

Calendar No. 94

105TH CONGRESS }
1st Session }

SENATE

{ REPORT
{ 105-35

FOREIGN OPERATIONS, EXPORT FINANCING, AND
RELATED PROGRAMS APPROPRIATION BILL, 1998

—————
JUNE 24, 1997.—Ordered to be printed
—————

Mr. McCONNELL, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 955]

The Committee on Appropriations reports the bill (S. 955) making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1998, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amounts in new budget authority

Fiscal year 1997 appropriations	\$12,311,119,710
Fiscal year 1998 budget estimate	¹ 13,360,168,980
Amount of bill as reported to Senate	¹ 13,244,208,000
Bill as recommended to Senate compared to:	
1997 appropriations	+ 933,088,290
Budget estimate	- 115,960,980

¹This amount excludes the U.S. contribution to the new arrangements for borrowing at the IMF.

CONTENTS

	Page
Items of special interest	3
Summary of total budget authority in the bill	4
Title I—Export assistance:	
Export-Import Bank of the United States	5
Overseas Private Investment Corporation	6
Trade and Development Agency	7
Title II—Bilateral economic assistance:	
Development assistance	8
International disaster assistance	20
Debt restructuring	20
Micro and small enterprise development [MSED]	20
Urban and environmental credit program	20
Payment to the foreign service retirement and disability fund	21
AID operating expenses	21
Operating expenses of the Office of Inspector General	21
Other bilateral economic assistance	21
Independent Agencies:	
African Development Foundation	31
Inter-American Foundation	31
Peace Corps	31
Department of State:	
International narcotics control	32
Migration and refugee assistance	34
Emergency refugee and migration assistance fund	35
Nonproliferation, antiterrorism, demining, and related programs	35
Title III—Military assistance:	
International military education and training	38
Foreign military financing	39
Special defense acquisition fund	40
Peacekeeping operations	41
Title IV—Multilateral economic assistance:	
International financial institutions summary	42
International Bank for Reconstruction and Development	42
International Development Association	42
Inter-American Development Bank	43
Asian Development Bank	44
Asian Development Fund	44
African Development Fund	44
European Bank for Reconstruction and Development	45
North American Development Bank	45
International Monetary Fund	45
International Organizations and Programs	46
Title V—General provisions	48
Compliance with paragraph 7, rule XVI of the standing rules of the Senate	51
Compliance with paragraph 7(c), rule XXVI of the standing rules of the Senate	51
Compliance with paragraph 12, rule XXVI of the standing rules of the Senate	52
Budget impact statement	58

ITEMS OF SPECIAL INTEREST

For the past 3 years, the Committee has urged the administration to renew American global leadership by increasing resources for the administration of international activities. Beginning a second term with a new national security team in place, President Clinton has actively promoted the importance of securing the funding which underpins our global role and responsibilities. As a result, the request and allocation of funds for foreign assistance, export promotion, and related programs have been increased for the first time in more than a decade. The Committee welcomes this development.

At the same time, the Committee understands that this increase includes a responsibility to maximize prospects for achieving results by carefully reviewing the budget justification for each program and account. For the past 3 years, the Committee has engaged in an exercise which has largely involved the review of ongoing programs resulting in shifts in funding emphasis rather than conducting a bottom up review. Limited resources have been moved by Congress to concentrate on emerging democracies in central and Eastern Europe and the New Independent States of the former Soviet Union which had the affect of reducing program support in other regions.

The combination of an increase in funding and the state of progress in the emerging democracies has prompted the Committee to view this as a key transition year; an opportunity to initiate support for new priorities while either ending or establishing clear performance benchmarks in countries where U.S. support is not fulfilling political or economic expectations.

U.S. domestic programs and agencies have engaged in an exhaustive fiscal overhaul. The time has come to put foreign assistance programs under the same scrutiny. Foreign assistance is not an entitlement. U.S. programs should serve U.S. interests in stability, democracy and the growth of free market economies by effectively delivering technical assistance, training, partnerships, exchanges, and humanitarian supplies and services.

Significant changes in fiscal year 1998 program funding are evident in virtually every region. In the Middle East the Committee has substantially increased aid to Jordan in recognition of both urgent economic needs and the risks involved in King Hussein's commitment to the peace process. At the same time, after providing more than \$42,000,000,000, political changes along with more than \$1,000,000,000 still available in prior year funds have discouraged the Committee from earmarking resources for Egypt. This decision does not foreclose the administration from continuing support at an appropriate level.

The Committee has also defined clear conditions which must be met before assistance can be provided in the Balkans, Cambodia,

Ukraine, and Russia. The reasoning behind each of these decisions can be found in the appropriate sections of this report.

SUMMARY TABLE: AMOUNTS IN NEW BUDGET AUTHORITY

Item	Budget estimate	Recommended by Senate Committee	Increase (+) or decrease (-), Senate bill compared with budget estimate
Export assistance	\$513,614,000	\$579,614,000	+\$66,000,000
Economic assistance—Bilateral	7,590,855,000	7,700,648,020	+ 109,793,020
Military assistance	3,374,250,000	3,355,000,000	- 19,250,000
Economic assistance—Multilateral	5,409,449,980	5,129,945,980	- 279,504,000
Total, fiscal year 1998	¹ 16,888,168,980	16,765,208,000	- 122,960,980

¹This total includes the U.S. contribution to the new arrangements for borrowing at the International Monetary Fund.

TITLE I
EXPORT ASSISTANCE
EXPORT-IMPORT BANK OF THE UNITED STATES
SUBSIDY APPROPRIATION

Appropriations, 1997	\$726,000,000
Budget estimate, 1998	632,000,000
Committee recommendation	700,000,000

ADMINISTRATIVE EXPENSES

Appropriations, 1997	\$46,614,000
Budget estimate, 1998	48,614,000
Committee recommendation	46,614,000

The Committee recommends \$700,000,000 to support direct loans, loan guarantees, insurance, and tied-aid grants at the Export-Import Bank of the United States. Given the reduction from fiscal year 1997 in the subsidy level, the Committee has not provided the requested increase for administrative expenses but has maintained last year's level of \$46,614,000.

The Committee is increasingly concerned by U.S. export promotion agencies' problems in accurately forecasting annual requirements for their financial services. Last year, due to unanticipated demand, the Overseas Private Investment Corporation made a last minute request to the conferees to aggregate the statutory ceilings on financing and insurance to prevent suspension of services.

This year, the Committee is concerned that the administration has requested nearly \$100,000,000 less in fiscal year 1998 subsidy authority for the Export-Import Bank than in fiscal year 1997. Given the steady increase in demand over the past 5 years for the Bank's services, particularly in higher risk markets, the Committee believes the request will not meet U.S. exporter needs.

To address this problem, the Bank has recently announced plans to increase fees to exporters and blend loans with guarantees. Nonetheless, the Committee has been advised that the Bank may incur as much as a \$400,000,000 shortfall in fiscal year 1997 which will be rolled over to fiscal year 1998. This will have an obvious and severe impact on the overall request of \$632,000,000.

To balance these pressures, the Committee has increased the level of subsidy support. In addition, the Committee anticipates the use of the tied-aid war chest which has accumulated over \$300,000,000 in funds. However, the use of these funds must be notified to the Committee to assure the pace and amount of the drawdown does not damage the war chest's relevance as a counterweight to unfair trading practices by U.S. competitors.

Given the problems at both the Export Import Bank and the Overseas Private Investment Corporation, the Committee directs

the administration to provide a report by January 15, 1998, assessing the potential 5-year requirements U.S. export agencies anticipate, and management, budgetary and policy adjustments necessary to be responsive to the rapidly changing export market. This assessment should include the Trade and Development Agency's programs.

OVERSEAS PRIVATE INVESTMENT CORPORATION

SUBSIDY APPROPRIATION

Appropriations, 1997	\$72,000,000
Budget estimate, 1998	60,000,000
Committee recommendation	60,000,000

ADMINISTRATIVE EXPENSES

Appropriations, 1997	\$32,000,000
Budget estimate, 1998	32,000,000
Committee recommendation	32,000,000

The Committee recommends \$60,000,000 for the subsidy cost of OPIC's direct and guaranteed loans. In addition, the Committee recommends \$32,000,000 for administrative expenses. The Committee has provided this level of support taking note of the fact that an authorization for the extension of these programs is required and is proceeding simultaneously through the appropriate authorization committees.

The Committee continues to support OPIC's self-sustaining capability. The Committee has included language requested by the administration allowing the Corporation to derive the costs of loans and guarantees from its noncredit account.

The Committee points out that private sector investment should replace outdated models of state-led development. The public-private partnerships underwritten by OPIC, particularly the Investment Funds Program, are a step in the right direction, and have potential to leverage OPIC's resources with private sector financing and investment management expertise.

The Committee recommends the focus of this program should be redirected toward sector specific funds rather than regional funds. By directly assisting specific U.S. industries to expand overseas, sector funds have a greater likelihood for creating U.S. jobs and long-term markets for U.S. technology and equipment than do regional funds. In particular, the Committee believes the Investment Funds Program should focus its efforts on U.S. industry sectors which are dominated by smaller, innovative businesses who are in need of assistance to facilitate their entrance in fast-growing emerging markets. Such sectors include specialized marine transportation, healthcare equipment and services, food processing, and light manufacturing.

It is the Committee's intention that by focusing on sector specific funds, American export opportunities and small business participation will increase.

TRADE AND DEVELOPMENT AGENCY

Appropriations, 1997	\$40,000,000
House allowance	43,000,000
Committee recommendation	43,000,000

The Committee recommends full funding of the administration's request of \$43,000,000 for the Trade and Development Agency [TDA] for fiscal year 1998.

TITLE II
 BILATERAL ECONOMIC ASSISTANCE
 FUNDS APPROPRIATED TO THE PRESIDENT
 AGENCY FOR INTERNATIONAL DEVELOPMENT
 BILATERAL ASSISTANCE

Appropriations, 1997	\$1,910,000,000
Budget estimate, 1998	1,933,000,000
Committee recommendation	2,033,093,020

The amounts listed in the above table for fiscal year 1997 appropriations and the fiscal year 1998 administration request include funding appropriated or requested under development assistance, the Development Fund for Africa, the African Development Foundation, the Inter-American Foundation, international disaster assistance, debt restructuring, micro and small enterprise development, and housing and other credit guarantee programs. The appropriate statutory authorities for activities and programs are included in the recommendation with a minimum of earmarking or designation of levels of assistance for the consolidated accounts. It is the Committee's intention, through consolidation of these accounts, to provide the President flexibility in order to respond to development, economic, and humanitarian requirements.

