 (a) CEILING ON ASSISTANCE FOR A PROJECT.—Sec-  
15 tion 505(a)(2) of the African Development Foundation  
16 Act is amended by adding at the end the following: “In  
17 exceptional circumstances, the board of directors of the  
18 Foundation may waive such dollar limitation with respect  
19 to a project. Any such waivers shall be reported to the  
20 Congress annually.”.

21 (b) AUTHORITY TO EMPLOY ALIENS.—Section  
22 506(a) of that Act is amended—

23 (1) by redesignating paragraphs (8) through  
24 (12) as paragraphs (9) through (13), respectively;  
25 and

1           (2) by inserting after paragraph (7) the follow-  
2           ing:

3           “(8) when determined by the president of the  
4           Foundation to be necessary (but subject to the limi-  
5           tation established by paragraph (7) on the number  
6           of Foundation employees), may employ persons who  
7           are not citizens of the United States notwithstand-  
8           ing any provision of law that would otherwise pro-  
9           hibit the use of appropriated funds to pay the com-  
10          pensation of officers or employees of the Government  
11          who are not citizens of the United States;”.

12          (c) TRAVEL EXPENSES.—

13           (1) MEMBERS OF BOARD.—Section 507(b) of  
14          that Act is amended by striking “actual and nec-  
15          essary expenses not exceeding \$100 per day, and for  
16          transportation expenses,” and inserting “travel ex-  
17          penses, including per diem in lieu of subsistence, in  
18          accordance with section 5703 of title 5, United  
19          States Code,”.

20           (2) CONFORMING AMENDMENT.—Section  
21          507(e)(3) of that Act is amended by striking “and  
22          other expenses” and inserting “expenses, including  
23          per diem in lieu of subsistence,”.

24          (d) INTEREST ACCRUING TO GRANTEEES.—

1           (1) AUTHORITY TO RETAIN.—The African De-  
2           velopment Foundation Act is amended by adding at  
3           the end the following:

4   **“SEC. 511. INTEREST ACCRUING TO GRANTEES.**

5           “When, with the permission of the Foundation, funds  
6           made available to a grantee under this title are invested  
7           pending disbursement, the resulting interest is not re-  
8           quired to be deposited in the United States Treasury if  
9           the grantee uses the resulting interest for the purpose for  
10          which the grant was made.”.

11          (2) EFFECTIVE DATE.—The amendment made  
12          by paragraph (1) applies to both interest earned be-  
13          fore and interest earned after the date of enactment  
14          of this Act.

15   **SEC. 303. CONFLICT RESOLUTION INITIATIVE FOR AFRICA.**

16          (a) IMPROVING OAU’S CONFLICT RESOLUTION CA-  
17          PABILITIES.—

18          (1) DESCRIPTION OF ASSISTANCE.—The Presi-  
19          dent is authorized to provide assistance to help es-  
20          tablish a permanent conflict resolution capability  
21          within the Organization of African Unity (referred  
22          to in this subsection as the “OAU”), as follows:

23                  (A) Funds may be provided to the OAU  
24                  for use in supporting its conflict resolution  
25                  capability.

1 (B) Funds may be used for expenses of  
2 sending individuals with expertise in conflict  
3 resolution (who may include United States Gov-  
4 ernment employees) from the United States to  
5 work with the OAU for a period of up to 2  
6 years.

7 (C) Funds may be provided to the OAU to  
8 support the establishment and maintenance of  
9 an African Conflict Resolution Research Center  
10 that is linked to the OAU secretariat.

11 (2) FUNDING.—Of the funds that are allocated  
12 for sub-Saharan Africa, not less than \$1,500,000 for  
13 each of the fiscal years 1994 through 1998 should  
14 be used to carry out paragraph (1), in addition to  
15 funds otherwise available for such purpose.

16 (3) REQUIREMENT FOR APPROVAL OF CERTAIN  
17 REFORMS.—Assistance may be provided pursuant to  
18 this subsection only if the President determines that  
19 the OAU has approved and is in the process of im-  
20 plementing the reforms proposed by the Secretary  
21 General of the OAU in February 1993 in the In-  
22 terim Report of the Secretary General on the Mech-  
23 anisms for Conflict Prevention, Resolution and  
24 Management.

1 (b) IMPROVING CONFLICT RESOLUTION CAPABILI-  
2 TIES OF MULTILATERAL SUBREGIONAL ORGANIZA-  
3 TIONS.—

4 (1) TYPES OF ASSISTANCE TO BE PROVIDED.—

5 The President is authorized to provide assistance to  
6 help establish permanent conflict resolution capabili-  
7 ties within subregional organizations established by  
8 countries in sub-Saharan Africa, as follows:

9 (A) Funds may be provided to such an or-  
10 ganization for use in supporting its conflict res-  
11 olution capability.

12 (B) Funds may be used for the expenses of  
13 sending individuals with expertise in conflict  
14 resolution (who may include United States Gov-  
15 ernment employees) from the United States to  
16 work with such an organization for a period of  
17 up to 2 years.

18 (2) FUNDING.—Of the funds that are allocated  
19 for sub-Saharan Africa under chapter 4 of part II  
20 of the Foreign Assistance Act of 1961 (relating to  
21 the economic support fund), up to \$1,500,000 for  
22 each of the fiscal years 1994 through 1998 may be  
23 used to carry out paragraph (1).

24 (c) AFRICAN DEMOBILIZATION AND RETRAINING  
25 PROGRAM.—

1           (1) IN GENERAL.—In order to facilitate reduc-  
2           tions in the size of the armed forces of countries of  
3           sub-Saharan Africa, the President is authorized to  
4           provide assistance for—

5                   (A) encampment and related activities as-  
6                   sociated with demobilization of such forces, and

7                   (B) the retraining for civilian occupations  
8                   of military personnel who have been demobi-  
9                   lized.

10           (2) FUNDING.—(A) Of the funds that are allo-  
11           cated for sub-Saharan Africa under chapter 4 of  
12           part II of the Foreign Assistance Act of 1961 (relat-  
13           ing to the economic support fund) and under the  
14           “Foreign Military Financing Program” account  
15           under section 23 of the Arms Export Control Act,  
16           \$10,000,000 for fiscal year 1994 should be used for  
17           the assistance described in paragraph (1)(A).

18                   (B) A portion of the funds made available for  
19                   fiscal year 1994 to carry out chapter 10 of part I  
20                   of the Foreign Assistance Act of 1961 (relating to  
21                   the Development Fund for Africa) may be used for  
22                   the assistance described in paragraph (1)(B).

23           (d) IMET CONFLICT RESOLUTION PROGRAM.—  
24           Chapter 5 of part II of the Foreign Assistance Act of 1961  
25           is amended by adding at the end the following:

1 **“SEC. 546. CONFLICT RESOLUTION PROGRAM FOR AFRICA.**

2 “In addition to the other education and training ac-  
3 tivities carried out under this chapter, the President is au-  
4 thorized to establish a program to provide education and  
5 training in conflict resolution for civilian and military per-  
6 sonnel of countries in sub-Saharan Africa.”.

7 **SEC. 304. SADC PROJECTS.**

8 (a) **WAIVER OF BROOKE AMENDMENT.**—Section  
9 620(q) of the Foreign Assistance Act of 1961 and the cor-  
10 responding section of the Foreign Operations, Export Fi-  
11 nancing, and Related Programs Appropriations Act, 1994,  
12 shall not apply with respect to assistance provided for fis-  
13 cal year 1994 under section 496(o) of the Foreign Assist-  
14 ance Act of 1961 (relating to support for SADC projects).

15 (b) **TECHNICAL AMENDMENT.**—Section 496(o) of the  
16 Foreign Assistance Act of 1961 is amended—

17 (1) in the subsection heading by striking  
18 “SADCC” and inserting “SADC”; and

19 (2) in paragraph (1) by striking “Coordination  
20 Conference (SADCC)” and inserting “Community  
21 (SADC)”.

22 **SEC. 305. SOUTH AFRICA.**

23 (a) **REMOVAL OF CEILINGS ON GRANTS FOR HUMAN**  
24 **RIGHTS PROJECTS.**—Section 116 of Foreign Assistance  
25 Act of 1961 is amended—

1 (1) by repealing subparagraphs (C) and (D) of  
2 subsection (e)(2); and

3 (2) in subsection (f)—

4 (A) by repealing paragraph (2), and

5 (B) by striking “(f)(1)” and inserting  
6 “(f)” and by redesignating subparagraphs (A)  
7 through (E) as paragraphs (1) through (5),  
8 respectively.