DEVELOPMENT ASSISTANCE

Appropriations, 1997	\$1,681,500,000
Budget estimate, 1998	1,698,093,020
Committee recommendation	1,793,093,020

COMBATING INFECTIOUS DISEASE

The Committee heard compelling testimony about the threat of infectious diseases, including drug resistant tuberculosis [TB], malaria, dengue fever, and the ebola virus, and believes a much more vigorous and coordinated global system is needed to prevent potentially catastrophic epidemics. There is an urgent need for strong U.S. leadership to significantly augment international surveillance and control mechanisms, and to strengthen the ability of developing countries, where deadly viruses often first gain a foothold, to protect and care for their people. The Committee is concerned that AID has not treated these issues with the urgency and gravity they deserve—funding for infectious diseases, other than to combat HIV/AIDS and immunize children, has steadily fallen since 1992. The Committee has, therefore, included bill language providing that not less than \$30,000,000 be made available above the amount made available to combat infectious diseases in fiscal year 1997, to strengthen global surveillance and control of infectious diseases.

Specifically, the Committee recommends that these funds be used to prevent the development and spread of antibiotic resistance; to combat TB, malaria, and other tropical diseases including through increased funding for the World Health Organization [WHO]/Tropical Disease Research Program; to reinvigorate the CDC's Field Epidemiology Training Program; and to support the WHO/Division of Emerging and other Communicable Diseases Surveillance and Control. AID is to consult closely with the Department of Health and Human Services, the Center for Disease Control and Prevention, and other relevant Federal agencies involved in international health, and the Appropriations Committees, prior to obligating these funds.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

The Committee has provided not less than \$15,000,000 for the important work carried out by institutions funded under the American Schools and Hospitals Abroad [ASHA] Program. For several years, Congress has made clear its strong support for these programs with the expectation that adequate funds would be made available. However, when Congress recommended \$15,000,000 be provided in fiscal year 1997 funds, AID advised the Committees on Appropriations it would meet the overall level by providing \$9,600,000 in fiscal year 1997 funds and the balance in 1998 resources. Although that decision has been revised, the Committee has determined the earmark is essential to protecting these programs.

The Committee believes that several institutions which have received funding under ASHA have distinguished records and deserve further support. They include:

- The American University in Beirut has trained Middle Eastern leaders for 130 years in a strong liberal arts tradition encouraging freedom of expression, private initiative, and tolerance. Its academic quality, longstanding relationship with regional governments, network of prominent alumni and distinction as a hub of high level global expertise make the university a primary resource for regional development.
- The Lebanese American University (formerly Beirut University College) is the most rapidly growing institution of higher learning in Lebanon and is an increasingly important resource for talent in this region.
- The Hadassah Medical Organization has established an important record of outreach and service. Hadassah's programs are designed to train native populations to improve the health and welfare of their own people using American ideas and technology. In addition, the organization continues to offer excellent quality medical care to all individuals regardless of political, religious, or ethnic orientation. All foreign assistance funds awarded to Hadassah are spent in the United States for the latest in American medical technology.
- The Feinberg Graduate School [FGS] of the Weizmann Institute of Science in Israel has long served as a model of American scientific education for postgraduate students and scholars from around the world. ASHA funds have been used exclusively to purchase American-made scientific equipment from

American suppliers, enabling FGS and Weizmann to maintain the level of excellence required to attract and train future generations of scientists from Israel and elsewhere, including many from developing nations in Latin America, Asia, Africa, and the Middle East.

- The Johns Hopkins University's centers in Bologna, Italy, and Nanjing, China are vital national resources promoting democracy and international market economics in central and Eastern Europe and China. Both centers are recognized for training professionals in world affairs who assume leadership positions in government, business, and the nonprofit sector. The Committee strongly supports an increase in funds for the Nanjing center.

U.S. TELECOMMUNICATIONS TRAINING INSTITUTE

The Committee has provided \$500,000 to the U.S. Telecommunications Institute [USTTI]. USTTI is a nonprofit joint venture between the public and private sectors dedicated to providing tuition free communications and broadcast training to professionals from around the world. The USTTI's Government/industry collaboration results in cash and in-kind contributions of approximately \$3,350,000 from industry with USAID grants providing travel and per diem costs for participants from the poorest nations.

POPULATION, DEVELOPMENT ASSISTANCE

The Committee reaffirms that stabilizing population growth is essential to reducing poverty, protecting the environment, promoting economic development, and improving the lives and health of millions of women, children, and families.

In order to emphasize its unequivocal support for AID's family planning program and its goals, the Committee has reestablished a separate account for population assistance, funded at a level of \$435,000,000. The Committee continues the longstanding prohibition against the use of any funds in the act for abortion or to lobby for or against abortion. It also stipulates that in determining eligibility for population assistance, nongovernmental and multilateral organizations shall not be subject to requirements more restrictive than those applicable to foreign governments for such assistance.

CYPRUS

The Committee has provided \$15,000,000 for Cyprus from development assistance and economic support fund resources. The Committee welcomes the appointment of Presidential Special Envoy, Ambassador Richard Holbrooke and recognizes the expertise he brings to these long dormant talks. The Committee intends that these resources be made available to maximize leverage in this next round of negotiations and the Committee encourages the administration to seek additional support should the discussions produce a permanent settlement.

BURMA

The Committee has provided not less than \$5,000,000 in funding to promote democracy in Burma. The Committee has made

\$3,000,000 available for democracy programs and \$2,000,000 for humanitarian programs.

The Committee has increased support to respond to the expanding crisis in Burma. The Committee believes this support is crucial to ensure that organizations can continue with nonviolent political opposition to the military dictatorship which illegally seized power in 1990. The increase is intended to assure full funding for programs administered by the National Endowment for Democracy which have strengthened information and media programs assuring uncensored, accurate, timely information is available inside Burma. The Endowment has also provided vital funding for professional training, political organization, and institution building. Grant recipients have included lawyers, labor activists, journalists, and community and student leaders committed to expanding fundamental civil, political, and economic rights in Burma.

The Committee also recognizes the unique humanitarian crisis on the Thai-Burma border and has increased the availability of funds for medical supplies and services and support in civilian camps. To date, funding has been provided and should be expanded for feeding programs and basic health care. The Committee urges AID to consider activities which improve basic education for children in these camps.

CAMBODIA

To date, the international community has invested more than \$3,000,000,000 in peacekeeping and reconstruction support for Cambodia. In 1996, at the consultative group meeting in Tokyo, the international donor community renewed its commitment to Cambodia by pledging over \$900,000,000 in aid. Nonetheless, Cambodia continues to lag behind most nations in virtually every category of development.

Some problems are clearly war-related legacies. For example, AID has recommended \$8,000,000 for fiscal year 1988 to reconstruct the education system. During the reign of the Khmer Rouge, virtually all educated Cambodians were either killed or left the country, creating a current critical shortage of teachers for primary and secondary education. The Committee supports education, health, rural development, and humanitarian initiatives which reverse the tragic consequences of Khmer Rouge policies.

However, the Committee is deeply concerned by continued, credible reports that Cambodia is sliding backward and at severe risk of a renewed civil war. In prescient 1995 congressional testimony, the President of the International Republican Institute pointed out the conditions Cambodia's beleaguered citizens must contend with. He said, "Now things are going backwards * * *. Their most profound obstacle is not the Khmer Rouge or their dire economic conditions; it is most often their own political leaders and, equally as regularly, the local government and police."

Since 1995, credible charges of corruption and significant reversals of economic and political reform have increased. Freedom of expression is under attack. Journalists have been threatened, assassinated and jailed, their newspapers routinely fined and closed. In spite of these efforts to silence criticism, the press has offered compelling information on the emerging close working relationships

between senior Cambodian People's Party leaders and major regional drug traffickers. Of equal concern to prospects for Cambodia's future is the significant escalation in political intimidation and violence culminating in a grenade attack on a crowd gathered to protest government corruption on Easter Sunday, 1997. Nineteen people were killed and more than 100 wounded, including an American.

The Committee notes elections are to be held in Cambodia in 1998. At this point, the government, led by the Cambodian People's Party Minister Hun Sen, has been unwilling to carry out a census to develop voter lists. Moreover, no independent electoral commission has been established nor have election regulations or laws been agreed to or passed. The Committee believes that if fundamental political and judicial reforms are not promoted and secured, Cambodia's future will be imperiled. While humanitarian initiatives may serve immediate life-sustaining needs, the effort will have been wasted should Cambodia slide back to civil conflict. Given these concerns, the Committee has provided an increase in democracy building assistance and has linked the provision of economic growth assistance to concrete steps toward reforms. In addition, the Committee has required a report on the FBI investigation of the Easter Sunday grenade attack.

The Committee also directs AID provide a report on democracy promotion initiatives with an emphasis on expanding the number of competent nongovernmental organizations involved in political and judicial training and reforms. The Committee has requested the report in response to information that AID has given preferential treatment to specific contractors causing an overall reduction in the level and quality of efforts underway.

CAMBODIA LOGGING

In the past, the Committee has conditioned assistance to Thailand due to reports of Thai military collaboration with the Khmer Rouge in illegal logging in Cambodia. The Committee has not included that provision in this year's bill, in part due to efforts by the administration and Thai officials to deter this trade. However, the Committee has received reports that illegal timber continues to cross the Thai-Cambodia border, and expects the administration to continue to give this problem high priority. In addition, reports implicate Cambodian political and military officials at the highest levels in illegal logging, resulting in millions of dollars in illegal profits and the destruction of large areas of Cambodia's forests. The Committee urges the administration to use its influence with other donors to deter this practice which is fueling the corruption that permeates the Cambodian Government and military.

GUATEMALA

The Committee reiterates its support for assistance to support implementation of the peace accords in Guatemala, especially to promote reconciliation, equitable economic development, and an independent judiciary. The Committee also believes that the United States should strongly support efforts to resolve some of the most egregious human rights cases in Guatemala, and has, therefore, included bill language providing that not less than \$1,000,000

in fiscal year 1998 funds to support the Guatemalan Clarification Commission.

PRIVATE VOLUNTARY ORGANIZATIONS

The Committee has again included language in the bill that is intended to ensure that the level of funding to private and voluntary organizations is at least maintained. This is consistent with current law and AID's commitment to enhance support for PVO's at a time when they are being increasingly called upon to implement U.S. foreign assistance programs.

The Committee is aware that the AID administrator has indicated that AID plans to channel increasing amounts of funds through private voluntary organizations. The Committee directs AID to submit a report by March 1, 1998, describing the amount of funds it is channeling through private and voluntary organizations (as defined in title II of the bill, under the heading "Private and Voluntary Organizations"). Using fiscal year 1995 as a baseline, the report is to provide data on disbursements across sectors for Development Assistance, SEED and NIS programs, and should also discuss AID's plans for increasing disbursements through PVO's in future years.

CHILD SURVIVAL, BASIC EDUCATION, AND RELATED PROGRAMS

The Committee believes that protecting the health and well-being of children around the world must be a high priority goal of U.S. foreign assistance. The Committee is alarmed that 12 million children die every year from preventable diseases including respiratory infections, measles, and diarrhea. The Committee recognizes the importance of child survival programs in reducing the incidence of child mortality, disease, and disability. Therefore, the Committee urges that U.S. bilateral efforts and contributions to international organizations reflect a strong resource commitment to these activities.

The Committee also urges AID to make every effort to design and implement children's health initiatives in a manner aimed at ensuring that girls benefit from health care practices as much as boys. The Committee also urges AID, as a fundamental part of these efforts, to accelerate efforts to collect and analyze child survival field data separately for boys and girls. A recent study indicates that girls under the age of 5 face a bias in the health care they receive. For example, girls who are ill are often not taken for health care as early as boys and may receive less or poorer quality food than boys.

The Committee also believes that the well-being of the world's children and achieving the goal of broad based economic development depends on strengthening basic education programs. The Committee believes strongly that basic education programs should be sustained at not less than \$100,000,000. The Committee defines basic education to include early childhood, primary and lower secondary education, and childhood education teacher training programs.

Access to basic education programs reduces the incidence of abusive and exploitative child labor practices around the world. The Committee notes that the Asia Foundation program in the north-

west frontier of Pakistan provides support for community based school programs on a primary level. The Foundation also plays an important role in ensuring that young girls have access to primary education in Pakistan, where the rate of female literacy is a meager 24 percent. The Committee strongly recommends that of funds provided for basic education and development assistance, not less than \$1,500,000 be made available to expand these primary education projects and to provide technical assistance to teachers and school administrators in the Punjab region where exploitative and abusive labor practices are prevalent.

ORPHANS, DISPLACED, AND BLIND CHILDREN

The Committee recommends \$10,000,000 for the displaced children and orphans fund. The Committee also continues to support a program of at least \$1,000,000 to assist children who are blind. Many blind children in developing countries can be cured of their disability through simple operations and inexpensive care.

The Committee has provided authority to use up to \$25,000 in program funds for displaced and orphaned children and victims of war, to enable the AID office responsible for the design and management of these programs to monitor and oversee their implementation. AID is also encouraged to use other OEU resources as necessary to further the effectiveness of the oversight of these programs.

PATRICK J. LEAHY WAR VICTIMS FUND

The Committee reiterates its strong support for the Patrick J. Leahy War Victims Fund, a \$5,000,000 annual appropriation to provide medical and related assistance to people who have suffered disabling war injuries. The fund has been used primarily to provide artificial limbs to victims of landmine explosions in countries recovering from civil strife and warfare. The Committee supports the expanded use of the fund in Angola, and in Laos where unexploded ordnance left over from the Vietnam war continues to claim innocent victims.

HIV/AIDS

The Committee expects the administration to provide at least the current level of funding for both bilateral and multilateral HIV/AIDS prevention and control programs and recommends that funding through nongovernmental organizations operating at the community level be maximized. The Committee continues to support efforts by the United Nations to increase coordination and consolidation of AIDS activities through UNAIDS, the joint and cosponsored program at the World Health Organization, and expects funding for UNAIDS to be maintained at the current level. USAID is also urged to support the global initiatives agreed to at the 1994 AIDS summit, particularly those relating to women, NGO's, and microbicide development.

POLIO ERADICATION

The Committee welcomes AID's support in the multilateral effort to eradicate polio by the year 2000 and once again expects a com-

mitment of not less than \$25,000,000. Funds should be used to provide for the delivery of vaccines and the development of the infrastructure necessary to implement the program. The funding is intended to be in addition to the resources for the regular immunization programs of AID and to supplement other related activities. The Committee requests a report by December 1, 1997, on AID's plan to implement this program and its use of prior year funds. The Committee takes note of the important support of Rotary International in assuring the success of this effort.

UNIVERSITY DEVELOPMENT ASSISTANCE PROGRAMS

The Committee recognizes that U.S. universities have a significant role to play in U.S. development policies throughout the globe. Therefore, the Committee encourages AID and the Department of State to expand the involvement of colleges and universities in development activities. The Committee takes note of the important contribution made by a number of universities in this regard including:

- The University of Hawaii has played a key role in Pacific regional development. The Committee strongly encourages the administration to support programs conducted by the university including providing resources for the International Center for Democracy to extend the democratic experience to local level community leaders and citizens. The Committee strongly supports the center's effort to develop a United States-Russian partnership organizing voter education for young people. The Committee also encourages AID to collaborate with the university as it develops a new initiative to train health and human service professionals.
- The University of Northern Iowa has effectively managed the Orava project in Slovakia which has incorporated democratic concepts and practices into schools and teacher education programs. The Committee encourages AID to continue to support this important work.
- The Committee recognizes the important contribution George Mason University is making to health care in Third World countries and recommends up to \$2,000,000 be made available to continue and expand these worthy activities.

RURAL ELECTRIFICATION

The Committee continues to strongly support the inclusion of rural electrification in AID's planning as a critical component in a sound development strategy. The Committee encourages AID to provide support through the international program of U.S. electric cooperatives, recognizing their long and successful record overseas. The Committee also encourages AID to include the work of this program in its energy and electric utility assistance efforts in the New Independent States of the former Soviet Union.

INTERNATIONAL FERTILIZER DEVELOPMENT CENTER

The Committee strongly supports the fertilizer-related research and development being conducted by the International Fertilizer

Development Center [IFDC] and further directs AID to make at least \$3,000,000 available for the core grant to the IFDC.

COOPERATIVE DEVELOPMENT PROJECTS

The Committee strongly urges funding for the cooperative development research [CDR] and cooperative development projects [CDP] programs among the United States, Israel, and developing and newly democratic countries at last year's level. Israel has the unique advantage of having highly technical expertise, critical language skills, and recent experiences in development that are relevant to both developing countries and the emerging democracies of Eastern Europe and the former Soviet Union.

MICROENTERPRISE POVERTY PROGRAMS

The Committee believes that microcredit projects are an efficient and effective way to develop small enterprises, the key to employment and economic development. The Committee directs USAID to provide at least \$135,000,000 for microenterprise activities with at least one-half the resources targeted for a program offering loans of less than \$300. These loans should be made to the poorest 50 percent of those living below the poverty line, particularly women, or the institutional development of organizations primarily engaged in making such loans. The Committee also encourages USAID to invest a significantly increased proportion of microenterprise resources through its central mechanism for support of United States and indigenous nongovernmental organizations.

WOMEN IN DEVELOPMENT

The Committee encourages AID to provide \$15,000,000 for the Office of Women in Development [WID]. The Committee supports efforts to better integrate the concerns of women into AID's programs and policies and encourages AID to undertake the institutional changes needed to support women in development. This recommendation for increased funding for WID reflects the Committee's belief that investing in women is crucial to reducing hunger and poverty, improving family well-being, and achieving sustainable economic growth.

PARKS IN PERIL

The Committee notes its continued support of AID's Parks in Peril Program, a public-private partnership to promote biodiversity conservation in critically imperiled ecosystems in Latin America and the Caribbean. This program has provided crucial support to local nongovernmental organizations in the protection and management of parks and reserves at 28 sites in 12 countries, helping to protect 18 million acres of land. Parks in Peril has also helped enhance the development of private enterprise and democracy in the region.

BIODIVERSITY PROGRAMS

The Committee strongly supports continued funding for biodiversity conservation and tropical forest protection in developing countries, which are critical to U.S. economic prosperity, especially for

the U.S. agricultural and pharmaceutical industries. AID conservation activities should continue to emphasize the use of nongovernmental organizations. AID through NGO partnerships should remain active in regions that are significant for global biodiversity, including in countries where AID does not have a presence or where AID missions have been closed, especially where lack of participation would undermine the success of a regional strategy.

RENEWABLE ENERGY

The Committee urges AID to continue the unique programs at its Office of Energy, Environment, and Technology, supporting its U.S. renewable energy private sector initiatives such as project preparation, training, multimedia, and related activities in cooperation with the Committee on Renewable Energy, Commerce, and Trade.

ADVANCED AIRBORNE HYPERSPECTRAL IMAGING SYSTEM [AAHIS]

The Committee recognizes the potential applications of the advanced hyperspectral imaging system in reducing the long-term threat to the global environment by monitoring and improving the environmental and developmental practices of emerging nations. The Committee recommends that AID work with Science and Technology International to determine the capabilities of this technology in environmental baseline mapping and monitoring at a species level, digital change detection techniques for disaster mitigation, protected lands monitoring, wetlands and littoral zone management, and Government mandated cleanups.

DAIRY DEVELOPMENT

The Committee continues to place a high priority on dairy development and encourages AID to maintain funding for this program.

FARMER-TO-FARMER

The Committee strongly supports maintaining funding for the Volunteers in Overseas Cooperative Assistance [VOCA] Farmer-to-Farmer Program, especially in the former Soviet Union. This is a cost-effective way to transfer practical skills and know-how to farmers and agribusinesses. The Committee also continues to support two-way programs in which new agribusiness entrepreneurs and private farm leaders are brought to the United States for training.

AGRICULTURAL DEVELOPMENT PROJECTS

The Committee continues to be concerned that AID is reducing support for agricultural development. Activities such as the Soils Management Collaborative Research Support Program [SM-CRSP] play a role in assuring the productive capacity of the tropical world to meet global foods demands. The Committee recommends that AID fund the SM-CRSP at a level sufficient to support approved projects within that program.

INTERNATIONAL EXECUTIVE SERVICE CORPS

The Committee recognizes that the International Executive Service Corps [IESC] has provided 32 years of excellent volunteer ex-

pert services for the development of business enterprises, business support institutions, and new markets in developing countries. IESC promotes the long-term interests of the United States by creating new businesses, increasing employment and raising living standards. It has been an important vehicle for promoting technology transfer, economic growth, and sustainable development around the world, while also opening new areas of economic participation to American firms. The Committee, therefore, strongly urges that AID provide IESC annually with grant funds at a level comparable with fiscal year 1997 to ensure the continued availability of their services worldwide while enabling the organization to renew activities in Latin America and the Caribbean.

OFFICE OF PRIVATE AND VOLUNTARY COOPERATION

The Committee recommends increased funding for AID's Office of Private and Voluntary Cooperation in fiscal year 1998. This office plays a central role in the partnership between AID and private voluntary organizations in providing humanitarian and development aid. The Committee also recognizes the important contribution of private voluntary organizations and cooperatives in establishing and administering food aid programs overseas.

RWANDA

The Committee once again raises its concerns that some 90,000 individuals are detained in inhumane and overcrowded conditions, many facing charges of participating in genocide. Despite the support of the United States and other nations, the Rwandan justice system remains incapable of dealing effectively with this explosive situation. Judges and prosecutors lack training and defendants lack lawyers. The Committee urges the administration to lead a multidonor approach to deal aggressively with this pressing problem.

COLOMBIA

The Committee recommends that funds be provided to support the Colombian Attorney General's human rights unit, which investigates human rights abuses by guerrilla groups, paramilitary organizations, and state agents. Widely respected in Colombia, the prosecutors' efforts are severely hampered by a lack of resources. Funds are urgently needed to enhance their technical capacity and enable them to reach remote areas of the country.