9 (b) EXCEPTION TO LIMITATION ON ASSISTANCE RE-  
10 CIPIENTS.—

11 (1) ASSISTANCE UNDER SECTION 116.—Section  
12 116(e)(2)(B) of that Act is amended—

13 (A) in the fourth sentence, by striking “or  
14 to organizations financed or controlled by the  
15 Government of South Africa”; and

16 (B) by adding at the end the following: “A  
17 nongovernmental organization financed or con-  
18 trolled by the Government of South Africa that  
19 meets the criteria specified in this subpara-  
20 graph may receive assistance under this para-  
21 graph only if the President determines that (i)  
22 the activities of that organization further the  
23 purposes of the establishment of a non-racial  
24 democratic state in South Africa, (ii) the provi-  
25 sion of assistance to that organization will fur-

1           ther the objective of this paragraph to assist  
2           disadvantaged South Africans, and (iii) the  
3           Government of South Africa is continuing to  
4           make progress toward dismantling apartheid  
5           and establishing a nonracial democracy. Before  
6           making such determinations, the President shall  
7           consult with the appropriate congressional com-  
8           mittees and with South African organizations  
9           that are representative of the majority popu-  
10          lation of South Africa and should seek a com-  
11          mitment from the Government of South Africa  
12          that it will provide additional resources to meet  
13          the needs of disadvantaged South Africans. As  
14          used in the preceding sentence, the term ‘appro-  
15          priate congressional committees’ means the  
16          Committee on Foreign Affairs and the Commit-  
17          tee on Appropriations of the House of Rep-  
18          resentatives and the Committee on Foreign Re-  
19          lations and the Committee on Appropriations of  
20          the Senate.’.

21           (2) ASSISTANCE UNDER SECTION 117.—Section  
22          117 of that Act (as added by section 201(b) of the  
23          Comprehensive Anti-Apartheid Act of 1986) is  
24          amended by adding at the end the following: “In ad-  
25          dition, a nongovernmental organization that meets

1 the criteria specified in the first 2 sentences of this  
2 section but receives funds from the Government of  
3 South Africa may receive assistance under this sec-  
4 tion if the President determines that such organiza-  
5 tion meets the requirements of the 5th sentence of  
6 section 116(e)(2)(B), and such determination is  
7 made in accordance with the 6th sentence of such  
8 section.”.

9 **SEC. 306. SUDAN.**

10 (a) STATEMENT OF THE CONGRESS.—The Con-  
11 gress—

12 (1) strongly condemns the Government of  
13 Sudan for its severe human rights abuses and calls  
14 upon that government to improve human rights con-  
15 ditions throughout the country;

16 (2) deplores the internecine fighting among the  
17 factions of the Sudanese People’s Liberation Army;

18 (3) urges the Government of Sudan and the  
19 factions of the Sudanese People’s Liberation Army  
20 to provide full access for and to cooperate with relief  
21 organizations;

22 (4) encourages the Government of Sudan to lift  
23 the press ban which was imposed after it took power  
24 in June 1989; and

1           (5) calls on the Government of Sudan to estab-  
2           lish a democratic system.

3           (b) RESTRICTIONS ON ASSISTANCE.—Except as pro-  
4           vided in subsection (c), assistance may not be provided  
5           for Sudan for fiscal year 1994—

6           (1) under chapter 1 or chapter 10 of part I of  
7           the Foreign Assistance Act of 1961 (relating to de-  
8           velopment assistance and the Development Fund for  
9           Africa),

10          (2) under chapter 4 of part II of that Act (re-  
11          lating to the economic support fund),

12          (3) under chapter 5 of part II of that Act (re-  
13          lating to international military education and train-  
14          ing), or

15          (4) from the “Foreign Military Financing Pro-  
16          gram” account under section 23 of the Arms Export  
17          Control Act.

18          (c) WAIVER OF RESTRICTIONS.—

19          (1) AUTHORIZATION.—The President may  
20          waive the prohibitions in subsection (b) if the Presi-  
21          dent determines, and reports in accordance with  
22          paragraph (2), that there is substantial progress in  
23          southern Sudan toward respecting human rights, re-  
24          solving the conflict in that region, establishing a

1 democratically elected government, and establishing  
2 a reformed and independent judiciary system.

3 (2) CONGRESSIONAL REVIEW OF DETERMINA-  
4 TION.—A determination under paragraph (1) shall  
5 not become effective until 15 days after it is re-  
6 ported to the congressional committees specified in  
7 section 634A(a) of the Foreign Assistance Act of  
8 1961 in accordance with the procedures applicable to  
9 reprogramming notifications under that section.

10 **SEC. 307. ZAIRE.**

11 (a) STATEMENT OF THE CONGRESS.—The Con-  
12 gress—

13 (1) strongly condemns the disruptive measures  
14 taken by President Mobutu in recent months, and  
15 holds President Mobutu responsible for the current  
16 political crisis in Zaire;

17 (2) stresses the importance of a successful tran-  
18 sition to democracy in Zaire;

19 (3) urges the President of the United States to  
20 pressure President Mobutu to leave Zaire so that the  
21 legitimate transitional government can proceed with  
22 the process of democratization as mandated by the  
23 Sovereign National Conference;

1 (4) urges the President of the United States to  
2 impose, in conjunction with our allies, a variety of  
3 sanctions on President Mobutu, including—

4 (A) freezing the bank accounts of Presi-  
5 dent Mobutu, his family and associates;

6 (B) denying visas to President Mobutu, his  
7 family and associates; and

8 (C) expelling Mobutu's ambassador;

9 (5) congratulates the people of Zaire for their  
10 courageous support of democracy in the face of pow-  
11 erful opposition; and

12 (6) expresses its readiness to explore further  
13 ways of providing support for democracy and politi-  
14 cal pluralism in Zaire.

15 (b) RESTRICTIONS ON ASSISTANCE.—

16 (1) SECURITY ASSISTANCE.—Except as pro-  
17 vided in subsection (c), assistance may not be pro-  
18 vided for Zaire for fiscal year 1994—

19 (A) under chapter 4 of part II of the For-  
20 eign Assistance Act of 1961 (relating to the  
21 economic support fund),

22 (B) under chapter 5 of part II of that Act  
23 (relating to international military education and  
24 training), or

1 (C) from the “Foreign Military Financing  
2 Program” account under section 23 of the  
3 Arms Export Control Act.

4 (2) DEVELOPMENT ASSISTANCE.—Except as  
5 provided in subsection (c), assistance under chapter  
6 1 or chapter 10 of part I of the Foreign Assistance  
7 Act of 1961 (relating to development assistance and  
8 the Development Fund for Africa) for fiscal year  
9 1994 shall not be transferred to the Government of  
10 Zaire. This paragraph does not prohibit nongovern-  
11 mental organizations from working with appropriate  
12 ministries or departments of the Government of  
13 Zaire.

14 (c) WAIVER WHEN THE DEMOCRATIC PROCESS IS  
15 RESTORED.—

16 (1) AUTHORIZATION.—The President may  
17 waive the prohibitions in subsection (b) if the Presi-  
18 dent determines, and reports in accordance with  
19 paragraph (2), that democracy has been restored in  
20 Zaire, that President Mobutu is no longer a threat  
21 to the elected government, and that the elected gov-  
22 ernment is committed to bringing about freedom of  
23 expression for the people of Zaire, a reformed and  
24 independent judiciary, and reform of, and applica-  
25 tions of the rule of law to, Zaire security forces.

1           (2) CONGRESSIONAL REVIEW OF DETERMINA-  
2           TION.—A determination under paragraph (1) shall  
3           not become effective until 15 days after it is re-  
4           ported to the congressional committees specified in  
5           section 634A(a) of the Foreign Assistance Act of  
6           1961 in accordance with the procedures applicable to  
7           reprogramming notifications under that section.

8   **SEC. 308. AFGHANISTAN HUMANITARIAN ASSISTANCE.**

9           (a) AUTHORIZATION.—Funds described in subsection  
10          (c) may be made available for the provision of food, medi-  
11          cine, or other humanitarian assistance to the Afghan peo-  
12          ple notwithstanding any other provision of law.

13          (b) ASSISTANCE FOR AFGHAN WOMEN AND GIRLS.—  
14          In carrying out this section, the administrator of the agen-  
15          cy primarily responsible for carrying out part I of the For-  
16          eign Assistance Act of 1961 shall ensure that an equitable  
17          portion of the funds is made available to benefit Afghan  
18          women and girls, particularly in programs in refugee  
19          camps in Pakistan and in reconstruction projects in Af-  
20          ghanistan.

21          (c) FUNDING.—Up to \$20,000,000 of the aggregate  
22          amount of funds made available for fiscal year 1994 to  
23          carry out chapter 1 of part I of the Foreign Assistance  
24          Act of 1961 (relating to development assistance) and

1 chapter 4 of part II of that Act (relating to the economic  
2 support fund) may be used pursuant to this section.

3 **SEC. 309. MULTILATERAL ASSISTANCE INITIATIVE FOR THE**  
4 **PHILIPPINES.**

5 Part I of the Foreign Assistance Act of 1961 is  
6 amended by inserting after chapter 3 the following:

7 “Chapter 4—Multilateral Assistance Initiative for the  
8 Philippines

9 **“SEC. 401. AUTHORIZATION OF ASSISTANCE.**

10 “(a) AUTHORIZATION.—The President is authorized  
11 to provide economic assistance for the Philippines under  
12 the ‘Multilateral Assistance Initiative’ account. Such as-  
13 sistance shall be provided on such terms and conditions  
14 as the President may determine.

15 “(b) AUTHORIZATION FOR EXTENDED PERIOD OF  
16 AVAILABILITY.—Amounts appropriated to carry out this  
17 chapter are authorized to remain available until ex-  
18 pended.”.

19 **SEC. 310. ASSISTANCE FOR EASTERN EUROPE AND THE**  
20 **BALTICS.**

21 (a) ECONOMIC ASSISTANCE.—Section 3 of the Sup-  
22 port for East European Democracy (SEED) Act of 1989  
23 is amended—

24 (1) by redesignating subsection (c) as sub-  
25 section (e); and

1           (2) by inserting after subsection (b) the follow-  
2           ing:

3           “(c) INAPPLICABILITY OF RESTRICTIONS AND RE-  
4           QUIREMENTS.—Assistance provided for an East European  
5           country under this Act or under part I of the Foreign As-  
6           sistance Act of 1961 may be provided notwithstanding any  
7           other provision of law, other than section 634A(a) of that  
8           Act. Section 634A(a) of that Act shall also apply to funds  
9           made available to carry out this Act.

10          “(d) AUTHORIZATION FOR EXTENDED PERIOD OF  
11          AVAILABILITY.—Amounts appropriated for economic as-  
12          sistance for East European countries under this Act or  
13          the Foreign Assistance Act of 1961 are authorized to re-  
14          main available until expended.”.

15          (b) ASSISTANCE FOR VICTIMS OF WAR CRIMES IN  
16          THE FORMER YUGOSLAVIA.—Assistance provided under  
17          section 491 of the Foreign Assistance Act of 1961 (relat-  
18          ing to international disaster assistance) and assistance  
19          provided under the Migration and Refugee Assistance Act  
20          of 1962 may include assistance for the victims of torture,  
21          rape, and other war crimes stemming from the conflict in  
22          the former Yugoslavia and for the families of such victims  
23          (especially children), with a particular focus on victims of  
24          the war in Bosnia-Herzegovina. Such assistance may in-  
25          clude activities such as—

1 (1) the provision (in the United States or  
2 abroad)—

3 (A) of medical, psychological, and psy-  
4 chiatric care and crisis counseling for such vic-  
5 tims and their families, and

6 (B) of training of individuals in the former  
7 Yugoslavia to provide such care and counseling;  
8 and

9 (2) the procurement of necessary medical and  
10 training supplies.

11 (c) CORRECTION OF REFERENCE.—Subsection (e) of  
12 section 3 of the Support for East European Democracy  
13 (SEED) Act of 1989, as so redesignated by subsection (a)  
14 of this section, is amended—

15 (1) by striking “and Slovak Federal”; and

16 (2) by inserting “the Slovak Republic,” after  
17 “Romania.”

18 **SEC. 311. ASSISTANCE FOR THE INDEPENDENT STATES OF**

19 **THE FORMER SOVIET UNION.**

20 (a) CUBA.—

21 (1) SENSE OF THE CONGRESS.—It is the sense  
22 of the Congress that—

23 (A) the acts of the Castro government, in-  
24 cluding its massive, systematic, and extraor-

1           dinary violations of human rights, are a threat  
2           to international peace;

3           (B) the President should advocate, and  
4           should instruct the United States Representa-  
5           tives to the United Nations to support and con-  
6           sult with members of the Security Council with  
7           respect to, a mandatory international embargo  
8           against the totalitarian government of Cuba  
9           pursuant to Chapter VII of the Charter of the  
10          United Nations, which is similar to consulta-  
11          tions being conducted by United States Rep-  
12          resentatives with respect to Haiti; and

13          (C) any resumption of efforts by any inde-  
14          pendent state of the former Soviet Union to  
15          make the nuclear facility at Cienfuegos, Cuba,  
16          operational will have a serious impact on  
17          United States assistance to such state.

18          (2) REPORTING REQUIREMENT.—The President  
19          shall submit to the Congress, not later than 90 days  
20          after the date of enactment of this Act, a report de-  
21          tailing progress towards the withdrawal of personnel  
22          of any independent state of the former Soviet Union  
23          (including advisors, technicians, and military person-  
24          nel) from the Cienfuegos nuclear facility in Cuba.

1           (3) CRITERIA FOR ASSISTANCE.—Section  
2           498A(a)(11) of the Foreign Assistance Act of 1961  
3           is amended by striking “of military facilities” and  
4           inserting “the military and nuclear facilities at  
5           Lourdes and Cienfuegos”.

6           (4) INELIGIBILITY FOR ASSISTANCE.—(A) Sec-  
7           tion 498A(b) of that Act is amended—

8                   (i) by striking “or” at the end of para-  
9                   graph (4);

10                   (ii) by redesignating paragraph (5) as  
11                   paragraph (6); and

12                   (iii) by inserting after paragraph (4) the  
13                   following:

14                   “(5) for the government of any independent  
15                   state that the President determines is providing as-  
16                   sistance for, or engaging in nonmarket based trade  
17                   (as defined in section 498B(m)(3)) with, the Govern-  
18                   ment of Cuba; or”.

19           (B) Subsection (m) of section 498B of that Act,  
20           as so redesignated by subsections (d) and (e) of this  
21           section, is amended by adding at the end the  
22           following:

23                   “(3) NONMARKET BASED TRADE.—As used in  
24                   section 498A(b)(5), the term ‘nonmarket based  
25                   trade’ includes exports, imports, exchanges, or other

1 arrangements that are provided for goods and serv-  
2 ices (including oil and other petroleum products) on  
3 terms more favorable than those generally available  
4 in applicable markets or for comparable commod-  
5 ities, including—

6 “(A) exports to the Government of Cuba  
7 on terms that involve a grant, concessional  
8 price, guaranty, insurance, or subsidy;

9 “(B) imports from the Government of  
10 Cuba at preferential tariff rates; and

11 “(C) exchange arrangements that include  
12 advance delivery of commodities, arrangements  
13 in which the Government of Cuba is not held  
14 accountable for unfulfilled exchange contracts,  
15 and arrangements under which Cuba does not  
16 pay appropriate transportation, insurance, or fi-  
17 nance costs.”.

18 (b) TRANSFERS OF SOPHISTICATED CONVENTIONAL  
19 WEAPONS TO IRAN.—Section 498A(b)(3) of that Act is  
20 amended—

21 (1) in the text preceding subparagraph (A), by  
22 striking “to another country”;

23 (2) in subparagraph (A)—

24 (A) by inserting “to another country” after  
25 “missiles or missile technology”; and

1 (B) by striking “or” at the end of such  
2 subparagraph;

3 (3) in subparagraph (B)—

4 (A) by inserting “to another country” after  
5 “any material, equipment, or technology”; and

6 (B) by “or” at the end of such subpara-  
7 graph; and

8 (4) by adding at the end the following:

9 “(C) sophisticated conventional weapons to  
10 Iran in numbers and types that are destabiliz-  
11 ing;”.

12 (c) AUTHORITY TO WAIVE CERTAIN RESTRIC-  
13 TIONS.—Section 498B(j)(1) of that Act is amended—

14 (1) by inserting “or 1994” after “1993” both  
15 places it appears; and

16 (2) by striking “by this chapter” and inserting  
17 “to carry out this chapter”.

18 (d) ASSISTANCE IN EXCHANGE FOR COMMODITIES.—

19 (1) AUTHORIZATION.—Section 498B of that  
20 Act is amended—

21 (A) by redesignating subsection (k) as sub-  
22 section (l); and

23 (B) by inserting after subsection (j) the  
24 following:

1       “(k) ASSISTANCE IN EXCHANGE FOR COMMOD-  
2 ITIES.—The President is authorized to provide assistance  
3 under this chapter in exchange for materials or commod-  
4 ities, including any strategic material and any commodity  
5 the international supply of which is in such excess as to  
6 jeopardize United States production of such commodity.”.

7           (2) STUDY OF RESOURCES IN INDEPENDENT  
8 STATES.—The President shall conduct a study of—

9           (A) the resources in each of the independ-  
10 ent states of the former Soviet Union and the  
11 prospective revenues from the production and  
12 sale of such resources;

13           (B) the possible use of barter or exchange  
14 of such resources as methods of reimbursement  
15 for assistance provided to such states under  
16 chapter 11 of part I of the Foreign Assistance  
17 Act of 1961; and

18           (C) the collateralization of loan and invest-  
19 ment guarantees provided by the United States  
20 Government for project financing in such states  
21 using the resources or prospective revenues  
22 from the production and sale of such resources.

23           (3) REPORTS.—The President shall submit to  
24 the relevant congressional committees the following  
25 reports:

1           (A) Periodic reports describing the status  
2 of negotiations between the United States and  
3 any independent state of the former Soviet  
4 Union relating to agreements for reimburse-  
5 ment of assistance provided to such state under  
6 chapter 11 of part I of the Foreign Assistance  
7 Act of 1961.

8           (B) A report containing the results of the  
9 study conducted pursuant to paragraph (2), in-  
10 cluding the names of those independent states  
11 of the former Soviet Union capable of providing  
12 eventual reimbursement of assistance provided  
13 to such states under that chapter. Such report  
14 shall be submitted not later than June 30,  
15 1994.