LIMITATION ON ASSISTANCE

The Committee has included a provision, similar to one in last year's bill, which seeks to ensure that U.S. assistance does not go to units of foreign security forces whose members are implicated in human rights abuses, unless the government is taking steps to bring those individuals to justice. By taking steps, the Committee intends that there be an active, credible investigation underway and that the individuals involved face appropriate disciplinary action or impartial criminal prosecution in accordance with local law.

INTERNATIONAL FOUNDATION FOR EDUCATION AND SELF-HELP

The Committee continues to support the participation of non-profit private voluntary organizations in implementing education and human resource development initiatives in sub-Saharan Africa. The Committee particularly notes the efforts of the International Foundation for Education and Self-Help [IFESH] and its programs, which have provided 400 teachers and teacher trainers to 10 countries; trained 250 bankers from 12 countries in credit, risk analysis, and debt recovery; and successfully completed a debt for development (debt swap) transaction in which \$1,600,000 debt was leveraged into \$6,000,000 of local currency.

The Committee is aware of an external evaluation conducted in 1996 by the AMIDA Group, Inc., which recommends that AID should extend the original agreement, and continue its financial support of these three initiatives.

The Committee also recognizes that development gains are often made slowly, and that it is important to capitalize on initial success. Accordingly, the Committee supports the funding of the IFESH program at a level of \$15,000,000 over a 5-year period.

CAMPFIRE

The Committee notes that there has been considerable debate regarding the Communal Areas Management Program for Indigenous Resources [CAMPFIRE] Program in Zimbabwe. The Committee has heard the concerns raised by the Humane Society and Sierra Club and has balanced that criticism with support for CAMPFIRE expressed by the Africa Resources Trust, World Wildlife Fund, Africa Wildlife Foundation, Conservation International, National Wildlife Federation, and the World Conservation Union among others.

The Committee wants to emphasize its support of programs which protect endangered species and promote sustainable development. CAMPFIRE has done its best to satisfy these two goals. The Committee urges AID in the strongest possible manner to continue to ensure the program's compliance with the convention on international trade in endangered species [CITES].

MICROENTERPRISE IN GAZA AND THE WEST BANK

The Committee urges AID to provide \$3,000,000 in fiscal year 1998 to expand the number of microenterprise loans available in the West Bank and Gaza. USAID's program of lending has focused primarily on small businesses in the West Bank and Gaza. Although the program has generated \$10,000,000 in credit over the last 3 years, in fiscal year 1996 only about \$1,500,000 was provided for loan capital and administration costs for lending to small microenterprises, including poverty lending (loans of \$300 or less). In fiscal year 1997, \$2,600,000 will be used to help banks willing to loan to microenterprises. The USAID microenterprise program is expected to result in 8,500 short-term loans, still only a tiny fraction of the apparent need. There are at least 150,000 microenterprises and 350,000 unemployed in the West Bank and Gaza, many of whom would benefit from an expanded microfinancing program. The Committee believes an expanded microenterprise program would help to address the severe unemployment problem in the re-

gion and aid in the overall development of the private sector. The Committee believes that at least one-half of the microenterprise spending should be for poverty lending.

INTERNATIONAL DISASTER ASSISTANCE

Appropriations, 1997	\$190,000,000
Budget estimate, 1998	190,000,000
Committee recommendation	195,000,000

The Committee has increased the disaster assistance account to \$195,000,000. With no shortage of natural or man made disasters the increase is timely and necessary.

DEBT RESTRUCTURING

Appropriations 1997	\$27,000,000
Budget estimate 1998	34,000,000
Committee recommendation	34,000,000

The Committee has provided \$34,000,000 to meet the administration's debt restructuring requirements as a component of economic assistance. The Committee understands \$12,000,000 will be dedicated to relieving Jordan's final obligations due to the United States for agricultural and trade related debt.

The administration has advised the Committee that the balance of debt restructuring will be used for Bolivia, Congo, Cote d'Ivoire, Ethiopia, Guinea, Guyana, Honduras, Mauritania, Nicaragua, and Zambia. The Committee expects to be informed if the administration changes the list of potential recipients or alters the justified amounts.

MICRO AND SMALL ENTERPRISE DEVELOPMENT [MSED]

SUBSIDY APPROPRIATION

Appropriations, 1997	\$1,500,000
Budget estimate, 1998	1,500,000
Committee recommendation	1,500,000

ADMINISTRATIVE EXPENSES

Appropriations, 1997	\$500,000
Budget estimate, 1998	500,000
Committee recommendation	500,000

The Committee has provided \$1,500,000 for the subsidy for micro and small enterprise development programs and \$500,000 for administrative expenses with the view that MSED has effectively mobilized credit to strengthen the private sector.

URBAN AND ENVIRONMENTAL CREDIT PROGRAM

SUBSIDY APPROPRIATION

Appropriations, 1997	\$3,500,000
Budget estimate, 1998	3,000,000
Committee recommendation	3,000,000

OPERATING EXPENSES

Appropriations, 1997	\$6,000,000
Budget estimate, 1998	6,000,000
Committee recommendation	6,000,000

The Committee has provided resources to sustain the urban and environmental credit program formerly known as the housing guarantee [HG] program. The program supports U.S. private sector initiatives which provide long-term financing for housing and urban infrastructure requirements such as sewage and water facilities. The Committee continues to place special emphasis in initiatives in Eastern Europe and South Africa, consistent with the President's commitment.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 1997	\$43,826,000
Budget estimate, 1998	44,208,000
Committee recommendation	44,208,000

The Foreign Service retirement and disability fund is a mandatory expense of the Agency for International Development.

AID OPERATING EXPENSES

Appropriations, 1997	\$470,750,000
Budget estimate, 1998	473,000,000
Committee recommendation	473,000,000

Consistent with the administration's request, the Committee recommends an appropriation of \$473,000,000 for the "Operating expenses" account of the Agency for International Development for fiscal year 1998.

OPERATING EXPENSES OF THE OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1997	\$30,000,000
Budget estimate, 1998	29,047,000
Committee recommendation	29,047,000

The Committee has fully funded the administration's request and provided language so that funds may remain available until 1999.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

Appropriations, 1997	\$2,343,000,000
Budget estimate, 1998	2,497,600,000
Committee recommendation	2,585,100,000

The Committee has provided \$2,585,100,000 for economic support funds. The Committee has not recommended funding for the Bank for the Economic Cooperation and Development in the Middle East and North Africa as requested by the administration. As the Committee warned last year, regional support for the Bank has eroded due to changing expectations about its function. The Committee is aware that some potential participants lost interest when it became clear the Bank intended to extend loans at market rather than concessional rates. Other donors have questioned the need for

a facility which competes with the services and resources provided by commercial lending institutions.

The Congress has been adamantly opposed to assuming new responsibility as the largest donor for a new multilateral facility when arrears at existing institutions continue to accumulate. At a time when the Committee finds it difficult to fulfill existing obligations, new commitments make little fiscal sense.

MIDDLE EAST EARMARKS

Since 1979, the Committee has strongly supported extensive economic and military assistance to Egypt, providing \$42,707,500,000. American assistance has been provided to Egypt with the understanding that it is based in great measure upon continued implementation of the Camp David accords and the Egyptian-Israeli peace treaty.

However, the Committee is concerned by the pattern of events over the past 18 months which are neither conducive to peace nor fulfilling obligations to develop normal relations with Israel. At best, Egypt has chosen a course of a cold peace. At its lowest point, decisions by the Egyptian leadership appear to lead other Arab nations down a course hostile to regional stability and security.

The Committee notes that Egypt declined to participate with all other concerned leaders in a Washington, DC, summit called last September by the President. Instead, a conference of Arab leaders was convened in Cairo during which a resolution was voted on to restore an economic boycott of Israel. Egypt led efforts to suspend the multilateral peace talks and undercut efforts to resolve issues related to the Israeli withdrawal from Hebron. The Committee is also concerned by the emerging political, economic, and military ties between Egypt and Libya, a terrorist state which directly threatens United States interests.

In addition to troubling developments in the security arena, the Committee notes ongoing problems in economic and trade relations. Israeli companies are still prohibited from opening branch offices in Egypt and face restrictions in the routine conduct of business. The effect of these constraints is a stagnant trade relationship which only reached \$82,000,000 in 1996.

The deterioration in the dynamics between the Camp David partners was illustrated by Foreign Minister Amr Moussa's recent remarks, "Egypt will not serve an Israeli peace, but will oppose it." The Committee believes there is neither an Israeli nor an Egyptian peace to serve. There is no room in the Middle East for separated or fractured concepts of peace; rather, our common interests rely on building a foundation of understanding and a commitment to negotiate the terms for resolving problems. This commitment requires all parties to abandon threats and the use violence to achieve goals.

In contrast, the Committee recognizes that King Hussein of Jordan has taken the initiative to advance both bilateral peace with Israel and regional stability. The Committee believes that the King's role in resolving contentious issues during negotiations between Israelis and Palestinians was key to achieving the Hebron Agreement and keeping the understandings associated with Oslo I and II on track. In addition to fulfilling a critical role in diplomatic negotiations, King Hussein has made a reduction in regional ten-

sions a personal priority. When a Jordanian soldier opened fire on a group of Israeli schoolgirls in February, King Hussein immediately condemned the act and personally visited the children's families in their homes. Moreover, since the initial signing of the Jordanian-Israeli Peace Treaty in 1994, the two countries have signed 14 other bilateral agreements to normalize economic and cultural links.

Given these trends, the Committee has continued with its previous practice of earmarking funds for Israel. In recognition of the important commitment Jordan has made to the peace process, the Committee has provided Jordan with \$150,000,000 in economic support. The Committee has not earmarked funds for Egypt, but notes that the administration is not prohibited from continuing support should it decide that aid is appropriate and contributes to the peace process.

MIDDLE EAST REGIONAL COOPERATIVE PROGRAM

The Congress fully supports the Middle East Regional Cooperation Program [MERC], and its role in fostering scientific collaboration between Israel and her Arab neighbors. The MERC Program should remain fully funded at no less than \$7,000,000 per year. The value of multiple lines of communication between nongovernmental institutions in the region is critical to the peace process, and should be continued. To that end, it is vital that the MERC Program's guidelines and criteria continue to limit the size of funded projects to no more than \$1,000,000 per year for 3 years in order to catalyze as many collaborations as feasible, thereby assuring the maximum possible impact.

PALESTINIAN-ISRAELI COOPERATION PROGRAM

The Committee recommends \$600,000 for the Palestinian-Israeli Cooperation Program, which funds a wide range of creative initiatives by members of both peoples who are committed to living and working together. Examples of past projects include meetings of experts on medical and scientific research, joint publications, theater productions, and activities for children. These kinds of joint projects are a constructive use of a relatively small amount of funding at a time when the Middle East peace process is threatened by extremists on both sides.

LATIN AMERICA AND THE CARIBBEAN

The Committee notes that since 1990, United States economic assistance to Latin America and the Caribbean has fallen by two-thirds. During that same period, poverty has steadily increased as had the flood of illegal immigrants into the United States. The Committee believes that this hemisphere should be given higher priority in the allocation of economic support fund assistance.

INTERNATIONAL FUND FOR IRELAND

Appropriations, 1997	\$19,600,000
Budget estimate, 1998	
Committee recommendation	

The Committee supports continued efforts to bring peace and stability to Northern Ireland. However, given the fact that the Fund has more than \$40,000,000 available in past year resources which have not yet been obligated to any projects or activities, the Committee did not see the need for an additional allocation at this time.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

Appropriations, 1997	\$475,000,000
Budget estimate, 1998	492,000,000
Committee recommendation	485,000,000

The Committee recommends \$485,000,000 for the Eastern Europe special assistance initiative. The Committee notes this is the last year of the administration's pledge for economic reconstruction in Bosnia-Herzegovina. This commitment was intended to restore a foundation for commercial and industrial growth and rebuild the mechanics of political institutions, in part to assure a timely and certain departure for American troops. The Committee is concerned that the goals so clearly defined by the Dayton accords including refugee resettlement and repatriation, and treatment of war criminals have been difficult to achieve.

When the reconstruction effort was launched, the Committee expressed strong reservations about assigning the World Bank the lead role in coordination of international assistance. The Bank had demonstrated weaknesses in the administration of a much smaller multilateral effort in Gaza and the West Bank. Unfortunately, the Committee's reservations have been realized, and the Bank has proven to be extremely slow in developing projects and disbursing urgently needed resources. The Committee urges the administration to renew its efforts to accelerate Bank programs to assure conditions on the ground are sufficiently stable to allow the orderly departure of United States and European forces.

WAR CRIMES

The Committee is concerned that nearly 4 years after the United Nations created an international tribunal to prosecute war crimes in the former Yugoslavia, 66 out of 74 indicted war criminals remain at large. Many of those at large have been sighted living openly and freely in areas of the former Yugoslavia, including Croatia. Meanwhile, the United States is supporting bilateral and multilateral assistance to Croatia and contributing to a \$5,100,000,000 international reconstruction program in Bosnia. The Committee believes that reconstruction without reconciliation will not be effective in the long run, and the apprehension of war criminals is essential for reconciliation to take place.

The Committee has included a provision to bar most economic assistance to countries and constituent entities in Bosnia if its authorities fail to apprehend and transfer to the International Criminal Tribunal for the Former Yugoslavia all indicted war criminals in territory under their effective control. The provision also directs U.S. executive directors of international financial institutions to work against and vote in opposition to programs in these countries and entities. Humanitarian and democratization assistance and certain cross-border infrastructure projects are exempt. The Committee believes that because so many private enterprises in the

former Yugoslavia are directly or indirectly owned by, controlled by, or benefiting government officials, their agents, or the government itself, assistance to the private sector effectively benefits the government. As such, the Committee has barred assistance for both private and public projects.

The provisions of the bill currently apply to Croatia, Serbia, and Republika Srpska. Many areas of the Federation of Bosnia and Herzegovina are under the effective control of Croatia, and many of the 13 indicted Croat war criminals are believed to travel freely between Croatia and the Croat-controlled areas of the federation. The Committee bill holds Croatia responsible for the arrest and transfer to the tribunal of any indicted war criminals in these areas which it effectively controls. It also holds Serbia and Republika Srpska responsible for the 53 Serbs in territory under their effective control.

LEGAL INITIATIVES

The Committee notes that the American Bar Association [ABA] has done an excellent job in promoting democracy around the globe through their continued support for the rule of law and legal infrastructure projects. These initiatives have played a significant role in fostering legal reforms and democracy by encouraging respect for the rule of law, building free markets and free trade, combating corruption and promoting sustainable development. The Committee also notes that a strong commitment to legal and commercial infrastructures supports the ability of emerging markets to purchase U.S. products.

To build on this success, the Committee urges AID to sustain funding for ABA projects at a level consistent with fiscal year 1997 levels. The Committee takes special note of the central and Eastern European law initiative [CEELI]. Through a variety of program components, CEELI is making legal expertise available to assist countries in the process of restructuring their legal systems. CEELI has focused its work in a number of critical priority areas, including constitutional reform, judicial restructuring, commercial and criminal law procedure, and legal education reform. CEELI has also helped develop and institutionalize self-sustaining indigenous nongovernmental organizations in more than 22 countries. The Committee notes that more than 5,000 U.S. attorneys, judges, and law professors from the United States have participated in CEELI, all as volunteers.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

Appropriations, 1997	\$625,000,000
Budget estimate, 1998	900,000,000
Committee recommendation	800,000,000

The Committee recommends \$800,000,000 for the New Independent States [NIS] of the former Soviet Union. As in prior years, the bill makes applicable the provisions of section 498B(j) of the Foreign Assistance Act to funds appropriated under this heading, as well as making applicable the other provisions of chapter 11 of part I of that act to funds appropriated by the bill for the NIS.

The Committee believes that strengthening free market democracies throughout the NIS enhances U.S. interests through increased stability, security, and prosperity. Accordingly, the Committee has continued with past practices of earmarking support for Ukraine, Armenia, and Georgia.

INDEPENDENT MEDIA

The Committee believes the sustainability of non-state-controlled media is critically important, and strongly supports continued assistance for independent broadcast media in Russia and the New Independent States. Capacity building through training in commercial management and basic journalism, as well as access to quality licensed programming and development of an independent media infrastructure are all necessary elements to further enhancing economic and political reforms in the region.

The Committee is encouraged by results achieved thus far, and recommends that AID provide the funding necessary to build on this success and expand programs to include the Russian far east.

OPERATION SUPPORT FREEDOM

The Committee questions the administration's decision to eliminate the Operation Support Freedom [OSF] Program. OSF has had tremendous success as a public-private partnership focused on shipping humanitarian assistance to the NIS and Eastern Europe. Over the past 4 years, OSF enabled more than 750 organizations across the United States to donate \$960,000,000 of humanitarian aid, at a cost of only \$80,000,000, to 533 cities in the former Soviet Union.

The Committee understands that no cost savings have occurred as a result of the administration's decision to terminate OSF, and fewer goods have been shipped. Programs such as OSF provide the type of leveraged assistance necessary for success. Therefore, the Committee urges the administration to reinstate Operation Support Freedom in order to provide necessary cost-effective management.

RESEARCH, TRAINING, EXCHANGES, AND PARTNERSHIPS

Training, exchanges, and partnerships between the United States and the nations of Eurasia and central Europe are essential to sustaining democracy and serve the interests of the United States. The Committee endorses full funding for the Russian, Eurasian, and East European Research and Training Program (title VIII) from the two appropriation accounts for the NIS and central Europe. The Committee also supports funding for other graduate fellowship and training projects in both regions such as the Central and Eastern European Graduate Fellowship Program. Student exchange programs, in general, are to be distributed in a balanced manner among high school, college, and graduate/postgraduate categories.

PHYSICIANS EXCHANGES

The Committee is interested in efforts by the American College of Physicians to establish a partnership program dedicated to pro-

fessional medical education for the benefit of health professionals in the republics of the former Soviet Union. This program would offer an opportunity for both academic and practicing American physicians, trained in the disciplines of internal medicine, to enhance the level of technical knowledge of physicians and other health care practitioners in the NIS in the contemporary understanding of the pathophysiology and mechanisms of disease, diagnosis, and effective medical management of disease. The Committee understands that the program would be heavily grounded in the concepts of continuing medical education and would rely upon the voluntary contribution of American physicians. The Committee requests AID to seriously consider establishing such a program, with a focus on the diseases which are the major contributors to excess morbidity and mortality and where effective medical intervention is possible.

VIOLENCE AGAINST WOMEN

Last year, in response to the widespread problem of violence against women in Russia, the conferees recommended that up to \$1,000,000 in fiscal year 1997 NIS funds be made available to support law enforcement training programs to address this crisis. The Committee is aware of and appreciates the administration's initial steps, and recommends that this effort be accelerated and expanded. The Committee requests the Department of State, in consultation with the Department of Justice, to report to the Committee by April 1, 1998, on the steps taken, results to date, and future plans in this effort.

SUSTAINABLE AGRICULTURE

The Committee is aware that AID plans to provide funds to support sustainable agriculture programs through replicating the United States extension model at Russian agricultural colleges, as recommended in the fiscal year 1997 conference report. The Committee believes that this is a sound investment which should be continued and expanded.

PUSHCHINO PROJECT

The Russian-United States technical, education, and economic development consortium have made significant progress implementing a project entitled, "Uniting Science and Education and the Transfer of Technology to Support Sustainable Economic Development and Environmental Protection of South Central European Russia." The so-called Pushchino project has carried out activities which promote economic development, restore the environment and train entrepreneurs, agriculturalists, and environmental professionals. The results have been mutually beneficial particularly in the testing and development of technologies with practical applications including the control of wheat and barley root disease and remediation of environmental pollutants. The Committee urges continued funding for this collaboration between research institutions, universities, and private firms.

RUSSIAN FAR EAST

The Russian far east is increasingly being recognized as vital to the overall development of Russia's market economy. Its rich natural resource base and proximity to the rapidly expanding Pacific rim economies have won it the attention of increasing numbers of industries and companies. However, attempts to coordinate trade promotional efforts between the two regions have been sporadic and often ill conceived.

Meanwhile U.S. competitors in the region have been effective in integrating public and private sector activities. Partly in response to this situation, the United States and Russian governments agreed during the December 1994 meeting of the Gore-Chernomyrdin Commission [GCC] in Moscow, to establish the United States west coast-Russian far east ad hoc working group. The working group is charged with developing a bilaterally sanctioned framework to increase trade and investment opportunities between the Russian far east and the United States west coast.

The role this working group can play to increase opportunities between the two regions is significant. The Committee recommends that authority and funding for this group and the subsequent initiatives approved by this bilateral body be given priority.

The Russian Far East presents a unique set of investment conditions which are oftentimes overlooked in broad United States foreign assistance initiatives in Russia. The Partnership for Freedom Program will designate certain areas in Russia to receive priority consideration for United States investment. The Committee directs the State Department to designate the Russian Far East as a region to receive this priority treatment.

UNITED STATES RUSSIA INVESTMENT FUND

The Committee continues to be concerned about the record of the United States Russia Investment Fund [TUSRIF] with regard to investment in small- and medium-sized businesses in Russia, particularly in the Russian Far East. The Committee directs TUSRIF to develop a lending mechanism to increase investment in small- and medium-sized business projects in the Russian Far East.

RUSSIA AND IRAN

The Committee has once again conditioned assistance to Russia on Moscow's termination of financial and technical support for the Iran nuclear program. The Committee has included this provision in legislation in the last 2 years. However, the administration has opposed any restrictions arguing that the conditions would undermine election prospects of reformers who offer the best hope for curtailing this dangerous program.