16           (4) DEFINITIONS.—For purposes of this sub-  
17 section, the following definitions apply:

18           (A) RELEVANT CONGRESSIONAL COMMIT-  
19 TEES.—The term “relevant congressional com-  
20 mittees” means the Committee on Foreign Af-  
21 fairs of the House of Representatives and the  
22 Committee on Foreign Relations of the Senate.

23           (B) RESOURCES.—The term “resources”  
24 includes commodities, raw materials (including  
25 necessary or strategic raw materials, as defined

1 in section 663(a) of the Foreign Assistance Act  
2 of 1961), and other valuable materials.

3 (e) IMPROVING MONITORING OF ECONOMIC PER-  
4 FORMANCE IN THE INDEPENDENT STATES.—Section  
5 498B of that Act, as amended by subsection (d)(1) of this  
6 section, is further amended—

7 (1) by redesignating subsection (l) as subsection  
8 (m); and

9 (2) by inserting after subsection (k) the  
10 following:

11 “(l) IMPROVING MONITORING OF ECONOMIC PER-  
12 FORMANCE IN THE INDEPENDENT STATES.—Assistance  
13 under section 498 shall include training and other tech-  
14 nical assistance to develop capabilities to monitor eco-  
15 nomic performance in the independent states of the former  
16 Soviet Union through the collection, analysis, and dissemi-  
17 nation of economic statistical data.”.

18 **SEC. 312. ASSISTANCE FOR MONGOLIA.**

19 The President is authorized to use funds made avail-  
20 able to carry out chapter 11 of part I of the Foreign As-  
21 sistance Act of 1961 (relating to assistance for the inde-  
22 pendent states of the former Soviet Union) to provide as-  
23 sistance for Mongolia in accordance with the same au-  
24 thorities, restrictions, and other provisions that are appli-

1 cable to assistance under that chapter for independent  
2 states of the former Soviet Union.

3 **SEC. 313. TERMINATION OF IMET PROGRAM FOR MALTA.**

4 Funds made available for fiscal year 1994 to carry  
5 out chapter 5 of part II of the Foreign Assistance Act  
6 of 1961 (relating to the international military education  
7 and training program) may not be obligated for Malta.

8 **SEC. 314. ADMINISTRATION OF JUSTICE AND OTHER LAW**  
9 **ENFORCEMENT ASSISTANCE PROGRAMS FOR**  
10 **LATIN AMERICA AND THE CARIBBEAN.**

11 (a) EXTENSION OF PROGRAM AUTHORITY.—Section  
12 534 of the Foreign Assistance Act of 1961 is amended  
13 by striking the last sentence of subsection (e) and by in-  
14 serting after subsection (e) the following:

15 “(f) The authority of this section shall expire on Sep-  
16 tember 30, 1994.”.

17 (b) ELIMINATION OF PROGRAM CEILINGS.—Section  
18 534 of that Act is amended—

19 (1) by repealing the second sentence of sub-  
20 section (e); and

21 (2) by amending subsection (c) to read as  
22 follows:

23 “(c) Funds made available to carry out this chapter  
24 may be used to provide assistance under this section.”.

1 (c) PROTECTION OF PARTICIPANTS IN JUDICIAL  
2 CASES.—Section 534(b)(3) of that Act is amended—

3 (1) by redesignating subparagraphs (C) and  
4 (D) as subparagraphs (D) and (E), respectively; and  
5 (2) by inserting after subparagraph (B) the fol-  
6 lowing:

7 “(C) programs to enhance protection of  
8 participants in judicial cases;”.

9 (d) SPECIAL AUTHORITIES FOR CERTAIN COUN-  
10 TRIES.—Funds made available for fiscal year 1994 to  
11 carry out section 534 of that Act may be used, notwith-  
12 standing section 660 of that Act, to provide assistance as  
13 follows:

14 (1) PANAMA.—Up to \$10,000,000 may be made  
15 available for Panama for the following:

16 (A) Technical assistance, training, and  
17 commodities with the objective of creating a  
18 professional civilian police force, except that as-  
19 sistance under this subparagraph—

20 (i) shall not include more than  
21 \$5,000,000 for the procurement of equip-  
22 ment for law enforcement purposes, and

23 (ii) shall not include lethal equipment.

24 (B) Programs to improve penal institutions  
25 and the rehabilitation of offenders, which may

1 include programs that are not conducted  
2 through multilateral or regional institutions.

3 (2) EL SALVADOR.—Funds allocated for El Sal-  
4 vador may be used for law enforcement assistance in  
5 a manner consistent with the Salvadoran Peace  
6 Accords.

7 **SEC. 315. WAIVER OF BROOKE AMENDMENT FOR NICA-**  
8 **RAGUA.**

9 Section 620(q) of the Foreign Assistance Act of 1961  
10 and the corresponding section of the Foreign Operations,  
11 Export Financing, and Related Programs Appropriations  
12 Act, 1994, shall not apply to funds made available for fis-  
13 cal year 1994 for any assistance for Nicaragua under the  
14 Foreign Assistance Act of 1961 or the Arms Export  
15 Control Act.

16 **SEC. 316. SPECIAL NOTIFICATION REQUIREMENTS FOR**  
17 **GUATEMALA AND PERU.**

18 Funds made available for fiscal year 1994 to carry  
19 out the Foreign Assistance Act of 1961 or for the “For-  
20 eign Military Financing Program” account under section  
21 23 of the Arms Export Control Act may not be obligated  
22 for assistance for Guatemala or Peru unless the congres-  
23 sional committees specified in section 634A(a) of the For-  
24 eign Assistance Act of 1961 are notified at least 15 days

1 in advance in accordance with the reprogramming proce-  
2 dures applicable under that section.

3 **SEC. 317. ASSISTANCE FOR THE MIDDLE EAST.**

4 (a) ISRAEL.—

5 (1) ECONOMIC SUPPORT FUND.—Of the  
6 amounts made available for fiscal year 1994 for as-  
7 sistance under chapter 4 of part II of the Foreign  
8 Assistance Act of 1961, not less than  
9 \$1,200,000,000 shall be available only for Israel.  
10 Such funds shall be available on a grant basis as a  
11 cash transfer and shall be disbursed in accordance  
12 with paragraph (3).

13 (2) FOREIGN MILITARY FINANCING.—(A) Of  
14 the amounts made available for fiscal year 1994 for  
15 assistance under the “Foreign Military Financing  
16 Program” account under section 23 of the Arms Ex-  
17 port Control Act, not less than \$1,800,000,000 shall  
18 be available only for Israel.

19 (B) To the extent that the Government of Is-  
20 rael requests that funds be used for such purposes,  
21 funds made available for Israel pursuant to this  
22 paragraph shall, as agreed by Israel and the United  
23 States, be available for advanced fighter aircraft  
24 programs or for other advanced weapons systems, as  
25 follows:

1 (i) Up to \$150,000,000 shall be available  
2 for research and development in the United  
3 States.

4 (ii) Not less than \$475,000,000 shall be  
5 available for the procurement in Israel of de-  
6 fense articles and defense services, including re-  
7 search and development.

8 (3) EARLY DISBURSEMENT.—The assistance  
9 provided for Israel pursuant to paragraphs (1) and  
10 (2) shall be disbursed within 30 days after the date  
11 of enactment of the Foreign Operations, Export Fi-  
12 nancing, and Related Programs Appropriations Act,  
13 1994, or by October 31, 1993, whichever is later.

14 (b) EGYPT.—

15 (1) ECONOMIC SUPPORT FUND.—Of the  
16 amounts made available for fiscal year 1994 for as-  
17 sistance under chapter 4 of part II of the Foreign  
18 Assistance Act of 1961, not less than \$815,000,000  
19 shall be available only for Egypt.

20 (2) FOREIGN MILITARY FINANCING.—Of the  
21 amounts made available for fiscal year 1994 for as-  
22 sistance under the “Foreign Military Financing Pro-  
23 gram” account under section 23 of the Arms Export  
24 Control Act, not less than \$1,300,000,000 shall be  
25 available only for Egypt.

1           (c) COOPERATIVE DEVELOPMENT PROJECTS.—Of  
2 the amounts made available for fiscal year 1994 to carry  
3 out chapter 4 of part II of the Foreign Assistance Act  
4 of 1961 (relating to the economic support fund), not less  
5 than \$10,000,000 shall be available only for cooperative  
6 projects among the United States, Israel, and developing  
7 countries, including projects under the Cooperative Devel-  
8 opment Program, cooperative development research  
9 projects, and cooperative projects among the United  
10 States and Israel and the countries of Eastern Europe,  
11 the Baltic states, and the independent states of the former  
12 Soviet Union.

13           (d) MIDDLE EAST REGIONAL COOPERATIVE PRO-  
14 GRAMS.—Of the amounts made available for fiscal year  
15 1994 to carry out chapter 4 of part II of the Foreign As-  
16 sistance Act of 1961 (relating to the economic support  
17 fund), not less than \$7,000,000 shall be available only for  
18 Middle East regional cooperative programs carried out in  
19 accordance with section 202(c) of the International Secu-  
20 rity and Development Cooperation Act of 1985.

21 **SEC. 318. MILITARY DRAWDOWN FOR ISRAEL.**

22           Section 599B(a) of the Foreign Operations, Export  
23 Financing, and Related Programs Appropriations Act,  
24 1991, is amended by inserting “and fiscal year 1994”  
25 after “fiscal year 1993”.

1       **TITLE IV—PROVISIONS RELATING TO**  
2                                   **ARMS TRANSFERS**

3       **SEC. 401. COMPETITIVE PRICING FOR SALES OF DEFENSE**  
4                                   **ARTICLES AND SERVICES.**

5           (a) **COSTING BASIS.**—Section 22 of the Arms Export  
6 Control Act is amended by adding at the end the following:

7           “(d) **COMPETITIVE PRICING.**—Procurement con-  
8 tracts made in implementation of sales under this section  
9 for defense articles and defense services wholly paid from  
10 funds made available on a nonrepayable basis shall be  
11 priced on the same costing basis with regard to profit,  
12 overhead, independent research and development, bid and  
13 proposal, and other costing elements, as is applicable to  
14 procurements of like items purchased by the Department  
15 of Defense for its own use.”.

16           (b) **EFFECTIVE DATE AND IMPLEMENTING REGULA-**  
17 **TIONS.**—The amendment made by subsection (a)—

18                   (1) shall be effective as of the 60th day follow-  
19                   ing the date of the enactment of this section;

20                   (2) shall be applicable only to contracts made in  
21                   implementation of sales made after such effective  
22                   date; and

23                   (3) shall be implemented by revised procure-  
24                   ment regulations, which shall be issued prior to such  
25                   effective date.

1 **SEC. 402. INCREASE IN AGGREGATE CEILING ON TRANS-**  
2 **FERS OF EXCESS DEFENSE ARTICLES.**

3 Effective October 1, 1993, section 31(d) of the Arms  
4 Export Control Act is amended by striking  
5 “\$250,000,000” and inserting “\$375,000,000”.

6 **SEC. 403. ELIGIBILITY OF EAST EUROPEAN COUNTRIES TO**  
7 **RECEIVE NONLETHAL EXCESS DEFENSE AR-**  
8 **TICLES.**

9 (a) IN GENERAL.—Section 519(a) of the Foreign As-  
10 sistance Act of 1961 is amended by inserting “or to any  
11 East European country (as defined in section 3 of the  
12 Support for East European Democracy (SEED) Act of  
13 1989) other than an East European country that is pro-  
14 hibited from receiving assistance under that Act” after “in  
15 which the transfer is authorized”.

16 (b) CONFORMING AMENDMENT.—Section 906(a) of  
17 the Freedom for Russia and Emerging Eurasian Democ-  
18 racies and Open Markets Support Act of 1992 is amend-  
19 ed—

20 (1) by striking paragraph (2);

21 (2) by striking “eligible—” through “(1) to  
22 purchase” and inserting “eligible to purchase”;

23 (3) by redesignating subparagraphs (A) and  
24 (B) as paragraphs (1) and (2), respectively, and by  
25 resetting their left margins on a 2-em indentation;  
26 and

1           (4) by striking “; and” at the end of paragraph  
2           (2), as so redesignated, and inserting a period.

3 **SEC. 404. EXCEPTION TO PAYMENT OF FULL COST FOR**  
4           **SALES OF DEFENSE TRAINING SERVICES TO**  
5           **CERTAIN COUNTRIES AND INTERNATIONAL**  
6           **ORGANIZATIONS.**

7           Section 21(a) of the Arms Export Control Act is  
8 amended—

9           (1) in paragraph (1)(C)—

10                   (A) by inserting “(i)” after “sold to”,

11                   (B) by inserting “or (ii) a purchaser de-  
12                   scribed in paragraph (3)” after “Act of 1961”,  
13                   and

14                   (C) by striking “such assistance” and in-  
15                   serting “such training”; and

16           (2) by adding after paragraph (2) the following:

17           “(3) Clause (ii) of paragraph (1)(C) applies in the  
18 case of a purchaser of training under this section if the  
19 President notifies the Committee on Appropriations, the  
20 Committee on Armed Services, and the Committee on For-  
21 eign Relations of the Senate and the Committee on Appro-  
22 priations, the Committee on Armed Services, and the  
23 Committee on Foreign Affairs of the House of Representa-  
24 tives, in accordance with the regular notification proce-  
25 dures of those committees, at least 15 days before issuing

1 a letter of offer to sell such training. Such notification  
2 shall include a description of any reciprocal benefits that  
3 the United States Government will receive in exchange for  
4 the sale of such training on less than a full cost basis.”.

5 **SEC. 405. ELIGIBILITY OF MAJOR NON-NATO ALLIES TO RE-**  
6 **CEIVE CERTAIN CONTRACT SERVICES IN**  
7 **CONNECTION WITH SALES OF DEFENSE ARTI-**  
8 **CLES AND SERVICES.**

9 (a) AUTHORIZATION.—Section 21(h) of the Arms Ex-  
10 port Control Act is amended—

11 (1) in paragraph (1)(A), by inserting “or which  
12 is a major non-NATO ally” after “Treaty Organiza-  
13 tion”;

14 (2) in paragraph (2), by striking “if that Orga-  
15 nization or member government” and inserting “or  
16 to any major non-NATO ally, if that Organization,  
17 member government, or major non-NATO ally”; and

18 (3) by adding at the end the following:

19 “(3) As used in this subsection, the term ‘major non-  
20 NATO ally’ has the meaning given such term in section  
21 2350a(i)(3) of title 10, United States Code.”.

22 (b) EFFECTIVE DATE.—Notwithstanding section  
23 21(h)(1) of that Act, the amendment made by subsection  
24 (a)(1) applies with respect to contracts and subcontracts  
25 entered into after the date of enactment of this Act.

1 **SEC. 406. ADDITIONS TO WAR RESERVE STOCKPILES FOR**  
2 **ALLIES.**

3 Section 514(b)(2) of the Foreign Assistance Act of  
4 1961 is amended by adding at the end the following: “Ex-  
5 cept as provided in the last two sentences of this para-  
6 graph, the value of such additions to stockpiles in foreign  
7 countries in fiscal year 1994 shall not exceed \$72,000,000,  
8 which shall be for stockpiles in the Republic of Korea. In  
9 addition, to the extent that the authority of the first sen-  
10 tence of this paragraph has not been exercised with re-  
11 spect to Israel in fiscal year 1993, that authority may be  
12 exercised during fiscal year 1994 except that the aggre-  
13 gate value of such additions for Israel in both such fiscal  
14 years may not exceed \$200,000,000. Defense articles hav-  
15 ing an aggregate value of not to exceed \$20,000,000 may  
16 be added to stockpiles in Thailand in fiscal years 1993  
17 and 1994.”.

18 **SEC. 407. ARAB BOYCOTT.**

19 (a) PROHIBITION ON CERTAIN SALES AND  
20 LEASES.—Defense articles and defense services may not  
21 be sold or leased by the United States Government to any  
22 country or international organization which as a matter  
23 of policy or practice is known to have sent letters to  
24 United States firms requesting compliance with, or solicit-  
25 ing information regarding compliance with, the secondary  
26 or tertiary Arab boycott, unless the President determines,

1 and reports to the relevant congressional committees, that  
2 that country or organization does not now send such let-  
3 ters as a matter of policy or practice.

4 (b) WAIVER OF PROHIBITION.—

5 (1) 1 YEAR WAIVER.—After the effective date of  
6 this section, the President may waive, for a period  
7 of 1 year, the application of subsection (a) with re-  
8 spect to any country or organization if the President  
9 determines, and reports to the relevant congressional  
10 committees, that—

11 (A) such waiver is in the national interest  
12 of the United States, and such waiver will pro-  
13 mote the objectives of this section to eliminate  
14 the Arab boycott; or

15 (B) such waiver is in the national security  
16 interest of the United States.

17 (2) EXTENSION OF WAIVER.—If the President  
18 determines that the further extension of a waiver  
19 will promote the objectives of this section, the Presi-  
20 dent, with appropriate notification to relevant con-  
21 gressional committees, may grant further extensions  
22 of such waiver for successive 12-month periods.

23 (3) TERMINATION OF WAIVER.—The President  
24 may, at any time, terminate any waiver granted  
25 under this subsection.

1 (c) RELEVANT CONGRESSIONAL COMMITTEES.—As  
2 used in this section, the term “relevant congressional com-  
3 mittees” means the Committee on Foreign Relations of  
4 the Senate and the Committee on Foreign Affairs of the  
5 House of Representatives.

6 (d) EFFECTIVE DATE.—This section shall not take  
7 effect until one year after the date of enactment of this  
8 Act.