There is little evidence the successful reelection of reformers has had a restraining effect on this program. In fact, the Committee is deeply concerned by reports of substantial expansion in the number of Russian scientists involved in training, technology transfer, and supervision of nuclear testing.

Iran's campaign to acquire a nuclear capability is a serious threat to U.S. security interests and its suspension should be of the highest priority in the United States dialog with Russia.

UKRAINE

The Committee has withheld 50 percent of the \$225,000,000 made available to Ukraine until the President certifies that the Government of Ukraine has taken concrete steps to address concerns about corruption and the pace and scope of economic policy reforms. The Committee has exempted certain programs from this withholding which are key to U.S. security interests or advance necessary policy changes including support for nuclear safety, law enforcement, and strengthening democratic institutions.

The Committee notes recent important developments which have enhanced stability in Ukraine. The passage of a constitution and the introduction of a new, stable currency have been positive steps. Nonetheless, the Committee has learned of a number of cases involving American businesses in which officials in the Government have been unwilling or unable to address allegations of corruption, harassment, or other actions which compromise, damage or impede legitimate commercial enterprise. For example, the Committee learned that an important effort to establish a private grain storage and distribution facility was crippled by the Ministry of Agriculture's decision to seize virtually all the 1996 harvest. This issue was viewed by members of the Committee as counterproductive to Ukraine's goals to strengthen the economy through the expansion of private agricultural enterprise. More immediately, the consequences in lost income and jobs for American companies was of utmost concern to the Committee.

During a recent visit to the United States, Ukrainian President Kuchma was made aware of the importance of these issues as they relate to the provision of United States assistance. The Committee notes the President has now taken some initial steps to address these problems including removing the Prime Minister who had opposed reform efforts, issuing a decree defining new regulations to combat corruption, proceeding with the privatization of the State grain monopoly and more than 700 of the 840 State-owned grain storage facilities and finally, making the public commitment to resolve all outstanding cases involving U.S. businesses.

The Committee believes these steps must be followed by enforcement of the anticorruption decree, and additional progress in the privatization of State-owned agricultural monopolies and State ownership of land. The Committee also believes Ukraine must move forward with judicial and legal reforms to protect private enterprise.

NUCLEAR SAFETY

The Committee expects the administration to continue with crucial support to improve the safety of nuclear reactors in Ukraine. These activities safeguard public health, promote economic stability in the region and assure Ukraine has safe and reliable alternatives to both Russian energy supplies and the Chernobyl plant.

Considerable investment has been made to improve the safety of nuclear powerplants in Ukraine through the introduction of simulators to train operators. Several projects are currently underway which provide training and technology transfers which will enhance Ukraine's energy self-sufficiency. The Committee rec-

ommends continuing funding for these programs to complete projects planned and underway and assure all reactors have adequate equipment and well-trained operators.

LAW ENFORCEMENT

The Committee has earmarked funds to support effective training in law enforcement and judicial reforms in Ukraine. Given the serious problems in corruption and white collar crime, the Committee directs one-half of these funds to be transferred to U.S. agencies with the capabilities to provide immediate, in country, short-term training. The balance of the funds should be provided for long-term training and establishing a permanent professional national law enforcement center similar to the capabilities created in Hungary at the International Law Enforcement Agency. Funds should also be made available from the "International narcotics and law enforcement" account for these purposes.

ARMENIA

The Committee has earmarked \$95,000,000 for Armenia in recognition of progress that country has made on important economic and political reforms. As with Ukraine, the Committee believes energy self-sufficiency is essential to Armenia's full recovery and, therefore, encourages the coordinator to work closely with the governments in the region to support efforts to develop an oil and gas pipeline.

GEORGIA

The Committee is impressed by both the serious commitment and dramatic results Georgia has achieved in the pursuit of economic and political reforms. Two years ago, the government and economy were under siege. Crime, corruption, inflation, and unemployment were compounded by a Russian-supported secession movement in Abkhazia. The Committee commends both President Shevardnadze and the Parliament for extraordinary efforts to steer Georgia through this difficult transition.

The Committee has substantially expanded and earmarked funds for Georgia believing assistance at this critical juncture could make a significant difference in securing and making permanent key reforms, economic growth, and stability. Positioned as the anchor for broader Caspian basin economic development, Georgia's accomplishments should be built upon with the training and support anticipated in the earmarks for telecommunications, customs, border police and related export control initiatives, energy development, and legal and political reforms.

AZERBAIJAN

The Committee has included a provision which restates section 907 of the FREEDOM Support Act. However, for funds appropriated in this bill, the Committee has continued the exemption to permit the administration to provide support for demilitarization and related programs. In addition, the administration may provide support to strengthen political institutions. Open, elected governments responsible to citizens interests are essential to long-term

stability. With little history or experience in this area, the Committee believes it is essential to offer meaningful support to all governments in the region to reform and strengthen election laws and related institutions and develop active and relevant political parties and organizations.

The Committee has also included a provision exempting financing and assistance from OPIC, the Trade and Development Agency, the Export-Import Bank, and activities carried out by the Foreign Commercial Service, from section 907 of the FREEDOM Support Act. The Committee believes that these programs are urgently needed to assist American businesses to compete in a region of immense potential economic and strategic importance to the United States. The Committee requests the Secretary of State to coordinate the written assurances of the relevant executive branch departments to the Committee within 60 days after enactment of this provision into law.

MONGOLIA

The Committee recognizes that the Mongolian Government is committed to infrastructure development and environmental protection. The Mongolian Government is exploring environmental protection in terms of economic value because it can increase tourism, particularly ecotourism. Further, the Committee recognizes that institutions such as the Academy of Natural Sciences in Philadelphia, PA, can provide technical advice on environmentally sound economic development through cooperative research programs with Mongolian scientists.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

Funding for this account has been included under the "Development assistance" account.

INTER-AMERICAN FOUNDATION

Funding for this account has been included under the "Development assistance" account.

PEACE CORPS

Appropriations, 1997	\$208,000,000
Budget estimate, 1998	222,000,000
Committee recommendation	206,000,000

The Committee recommends an appropriation of \$206,000,000 for the Peace Corps for fiscal year 1998 with an additional transfer of \$14,000,000 to be made available from New Independent States [NIS] funds.

In past years, because of severe budgetary constraints, the Committee strongly encouraged the Peace Corps to reevaluate volunteer levels in countries to reflect the shifts in U.S. priorities and interests in the post-cold-war environment. However, during consideration of the fiscal year 1998 request, the Peace Corps was unable to provide justification for many of the volunteer levels in particular regions and countries. In the Dominican Republic, for example,

volunteer levels have remained high over the last 3 years, ranging from 127 to 161, where United States strategic interests are minimal. In contrast, the Peace Corps has placed less emphasis on the emerging new democracies in central and Eastern Europe, especially the Baltic region. Though there is an urgent need for economic and local government development programs in the region, Peace Corps volunteer levels have actually declined despite clear U.S. interests.

The Committee notes that the Peace Corps has moved to consolidate some responsibilities and reduce some positions at Washington headquarters. Nonetheless, the Committee is concerned that there has been a simultaneous increase of 38 positions, and \$1,900,000 in salaries. The Committee has reduced the administration's request because of these concerns.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

Appropriations, 1997	\$213,000,000
Budget estimate, 1998	230,000,000
Committee recommendation	216,200,000

The Committee recommends \$216,200,000 for the International Narcotics and Law Enforcement Account [INL]. This represents a \$3,200,000 increase from fiscal year 1997 levels, and reflects the Committee's concern about the continuing escalation of international crime and narcotics trafficking.

The Committee believes it is unwise to appropriate full funding for the fiscal year 1998 INL request at this time. Despite billions of dollars and years of effort, the supply and availability of illegal drugs in the United States continues to rise, with U.S. agencies losing ground, due in large part to interagency rivalries and a lack of operational coordination. A recent General Accounting Office [GAO] report gave a thorough accounting of the lack of interagency coordination in U.S. counternarcotics efforts abroad.

Over the past several months, the Committee has attempted to build a matrix, identifying the dollars spent along with the agencies and number of personnel assigned country by country to combat the flow of illegal drugs. During a recent Committee hearing, the Assistant Secretary for INL was asked to provide agency and spending data for Mexico. He was unable to provide the information either at the time or subsequently for inclusion in the hearing record.

To date, no agency or office has been able to provide the Committee with this vital information on Mexico or any other country where the United States conducts counternarcotics activities. In fact, the Committee has been advised by the Office of the National Drug Control Policy, the President's center for coordination of American programs, that this information does not exist. It is difficult to understand how the United States can conduct an effective counternarcotics campaign if no Federal organization or employee knows the total number of agencies, costs, or missions in any given country. Under the circumstances, the Committee finds it virtually impossible to measure the cost effectiveness and success of America's war on drugs.

Therefore, the Committee recommends that none of the funds appropriated be made available until the Department of State provides the Committees on Appropriations with this information.

BOLIVIA

While the Committee supports the administration's request for counternarcotics efforts in Bolivia, it is concerned about the effectiveness of some of the components of this effort. In particular, the Committee notes the continued support of the blue devil task force, a Bolivian Navy river interdiction unit, which has consumed \$20,000,000 in United States funds with few returns. In 56 operations in 1996, the blue devils enjoyed limited success. There are no indications that outcome-based performance standards are used to judge the effectiveness of the program or justify its cost. The Committee strongly urges the Department of State to seriously review the costs associated with the blue devil task force and recommends a general phaseout of the program unless significant eradication or interdiction goals are met.

In addition, the Committee notes that currently there are 22 United States owned UH-1 helicopters stationed in Bolivia for interdiction efforts, with total estimated costs at \$3,400,000. According to an onsite staff evaluation by the Senate Caucus on International Narcotics Control, the helicopters have limited interdiction use, serving primarily logistics and transport functions. With Bolivian eradication efforts mostly focused on land operations, the Committee is concerned that costs associated with the upkeep of the helicopters are unjustified. The Committee recommends the Department of State evaluate the costs associated with airborne operations in Bolivia, and report back no later than March 1, 1998, on whether funds are being properly utilized.

INTERNATIONAL CRIME

The Committee is concerned about the increase in crime abroad in both the developed and lesser developed countries. The Committee is further concerned about the direct and indirect impact of international crime on the United States.

The Committee notes that many agencies within the Departments of State, Justice, and Treasury are involved in investigations, training, and remediation of local and international crime problems. These agencies include: the State Department's Bureau of International Narcotics and Law Enforcement, and the Bureau of Latin American Affairs; the Agency for International Development; the Justice Department's Federal Bureau of Investigation, Drug Enforcement Administration, International Criminal Investigative Training Assistance Program, the Deputy Attorney General's Executive Office of National Security, the Criminal Division's Office of International Affairs, and the Office of Justice Program's, international criminal justice clearinghouse; the Treasury Department's Financial Crimes Enforcement Network; and the Office of National Drug Control Policy.