## 9 **TITLE V—OTHER FOREIGN ASSISTANCE**

### 10 **PROVISIONS**

#### 11 **SEC. 501. INTEREST ACCRUING TO NONGOVERNMENTAL** 12 **ORGANIZATIONS.**

13 (a) IN GENERAL.—Chapter 1 of part III of the For-  
14 eign Assistance Act of 1961 is amended by inserting after  
15 section 617 the following:

#### 16 **“SEC. 618. INTEREST ACCRUING TO NONGOVERNMENTAL** 17 **ORGANIZATIONS.**

18 “(a) AUTHORITY TO RETAIN INTEREST.—A non-  
19 governmental organization may place in an interest bear-  
20 ing account—

21 “(1) funds made available on a grant basis  
22 under part I of this Act or under the Support for  
23 East European Democracy (SEED) Act of 1989;  
24 and

1           “(2) local currencies which accrue to that orga-  
2           nization as a result of grant assistance provided  
3           under part I of this Act or assistance under titles I  
4           through III of the Agricultural Trade Development  
5           and Assistance Act of 1954, section 416(b) of the  
6           Agricultural Act of 1949, or the Food for Progress  
7           Act of 1985.

8           Any interest so earned may be retained by the nongovern-  
9           mental organization and used for the purpose for which  
10          the assistance was provided to that organization.

11          “(b) LIMITATION ON ENDOWMENTS.—Any grant  
12          agreement entered into after the date of enactment of this  
13          section to establish an endowment pursuant to the author-  
14          ity of subsection (a)(1) shall provide that—

15                 “(1) the grant proceeds shall be maintained in  
16                 a separate account;

17                 “(2) the agency primarily responsible for ad-  
18                 ministering part I may terminate at any time, in its  
19                 sole discretion, the endowment and recover endow-  
20                 ment principal equal to the amount of the grant;  
21                 and

22                 “(3) unless the authority described in para-  
23                 graph (2) has been exercised, not later than 20  
24                 years after the date of the grant—

1           “(A) the endowment shall be terminated,  
2           and

3           “(B) all funds in the endowment and all  
4           interest earned as a result of the endowment  
5           shall be expended for the purpose for which the  
6           assistance was provided or returned to the Gov-  
7           ernment of the United States.”.

8           (b) EFFECTIVE DATE.—The amendment made by  
9           this section applies to both interest earned before and in-  
10          terest earned after the date of enactment of this Act.

11       **SEC. 502. PRIVATE SECTOR REVOLVING FUND.**

12          Section 108 of the Foreign Assistance Act of 1961  
13          is amended by adding at the end the following:

14          “(j) TERMINATION OF AUTHORITY.—After the date  
15          of enactment of this subsection, loans may not be made,  
16          loan guarantees may not be issued, previously issued guar-  
17          antees may not be renewed or otherwise extended, and as-  
18          sistance may not otherwise be provided under the author-  
19          ity of this section.”.

20       **SEC. 503. DEVELOPMENT ASSISTANCE THROUGH NON-**  
21                               **GOVERNMENTAL ORGANIZATIONS.**

22          Chapter 1 of part III of the Foreign Assistance Act  
23          of 1961 is amended by inserting before section 620 the  
24          following:

1 **“SEC. 619. ASSISTANCE THROUGH NONGOVERNMENTAL**  
2 **ORGANIZATIONS.**

3       “(a) DEVELOPMENT ASSISTANCE.—Restrictions con-  
4 tained in this or any other Act with respect to assistance  
5 for a country shall not restrict assistance in support of  
6 programs of nongovernmental organizations that is pro-  
7 vided under chapter 1 or chapter 10 of part I of this Act.  
8 The President shall take into consideration, in any case  
9 in which a restriction on assistance would be applicable  
10 but for this section, whether assistance in support of pro-  
11 grams of nongovernmental organizations is in the national  
12 interest of the United States.

13       “(b) NOTICE TO CONGRESS.—Before using the au-  
14 thority of this section to furnish assistance in support of  
15 programs of nongovernmental organizations, the President  
16 shall notify the congressional committees specified in sec-  
17 tion 634A(a) of this Act in accordance with the procedures  
18 applicable to reprogramming notifications under that sec-  
19 tion. Such notice shall include a description of the pro-  
20 gram to be assisted, the assistance to be provided, and  
21 the reasons for furnishing such assistance.

22       “(c) EXCEPTIONS.—This section shall not apply with  
23 respect to—

24               “(1) section 620A of this Act or any com-  
25               parable provision of law prohibiting assistance to  
26               countries that support international terrorism; or



1 ried out within that zone or area, unless the Presi-  
2 dent determines and certifies that such assistance is  
3 not likely to cause a loss of jobs within the United  
4 States; or

5 (3) assistance for any project or activity that  
6 contributes to the violation of internationally recog-  
7 nized workers rights (as defined in section 502(a)(4)  
8 of the Trade Act of 1974) of workers in the recipi-  
9 ent country, including in any designated zone or  
10 area in that country.

11 In recognition that the application of paragraph (3) should  
12 be commensurate with the level of development of the re-  
13 cipient country and sector, that paragraph does not pre-  
14 clude assistance for the informal sector in such country,  
15 for microenterprises and small-scale enterprises, or for  
16 small-holder agriculture.

17 **SEC. 505. CAPITAL PROJECTS.**

18 Chapter 3 of part III of the Foreign Assistance Act  
19 of 1961 is amended by inserting after section 661 the fol-  
20 lowing:

21 **“SEC. 662. CAPITAL PROJECTS.**

22 “(a) ESTABLISHMENT OF PILOT PROGRAM.—The  
23 Director of the Trade and Development Agency shall es-  
24 tablish a capital projects pilot program to carry out the  
25 purpose described in subsection (b).

1       “(b) PURPOSE OF PROGRAM.—The purpose referred  
2 to in subsection (a) is to develop a program administered  
3 by TDA that would focus solely on developmentally sound  
4 capital projects in developing countries and in countries  
5 making the transition from a nonmarket to a market econ-  
6 omy, taking into consideration the development needs of  
7 the host country and the export opportunities for the  
8 United States.

9       “(c) ACTIVITIES.—The Director, in coordination with  
10 the appropriate other members of the Trade Promotion  
11 Coordination Committee—

12           “(1) shall support capital projects in developing  
13 countries and in countries making the transition  
14 from a nonmarket to a market economy; and

15           “(2) shall periodically review infrastructure  
16 needs in these countries and shall explore opportuni-  
17 ties for United States firms in the development of  
18 new capital projects in these countries, keeping both  
19 United States firms and the Congress informed of  
20 these reviews.

21       “(d) GUARANTEE AUTHORITY.—In addition to mak-  
22 ing grants to carry out this section, the Director is author-  
23 ized to issue guarantees to eligible investors (as defined  
24 in section 238(c)) assuring against losses incurred in con-  
25 nection with loans obtained by such investors to finance

1 their participation in capital projects described in sub-  
2 section (b). A fee shall be charged for each such guarantee  
3 issued in an amount to be determined by the Director.

4 “(e) PROCUREMENT FROM THE UNITED STATES.—  
5 Guarantees and other financial support provided for cap-  
6 ital projects under this section shall be provided for pro-  
7 curement of goods and services from the United States  
8 to the maximum extent possible, consistent with the guide-  
9 lines of the Organization for Economic Cooperation and  
10 Development.

11 “(f) PROJECTS TO BE DEVELOPMENTALLY  
12 SOUND.—The Director, in coordination with the appro-  
13 priate other members of the Trade Promotion Coordina-  
14 tion Committee, shall ensure that each capital project for  
15 which TDA provides financial support is developmentally  
16 sound, as determined under the criteria developed by the  
17 Development Assistance Committee of the Organization  
18 for Economic Cooperation and Development.

19 “(g) COORDINATION.—The President shall utilize the  
20 existing interagency coordinating mechanism to coordinate  
21 activities under this section with other relevant activities  
22 of the United States Government.

23 “(h) NONAPPLICABILITY OF OTHER PROVISIONS.—  
24 Any funds used for purposes of this section may be used  
25 notwithstanding any other provision of law.

1       “(i) REPORT TO CONGRESS.—Not later than 1 year  
2 after the date of enactment of this section, the Director  
3 shall submit to the Congress a report describing—

4           “(1) the extent to which United States Govern-  
5 ment resources have been expended specifically to  
6 support the capitol projects described in subsection  
7 (b);

8           “(2) the extent to which the activities of the  
9 United States Government have been coordinated  
10 pursuant to subsection (g); and

11           “(3) the feasibility of establishing a permanent  
12 program modeled on the pilot program establishment  
13 pursuant to this section.

14       “(j) FUNDING.—

15           “(1) IN GENERAL.—Notwithstanding the per-  
16 centage limitations in section 610(a), the President  
17 shall transfer \$300,000,000 of funds specified in  
18 paragraph (2) to TDA for use in carrying out this  
19 section, including the cost (as defined in section  
20 502(5) of the Federal Credit Reform Act of 1990)  
21 of guarantees issued under subsection (d).

22           “(2) SOURCE OF FUNDS.—The funds specified  
23 in this paragraph are—

24           “(A) funds made available for fiscal year  
25 1994 for assistance under chapter 4 of part II

1 of this Act (relating to the economic support  
2 fund), excluding funds made available pursuant  
3 to subsections (a)(1), (c), and (d) of section  
4 1317 of the Foreign Assistance Authorization  
5 Act of 1993;

6 “(B) funds made available for fiscal year  
7 1994 for assistance under chapter 11 of part I  
8 of this Act (relating to assistance for the inde-  
9 pendent states of the former Soviet Union); and

10 “(C) funds made available for fiscal year  
11 1994 for assistance under the Support for East  
12 European Democracy (SEED) Act of 1989.