In light of the growing nature and complexity of international crime and its impact on the United States, the Committee requests the Secretary of State to convene a new Secretaries' task force on international crime, in cooperation with the Attorney General, the

Secretary of Treasury, and the Director of the Office of National Drug Control Policy, to fully coordinate Federal efforts to combat international crime. The Committee requests that the task force submit to Congress within 120 days of enactment of this legislation a report which addresses the following:

- Establishment of a senior level working group comprising members designated by the Secretaries and representing involved agencies which will meet monthly to coordinate Federal international crime efforts.
- An analysis of the nature and extent of the international crime problem and implications for future programs and funding.
- Recommendations on ways to improve the effectiveness of and expand U.S. drug and law enforcement efforts.
- Development of a Technical Assistance Program which will make available to developed and lesser developed countries U.S. expertise in policing, antigang programs, and antidrug programs, on a fee-for-service basis as appropriate.

BIOLOGICAL CONTROL OF ILLICIT DRUG CROPS

The development of plant pathogens which are capable of destroying illicit drug crops including opium poppy, cocaine, and marijuana offer a potential weapon in the fight against illicit drugs. Montana State University has field tested some of these pathogens which have proved to be effective, and they propose to continue selection and improvements of these biocontrol agents. This kind of research warrants continued financial support, and the Committee recommends at least the current level of funding for this program.

MIGRATION AND REFUGEE ASSISTANCE

Appropriations, 1997	\$650,000,000
Budget estimate, 1998	650,000,000
Committee recommendation	650,000,000

The Committee recommends \$650,000,000 for the Migration and Refugee Assistance Program, of which \$80,000,000 is earmarked for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

The Committee has continued its practice of earmarking funds to support the settlement in Israel of refugees from the former Soviet Union and other areas. However, the Committee notes the program began at a time when religious persecution in Communist States generated both high volume and large peaks in the flow of refugees causing severe pressures on the Israeli Government's capability to serve the needs of this population.

The Committee notes that not only has the overall number of refugees declined, but also, the flow is proceeding at a relatively steady pace. Therefore, the Committee expects to reduce funds made available for this program over the next 2 years with the goal of providing not more than \$55,000,000 by the year 2000.

CHILD REFUGEES

The Committee is concerned that the special needs of child refugees have not been adequately addressed and that sufficient re-

sources have not been provided for programs focused on the education of children and the demobilization of child soldiers. Millions of children are stranded in refugee camps where they languish without access to education, are sexually exploited, are often last to receive food and medicine, and are forcibly recruited to serve as combatants. The Committee urges the administration to work closely with the United Nations High Commissioner for Refugees to provide additional resources for the specific development of programs to educate refugee children and address these other critical needs.

ORDERLY DEPARTURE PROGRAM/RETURN OF VIETNAMESE REFUGEES

The Committee believes the United States should fulfill its commitment to review cases of Vietnamese refugees who are eligible for resettlement through the Orderly Departure Program/Return of Vietnamese Refugees, and to provide assistance to those who have repatriated to Vietnam. The Committee expects the Bureau for Population, Refugees, and Migration to continue to fund programs implemented by nongovernmental organizations to provide humanitarian assistance to Vietnamese repatriates through fiscal year 1998. Such funding will support programs which promote the economic self-sufficiency of individuals and families who have repatriated.

EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Appropriations, 1997	\$50,000,000
Budget estimate, 1998	50,000,000
Committee recommendation	50,000,000

The Committee recommends \$50,000,000 for the emergency refugee and migration assistance fund.

NONPROLIFERATION, ANTITERRORISM, DEMINING, AND RELATED PROGRAMS

Appropriations, 1997	\$151,000,000
Budget estimate, 1998	115,000,000
Committee recommendation	129,000,000

The Committee recommends \$129,000,000 for a consolidated account which includes the nonproliferation and disarmament fund, antiterrorism activities, demining programs, and funding for the International Atomic Energy Agency and the Korean Peninsula Energy Development Organization.

CONSOLIDATED ACCOUNT

	1997 enacted	1998 request	Committee recommendation
Antiterrorism	\$18,000,000	\$19,000,000	\$19,000,000
Nonproliferation and disarmament fund	15,000,000	15,000,000	15,000,000
Demining	15,000,000	15,000,000	15,000,000
International Atomic Energy Agency	36,000,000	36,000,000	36,000,000
Korean Peninsula Energy Development Organization	25,000,000	30,000,000	44,000,000

CONSOLIDATED ACCOUNT—Continued

	1997 enacted	1998 request	Committee recommendation
Total	109,000,000	115,000,000	129,000,000

In addition to fully funding the request level in each of these accounts, the Committee has recommended providing \$14,000,000 for debt owed by the Korean Peninsula Energy Development Organization [KEDO] if specific conditions are met. The Committee has been advised that accumulated debt has had an adverse impact on current oil purchasing costs for KEDO. The organization has used appropriated funds and contributions to pay off portions of back debt, an arrangement which has limited the availability of funds for current purchases. This approach has constrained planning and resulted in the purchase of oil on the spot market at higher costs. The Committee understands that if the back debt is cleared, the actual requirements for appropriated funds will be maintained at the current level for the duration of the 5-year commitment under the agreed framework.

The Committee has made \$14,000,000 available only if the Secretary of State certifies that funds sufficient to cover all outstanding debt, independent of this additional U.S. contribution, are made available to KEDO. This will require other donors making contributions to KEDO substantially in excess of the proposed U.S. supplement.

NONPROLIFERATION AND DISARMAMENT

The Committee supports the activities carried out by this fund for controlling the spread of nuclear weapons and material, particularly efforts made to limit nuclear smuggling.

DEMINEING

The Committee has provided \$15,000,000 for the Department of State's humanitarian demining programs, which may be made available through governments, nongovernmental organizations, and private contractors for the removal of landmines and other unexploded ordnance. Because of the extensive problem of unexploded ordnance in Laos, much of which is of American origin, the Committee recommends that additional funds be made available to strengthen management and implementation of programs of the National Unexploded Ordnance Awareness and Clearance Program [UXO-LAO].

PULSED FAST NEUTRON ANALYSIS [PFNA]

The Committee supports the development of the pulsed fast neutron analysis [PFNA] cargo inspection system, a state-of-the-art technology that is able to detect the presence of drugs, explosives, weapons of mass destruction and other contraband in sealed cargo containers and trucks.

The Committee notes the Department of State should continue with support for PFNA and encourages the agency to follow through on congressional recommendations to support field testing

and strengthen international cooperation on testing and evaluation. Further, the Committee encourages the Department to work with other U.S. Government agencies to establish joint funding strategies and deployment options for this important technology.

SRI LANKA

The Committee urges the administration to expand its support for antiterrorism programs in Sri Lanka, where Tamil guerrillas have mercilessly targeted innocent civilians. The Committee is also concerned about reports that civilians are being killed and maimed from landmines used by Sri Lankan Government forces as well as Tamil guerrillas.

TITLE III
MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Appropriations, 1997	\$43,475,000
Budget estimate, 1998	50,000,000
Committee recommendation	47,000,000

The Committee recommends \$47,000,000 for the International Military Education and Training [IMET] Program. During consideration of the fiscal year 1998 request, the Defense Security Assistance Agency was unable to provide a coherent analysis or justification of the requirements for an increase in funding. For each of the past years when the Congress has provided increases over prior year levels, DSAA appears to have simply apportioned on a strict percentage basis the available increase in resources. This reflects a lack of consideration of shifts in U.S. security priorities or interests in the post-cold-war environment.

The Committee believes IMET funding is a crucial tool available to strengthen U.S. alliances and relationships. Moreover, IMET programs offer the opportunity for the United States to play a valuable role in building civilian-military relations in emerging democracies thereby having a direct impact on a nation's stability and political survival.

The Committee has reduced the administration's request because of the failure to identify clear priorities and connect funding levels with security interests. The Committee directs DSAA to prepare a report evaluating 5 year trends and expectations for IMET recipients. This report shall include a separate section prepared in consultation with the regional commanders in chief indicating how IMET programs serve U.S. security and political interests in their theater of operation.

THAILAND

During the past year the Committee has become deeply concerned by a pattern of conduct by Thai military officials regarding both Burmese refugees and democratic activists in exile in Thailand. During the most recent Burmese military offensive against the Karen ethnic group, the Thai Army commander in chief traveled to a border camp to consult with senior SLORC officials. The following day, the Thai military began the evacuation of camps, pushing women and children back across the border into active military conflict.

The Committee recognizes the Government of Thailand has a long history of providing safe haven and support for victims of con-

flict in Cambodia and the region. This history makes the contrast of recent actions all the more troubling, particularly when considered in conjunction with accounts of the aggressive harassment of democratic activists who have fled political persecution in Burma.

Although it is always the goal of the IMET program to strengthen humanitarian values and practices of military recipients, the programs' success presumes a commitment on behalf of the military's leadership to its purpose.

Given the problem of the forcible repatriation, putting the lives of women and children at risk, along with the apparent involvement of the Thai Army commander in chief in the decision, the Committee requests a report by February 1, 1998, evaluating the Thai military's record in the preceding 9 months enforcing the Thai Government's official policy of affording all Burmese refugees safe haven.

FOREIGN MILITARY FINANCING

TOTAL PROGRAM LEVEL

Appropriations, 1997	\$3,284,000,000
Budget estimate, 1998	3,340,250,000
Committee recommendation	3,339,000,000

GRANT LEVEL

Appropriations, 1997	\$3,224,000,000
Budget estimate, 1998	3,274,250,000
Committee recommendation	3,265,000,000

(LIMITATION ON ADMINISTRATIVE EXPENSES)

Appropriations, 1997	\$23,250,000
Budget estimate, 1998	23,250,000
Committee recommendation	23,250,000

SUBSIDY APPROPRIATIONS—DIRECT LOANS

Appropriations, 1997	\$60,000,000
Budget estimate, 1998	66,000,000
Committee recommendation	74,000,000

(ESTIMATED LOAN PROGRAM)

Appropriations, 1997	\$540,000,000
Budget estimate, 1998	699,500,000
Committee recommendation	759,500,000

BALTIC STATES AND NATO EXPANSION

The Committee has provided strong support in the past for initiatives to provide equipment and resources to enhance the military interoperability of NATO members and nations involved in the Partnership for Peace. The administration has stated that the first round of NATO expansion in July will not be the last, and the Committee strongly agrees that NATO's doors should remain open to all new emerging democracies in central and Eastern Europe.

Consistent with last year, the Committee believes it is essential that proper resources are provided to countries which have demonstrated a commitment to take on the burdens and responsibilities associated with NATO. Though the Baltic nations are not like-

ly to be invited to join NATO at the Madrid summit later this year, the Committee believes that Lithuania, Latvia, and Estonia are strong potential candidates and supports programs aimed at improving their military capabilities and enhancing their interoperability and standardization with NATO. Therefore, the Committee has provided a total of \$20,000,000 in grants and loans to accomplish this goal. The United States has a vital interest in extending the stabilizing influence of NATO to include these new democracies.