13 “(3) FUNDS TO BE USED TO SUPPORT CAPITAL  
14 PROJECTS IN COUNTRIES FOR WHICH ORIGINAL  
15 FUNDING WAS PROVIDED.—(A) Any funds described  
16 in paragraph (2)(A) that are earmarked by the Con-  
17 gress for a specific country and that are transferred  
18 pursuant to paragraph (1) shall be used to support  
19 capital projects in that country.

20 “(B) Any funds described in paragraph (2)(B)  
21 that are transferred pursuant to paragraph (1) shall  
22 be used to support capital projects in countries eligi-  
23 ble for assistance under chapter 11 of part I of this  
24 Act.

1           “(C) Any funds described in paragraph (2)(C)  
2           that are transferred pursuant to paragraph (1) shall  
3           be used to support capital projects in countries eligi-  
4           ble for assistance under the Support for East Euro-  
5           pean Democracy (SEED) Act of 1989.

6           “(k) DEFINITIONS.—As used in this section—

7           “(1) the term ‘capital projects’ means a project  
8           involving the construction, expansion, alteration of,  
9           or the acquisition of equipment for, a physical facil-  
10          ity or physical infrastructure, including related engi-  
11          neering design (concept and detail) and other serv-  
12          ices, the procurement of equipment (including any  
13          related services), and feasibility studies or similar  
14          engineering and economic services;

15          “(2) the term ‘Director’ means the Director of  
16          TDA; and

17          “(3) the term ‘TDA’ means the Trade and De-  
18          velopment Agency.”.

19   **SEC. 506. MICROENTERPRISE DEVELOPMENT.**

20          Chapter 2 of part I of the Foreign Assistance Act  
21          of 1961 is amended by adding after title V the following:

22          “TITLE VI—MICROENTERPRISE DEVELOPMENT

23   **“SEC. 251. MICROENTERPRISE DEVELOPMENT.**

24          “(a) CENTRALLY-MANAGED FUND.—

25          “(1) ESTABLISHMENT AND MANAGEMENT.—

26          The administrator of the agency primarily respon-

1 sible for administering this part shall establish with-  
2 in the agency a centrally-managed fund to be known  
3 as the Microenterprise Development Fund (herein-  
4 after in this section referred to as the ‘Fund’). The  
5 Fund shall be managed by the office in that agency  
6 that has primary responsibility for working with pri-  
7 vate and voluntary organizations.

8 “(2) DISBURSEMENTS THROUGH THE FUND.—  
9 All funds made available to carry out this part that  
10 are used to promote microenterprise development  
11 shall be disbursed through the Fund.

12 “(b) ACTIVITIES TO BE SUPPORTED.—The Fund  
13 shall be used to support—

14 “(1) the institutional development of the orga-  
15 nizations described in subsection (c);

16 “(2) the provision of microenterprise credit  
17 through the organizations described in subsection  
18 (c); and

19 “(3) research on microenterprise development  
20 and evaluation of microenterprise activities funded  
21 under this section.

22 “(c) INTERMEDIARY ORGANIZATIONS.—Funds dis-  
23 bursed through the Fund shall be primarily channeled  
24 through—

1           “(1) United States and indigenous private and  
2 voluntary organizations,

3           “(2) United States and indigenous credit union  
4 organizations, and

5           “(3) other indigenous governmental and non-  
6 governmental organizations,

7 that have demonstrated a capacity to develop sustainable  
8 microenterprise service institutions.

9           “(d) ALLOCATION OF FUNDS.—

10           “(1) MICROENTERPRISE CREDIT.—(A) Of  
11 amounts disbursed through the Fund each fiscal  
12 year pursuant to subsection (b)(2), at least 50 per-  
13 cent shall be used for poverty lending. As used in  
14 this paragraph, the term ‘poverty lending’ means a  
15 loan of \$300 or less or, in the case of an initial loan,  
16 of \$150 or less.

17           “(B) The administrator of the agency primarily  
18 responsible for administering this part shall seek to  
19 ensure that not less than 60 percent of the borrow-  
20 ers of funds disbursed through the Fund pursuant  
21 to subsection (b)(2) are women.

22           “(2) RESEARCH AND EVALUATION.—Not more  
23 than 5 percent of funds disbursed through the Fund  
24 each fiscal year may be used for research and eval-  
25 uation activities under subsection (b)(3).”.

1 **SEC. 507. REPORT ON AID'S IMPLEMENTATION OF AGENDA**

2 **21 PRINCIPLES.**

3 Not later than 2 years after the date of enactment  
4 of this Act, the administrator of the agency primarily re-  
5 sponsible for administering part I of the Foreign Assist-  
6 ance Act of 1961 shall submit to the Congress a report  
7 on the incorporation of the Agenda 21 principles of the  
8 United Nations Conference on Environment and Develop-  
9 ment into the foreign assistance activities administered by  
10 that agency.

11 **SEC. 508. AUTHORITY TO PROVIDE RECONSTRUCTION AS-**

12 **SISTANCE UNDER INTERNATIONAL DISASTER**

13 **ASSISTANCE.**

14 Section 491(b) of the Foreign Assistance Act of 1961  
15 is amended by striking “disaster relief and rehabilitation”  
16 and inserting “disaster relief, rehabilitation, and recon-  
17 struction”.

18 **SEC. 509. DEOBLIGATION OF CERTAIN UNEXPENDED ECO-**

19 **NOMIC ASSISTANCE FUNDS.**

20 Chapter 3 of part III of the Foreign Assistance Act  
21 of 1961 is amended by adding at the end the following:

22 **“SEC. 671. DEOBLIGATION OF CERTAIN UNEXPENDED ECO-**

23 **NOMIC ASSISTANCE FUNDS.**

24 “(a) REQUIREMENT TO DEOBLIGATE.—

25 “(1) ANNUAL DEOBLIGATIONS.—Except as pro-  
26 vided in subsection (b), at the beginning of each fis-

1 cal year the President shall deobligate and return to  
2 the Treasury any funds described in paragraph (2)  
3 that, as of the end of the preceding fiscal year, have  
4 been obligated for a period of more than 4 years but  
5 have not been expended.

6 “(2) FUNDS SUBJECT TO REQUIREMENTS.—  
7 Paragraph (1) applies with respect to funds made  
8 available to carry out chapter 1 of part I (relating  
9 to development assistance), chapter 4 of part I (re-  
10 lating to the Multilateral Assistance Initiative for  
11 the Philippines), chapter 10 of part I (relating to  
12 the Development Fund for Africa), chapter 11 of  
13 part I (relating to assistance for the independent  
14 states of the former Soviet Union), or chapter 4 of  
15 part II (relating to the economic support fund) or to  
16 carry out the Support for East European Democracy  
17 (SEED) Act of 1989.

18 “(b) EXCEPTIONS.—The President, on a case-by-case  
19 basis, may waive the requirement of subsection (a) if the  
20 President determines, and reports to the appropriate con-  
21 gressional committees, that—

22 “(1) the funds are being used for a construction  
23 or long term participant training project that re-  
24 quires more than 4 years to complete; or

1           “(2) the funds have not been expended because  
2           of unforeseen circumstances, and those cir-  
3           cumstances could not have been reasonably foreseen.

4           “(c) IG COMMENTS ON WAIVERS.—As soon as pos-  
5           sible after submission of a report pursuant to subsection  
6           (b), the Inspector General for the agency primarily respon-  
7           sible for administering part I of this Act shall submit to  
8           the appropriate congressional committees such comments  
9           as the Inspector General considers appropriate with re-  
10          gard to the determination described in that report.

11          “(d) APPROPRIATE CONGRESSIONAL COMMITTEES.—  
12          As used in this section, the term ‘appropriate congres-  
13          sional committees’ means the Committee on Foreign Af-  
14          fairs and the Committee on Appropriations of the House  
15          of Representatives and the Committee on Foreign Rela-  
16          tions and the Committee on Appropriations of the  
17          Senate.”.

## 18           **TITLE VI—BOSNIA-HERCEGOVINA**

### 19          **SEC. 601. SHORT TITLE.**

20           This title may be cited as the “Bosnia-Herzegovina  
21          Self-Defense Act of 1993”.

### 22          **SEC. 602. FINDINGS.**

23           The Congress makes the following findings:

24                   (1) On July 10, 1991, the United States adopt-  
25           ed a policy suspending all licenses and other approv-

1 als to export or otherwise transfer defense articles  
2 and defense services to Yugoslavia.

3 (2) On September 25, 1991, the United Na-  
4 tions Security Council adopted Resolution 713,  
5 which imposed a mandatory international embargo  
6 on all deliveries of weapons and military equipment  
7 to Yugoslavia.

8 (3) The United States considered the policy  
9 adopted July 10, 1991, to comply fully with Resolu-  
10 tion 713 and therefore took no additional action in  
11 response to that resolution.

12 (4) On January 8, 1992, the United Nations  
13 Security Council adopted Resolution 727, which de-  
14 cided that the mandatory arms embargo imposed by  
15 Resolution 713 should apply to any independent  
16 states that might thereafter emerge on the territory  
17 of Yugoslavia.

18 (5) On February 29 and March 1, 1992, the  
19 people of Bosnia-Herzegovina voted in a referendum  
20 to declare independence from Yugoslavia.

21 (6) On April 7, 1992, the United States recog-  
22 nized the Government of Bosnia-Herzegovina.

23 (7) On May 22, 1992, the Government of  
24 Bosnia-Herzegovina was admitted to full member-  
25 ship in the United Nations.

1           (8) Consistent with Resolution 727, the United  
2 States has continued to apply the policy adopted  
3 July 10, 1991, to independent states that have  
4 emerged on the territory of the former Yugoslavia,  
5 including Bosnia-Hercegovina.

6           (9) Subsequent to the adoption of Resolution  
7 727 and Bosnia-Hercegovina's independence referen-  
8 dum, the seige of Sarajevo began and fighting  
9 spread to other areas of Bosnia-Hercegovina.

10          (10) The Government of Serbia intervened di-  
11 rectly in the fighting by providing significant mili-  
12 tary, financial, and political support and direction to  
13 Serbian-allied irregular forces in Bosnia-  
14 Hercegovina.

15          (11) In statements dated May 1 and May 12,  
16 1992, the Conference on Security and Cooperation  
17 in Europe declared that the Government of Serbia  
18 and the Serbian-controlled Yugoslav National Army  
19 were committing aggression against the Government  
20 of Bosnia-Hercegovina and assigned to them prime  
21 responsibility for the escalation of bloodshed and de-  
22 struction.

23          (12) On May 30, 1992, the United Nations Se-  
24 curity Council adopted Resolution 757, which con-  
25 demned the Government of Serbia for its continued

1 failure to respect the territorial integrity of Bosnia-  
2 Hercegovina.

3 (13) Serbian-allied irregular forces have, over  
4 the last year, occupied approximately 70 percent of  
5 the territory of Bosnia-Hercegovina, committed  
6 gross violations of human rights in the areas they  
7 have occupied, and established a secessionist govern-  
8 ment committed to eventual unification with Serbia.

9 (14) The military and other support and direc-  
10 tion provided to Serbian-allied irregular forces in  
11 Bosnia-Hercegovina constitutes an armed attack on  
12 the Government of Bosnia-Hercegovina by the Gov-  
13 ernment of Serbia within the meaning of Article 51  
14 of the United Nations Charter.

15 (15) Under Article 51, the Government of  
16 Bosnia-Hercegovina, as a member of the United Na-  
17 tions, has an inherent right of individual or collective  
18 self-defense against the armed attack from the Gov-  
19 ernment of Serbia until the United Nations Security  
20 Council has taken measures necessary to maintain  
21 international peace and security.

22 (16) The measures taken by the United Nations  
23 Security Council in response to the armed attack on  
24 Bosnia-Hercegovina have not been adequate to  
25 maintain international peace and security.

1           (17) Bosnia-Herzegovina has been unable suc-  
2           cessfully to resist the armed attack from Serbia be-  
3           cause it lacks the means to counter heavy weaponry  
4           that Serbia obtained from the Yugoslav National  
5           Army upon the dissolution of Yugoslavia, and be-  
6           cause the mandatory international arms embargo  
7           has prevented Bosnia-Herzegovina from obtaining  
8           from other countries the means to counter such  
9           heavy weaponry.

10           (18) On December 18, 1992, with the affirma-  
11           tive vote of the United States, the United Nations  
12           General Assembly adopted Resolution 47/121, which  
13           urged the United Nations Security Council to ex-  
14           empt Bosnia-Herzegovina from the mandatory arms  
15           embargo imposed by Resolution 713.

16           (19) In the absence of adequate measures to  
17           maintain international peace and security, continued  
18           application to the Government of Bosnia-  
19           Herzegovina of the mandatory international arms  
20           embargo imposed by the United Nations Security  
21           Council prior to the armed attack on Bosnia-  
22           Herzegovina undermines that government's right of  
23           individual or collective self-defense and therefore  
24           contravenes Article 51 of the United Nations Char-  
25           ter.

1           (20) Bosnia-Herzegovina's right of self-defense  
2           under Article 51 of the United Nations Charter in-  
3           cludes the right to ask for military assistance from  
4           other countries and to receive such assistance if of-  
5           fered.

6   **SEC. 603. UNITED STATES ARMS EMBARGO OF THE GOV-**  
7                                   **ERNMENT OF BOSNIA-HERCEGOVINA.**

8           (a) TERMINATION.—The President may terminate  
9           the United States arms embargo of the Government of  
10          Bosnia-Herzegovina upon receipt from that government of  
11          a request for assistance in exercising its right of self-de-  
12          fense under Article 51 of the United Nations Charter.

13          (b) DEFINITION.—As used in this section, the term  
14          “United States arms embargo of the Government of  
15          Bosnia-Herzegovina” means the application to the Gov-  
16          ernment of Bosnia-Herzegovina of—

17                 (1) the policy adopted July 10, 1991, and pub-  
18                 lished in the Federal Register of July 19, 1991 (58  
19                 Fed. Reg. 33322) under the heading “Suspension of  
20                 Munitions Export Licenses to Yugoslavia”; and

21                 (2) any similar policy being applied by the  
22                 United States Government, as of the date of receipt  
23                 of the request described in subsection (a), pursuant  
24                 to which approval is routinely denied for transfers of

1 defense articles and defense services to the former  
2 Yugoslavia.

3 **SEC. 604. UNITED STATES MILITARY ASSISTANCE FOR**  
4 **BOSNIA-HERCEGOVINA.**

5 (a) POLICY.—The President should provide appro-  
6 priate military assistance to the Government of Bosnia-  
7 Hercegovina upon receipt from that government of a re-  
8 quest for assistance in exercising its right of self-defense  
9 under Article 51 of the United Nations Charter.

10 (b) AUTHORIZATION OF MILITARY ASSISTANCE.—

11 (1) DRAWDOWN AUTHORITY.—If the Govern-  
12 ment of Bosnia-Hercegovina requests United States  
13 assistance in exercising its right of self-defense  
14 under Article 51 of the United Nations Charter, the  
15 President is authorized to direct the drawdown of  
16 defense articles from the stocks of the Department  
17 of Defense, defense services of the Department of  
18 Defense, and military education and training in  
19 order to provide assistance to the Government of  
20 Bosnia-Hercegovina. Such assistance shall be pro-  
21 vided on such terms and conditions as the President  
22 may determine.

23 (2) LIMITATION ON VALUE OF TRANSFERS.—

24 The aggregate value (as defined in section 644(m)  
25 of the Foreign Assistance Act of 1961) of defense

1 articles, defense services, and military education and  
2 training provided under this subsection may not ex-  
3 ceed \$200,000,000.

4 (3) EXPIRATION OF AUTHORIZATION.—The au-  
5 thority provided to the President in paragraph (1)  
6 expires at the end of fiscal year 1994.

7 (4) LIMITATION ON ACTIVITIES.—Members of  
8 the United States Armed Forces who perform de-  
9 fense services or provide military education and  
10 training outside the United States under this sub-  
11 section may not perform any duties of a combatant  
12 nature, including any duties related to training and  
13 advising that may engage them in combat activities.

14 (5) REPORTS TO CONGRESS.—Within 60 days  
15 after any exercise of the authority of paragraph (1)  
16 and every 60 days thereafter, the President shall re-  
17 port in writing to the Speaker of the House of Rep-  
18 resentatives and the President pro tempore of the  
19 Senate concerning the defense articles, defense serv-  
20 ices, and military education and training being pro-  
21 vided and the use made of such articles, services,  
22 and education and training.

23 (6) REIMBURSEMENT.—Defense articles, de-  
24 fense services, and military education and training  
25 provided under this subsection shall be made avail-

1       able without reimbursement to the Department of  
2       Defense.

3       **SEC. 605. AUTHORITY OF THE SECRETARY OF DEFENSE.**

4       (a) IN GENERAL.—The Secretary of Defense shall  
5       determine the manner in which defense articles from the  
6       stocks of the Department of Defense and defense services  
7       and military education and training are drawn down from  
8       the Department of Defense under this title to provide as-  
9       sistance to the Government of Bosnia-Herzegovina. In  
10      making this determination, the Secretary of Defense shall,  
11      at a minimum, take into account the need to preserve the  
12      readiness of the armed forces of the United States.

13      (b) FUNDING THROUGH REGULAR DEFENSE APPRO-  
14      PRIATIONS.—

15           (1) REPLENISHMENT OF DEFENSE ARTICLES  
16      AND RESOURCES.—Articles from defense stocks pro-  
17      vided to the Government of Bosnia-Herzegovina  
18      under this title, and resources expended during the  
19      course of providing defense services and military  
20      education and training to such Government under  
21      this title, should be replenished.

22           (2) FUNDING.—Any funds necessary to accom-  
23      plish the replenishment described in paragraph (1)  
24      should be authorized and appropriated in defense  
25      authorization and appropriations Acts.



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