Of this amount, the Committee recommends that \$12,000,000 in FMF funds be made available to facilitate the completion of the regional airspace initiative [RAI]. First launched in 1994, the RAI is designed to develop a regionally shared civil/military airspace control system for central Europe that is fully compatible and interoperable with the current West European civilian airspace system. Phase 1 of the RAI, completed in September 1996 consisted of an architectural study of partner requirements to build and operate such a system. The FMF funds specified in this section will promote the implementation of the study results. This includes construction of a regional air sovereignty command center [RASCC], to be located in Lithuania, and the purchase of radar and communication equipment, and related training. Both the administration and representatives from the Baltic States recognize the importance of completing this facility, and consider it one of their highest priorities. Since current and projected Baltic FMF accounts will not be able to fully support this effort, it is the Committee's intention that funds be provided to adequately accommodate the current needs of the RAI.

GREECE AND TURKEY

The Committee maintains the balance of military assistance to Greece and Turkey at a ratio of 7 to 10.

LANDMINES

The Committee again includes language permitting demining equipment to be made available on a grant basis to foreign countries. The Committee strongly supports continued use of FMF funds for activities to assist in locating and destroying unexploded landmines and ordnance that maim and kill innocent people around the world.

EGYPT COMMAND AND CONTROL SYSTEMS

The Committee understands that the Government of Egypt is considering the acquisition of a tactical command and control system for its army. The Committee recommends they purchase a system manufactured by a U.S. company, one which is compatible with systems used by the U.S. Army.

SPECIAL DEFENSE ACQUISITION FUND

The Committee recommends no new obligational authority for the special defense acquisition fund [SDAF] for fiscal year 1998. The language included in the fiscal year 1993 bill, which requires that all receipts into the fund be returned to the Treasury, remains

in effect and will reduce the deficit by approximately \$106,000,000 in fiscal year 1998.

PEACEKEEPING OPERATIONS

Appropriations, 1997	\$65,000,000
Budget estimate, 1998	90,000,000
Committee recommendation	75,000,000

The Committee recommends an appropriation of \$75,000,000, an increase of \$10,000,000 over the fiscal year 1997 level. The Committee has reduced the account \$15,000,000 and directs that no funds be made available for the Africa Crisis Response Force.

Although the Committee recognizes the need to establish an African based multinational military unit capable of crisis prevention and management, monitoring peace settlements and providing support to meet emergency humanitarian needs, information provided to date from the administration does not suggest the need for yet another U.S. led initiative. The United States has been one of the largest financial supporters of the security training and conflict management activities of the Organization of African Unity and has provided substantial support to the Economic Community of West African States Peacekeeping Force [ECOMOG] which engages in regional initiatives. More importantly, the Committee has been advised by the administration that the French are currently engaged in training and equipping a regional military force and the United Kingdom is supporting a similar program in conjunction with the Southern African Development Community. [SADC]. The SADC initiative closely parallels the planned program described by the Defense and State Departments.

The administration has explained that the U.S. program will enjoy United Nations endorsement which is represented as an important tool to leverage African participation. The Committee is concerned that the effect of this endorsement will be an assessment for American participation.

At a time when the payment of U.S. arrears to the United Nations is being negotiated, the Committee is reluctant to endorse or support a potential new commitment. The Committee requests a report by March 1, 1998, on the activities currently being conducted by United States allies to build a multinational force in Africa, including an assessment of the potential support the United States could offer these initiatives in lieu of a unilateral American program.

TITLE IV
MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS SUMMARY

Appropriations, 1997	\$985,904,710
Budget estimate, 1998	5,044,449,980
Committee recommendation	4,852,945,980

The Committee recommends the total level of paid-in capital funding shown above to provide for contributions to the International Bank for Reconstruction and Development's Global Environment Facility, the International Development Association, the Inter-American Development Bank and its Fund for Special Operations, the Enterprise for Americas Multilateral Investment Fund, the Asian Development Bank and Fund, the European Bank for Reconstruction and Development, the North American Development Bank, and the new arrangements to borrow for the International Monetary Fund.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

GLOBAL ENVIRONMENT FACILITY

Appropriations, 1997	\$35,000,000
Budget estimate, 1998	100,000,000
Committee recommendation	60,000,000

The Committee recommends \$60,000,000 for the global environment facility [GEF].

INTERNATIONAL DEVELOPMENT ASSOCIATION

Appropriations, 1997	\$700,000,000
Budget estimate, 1998	1,034,504,000
Committee recommendation	950,000,000

The Committee recommends an appropriation of \$950,000,000 for IDA-10 and IDA-11 contributions. Of this amount, \$800,000,000 is available for the IDA-11 replenishment and \$150,000,000 for IDA-10.

The Committee has restricted the availability of funds for IDA until the Secretary of the Treasury certifies that procurement restrictions imposed by the interim trust fund [ITF] have been lifted. Last year, the Committee provided \$700,000,000 for payments to IDA. To express opposition to what they viewed as a United States funding shortfall, some IDA donors established a special account of \$3,300,000,000 known as the interim trust fund. Only companies from ITF donor nations were eligible for procurement contracts. In the context of negotiating the IDA-11 replenishment, the administration accepted this arrangement.

Historically the United States has been the single largest donor to IDA, yet at no point has sought to offer any advantage to American corporations by establishing procurement ratios proportional to contribution. Thus, the Committee strongly objected to the ITF. As a result, the Congress withheld IDA funds until a report was provided by the Secretary of the Treasury in March 1997 on administration efforts to dismantle the fund and open up procurement. While the Committee notes that the administration has expended effort to correct this problem, it still has not been resolved.

There remains roughly \$1,000,000,000 in the fund which U.S. companies could potentially bid on. The Committee urges the Department of the Treasury to redouble their efforts to resolve the situation.

The Committee also is concerned that American companies do not regularly receive adequate information about potential procurement opportunities stemming from World Bank and IDA loans, and believes that this information should be provided on a regular and timely basis. In addition, the Committee is concerned that local communities are often not consulted in advance and have little, if any, meaningful input into loan decisions that affect them. The Committee believes such consultation is intrinsic to the success and sustainability of IFI projects, and should be conducted as a matter of routine practice. The Committee has, therefore, included bill language requiring the U.S. Executive Directors to these institutions to strongly promote these reforms.

AGRICULTURE AND RURAL DEVELOPMENT

The Committee supports the World Bank's efforts to develop a new role for agriculture and the rural sector in its lending programs and projects. Traditionally, agriculture has been an important focus for all of the multilateral development banks, but in recent years most of the MDB's have shifted their emphasis away from this sector. The Committee urges the Treasury Department to exercise its leadership by promoting agriculture and rural development projects as a high priority once again in MDB lending programs. In this regard, the Committee notes the work of the Commission on International, Trade, Development, and Cooperation which also strongly recommended in its February 1997 report that increased emphasis in the agriculture sector was needed.

INTER-AMERICAN DEVELOPMENT BANK

INTERREGIONAL PAID-IN CAPITAL

Appropriations, 1997	\$25,610,667
Budget estimate, 1998	25,610,667
Committee recommendation	25,610,667

LIMITATION ON CALLABLE CAPITAL

Appropriations, 1997	\$1,503,718,910
Budget estimate, 1998	1,503,718,910
Committee recommendation	1,503,718,910

FUND FOR SPECIAL OPERATIONS

Appropriations, 1997	\$10,000,000
Budget estimate, 1998	20,835,000
Committee recommendation	20,835,000

ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

Appropriations, 1997	\$27,500,000
Budget estimate, 1998	30,000,000
Committee recommendation	30,000,000

The Committee has fully funded the administration's request for the MIF to assure adequate support to continue crucial tax, privatization, and economic policy reforms needed to strengthen the private investment climate. These funds are available for contributions previously due.

ASIAN DEVELOPMENT BANK

PAID-IN CAPITAL

Appropriations, 1997	\$13,221,596
Budget estimate, 1998	13,221,596
Committee recommendation	13,221,596

LIMITATION ON CALLABLE CAPITAL

Appropriations, 1997	\$647,858,204
Budget estimate, 1998	647,858,204
Committee recommendation	647,858,204

Given the enormous importance the Committee attaches to strengthening trade and investment in the rapidly expanding Asian market, the Committee has fully funded the Asian Development Bank.

ASIAN DEVELOPMENT FUND

Appropriations, 1997	\$100,000,000
Budget estimate, 1998	150,000,000
Committee recommendation	140,000,000

The Committee recommends an appropriation of \$140,000,000 for the soft-loan window of the Asian Development Bank, known as the Asian Development Fund [ADF] to cover payments to both the fifth and sixth replenishment request. Of these funds, \$40,000,000 are available for contributions previously due.

AFRICA DEVELOPMENT FUND

Appropriations, 1997 .....	.....
Budget estimate, 1998	\$50,000,000
Committee recommendation .....	.....

Given the enormous commitment of resources derived from IDA for Africa, the Committee has not funded the additional concessional lending of the Africa Development Fund.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

PAID-IN CAPITAL

Appropriations, 1997	\$11,916,447
Budget estimate, 1998	35,778,717
Committee recommendation	35,778,717

LIMITATION ON CALLABLE CAPITAL

Appropriations, 1997	\$27,805,043
Budget estimate, 1998	123,237,803
Committee recommendation	123,237,803

The European Bank for Reconstruction and Development continues to play an important role in central and Eastern Europe and the former Soviet Union. The Committee notes that this institution intends to be self-sufficient in the near term and welcomes this development.

NORTH AMERICAN DEVELOPMENT BANK

PAID-IN CAPITAL

Appropriations, 1997	\$56,000,000
Budget estimate, 1998	56,500,000
Committee recommendation	56,500,000

LIMITATION ON CALLABLE CAPITAL

Appropriations, 1997	\$318,750,000
Budget estimate, 1998	318,750,000
Committee recommendation	318,750,000

The North American Development Bank [NADBank] and the Border Environment Cooperation Commission [BECC] were created under NAFTA to respond to concerns about the border environment by identifying and funding water, sewage, and solid waste projects. The Committee is concerned that NADBank and BECC have not moved quickly enough to certify and fund appropriate projects. NADBank and BECC should work to streamline their respective approval processes, eliminate unnecessary procedures, and expeditiously provide critical funds to border communities in need.

INTERNATIONAL MONETARY FUND

ENHANCED STRUCTURAL FACILITY

Appropriations, 1997	
Budget estimate, 1998	\$7,000,000
Committee recommendation	

The Committee believes that other institutions, particularly the International Development Association, along with regular International Monetary Fund [IMF] programs can provide support for programs intended to be funded under this facility.

The Committee is aware that the IMF has commissioned a team of independent external experts to evaluate the enhanced structural adjustment facility. The Committee welcomes this step, and looks forward to receiving a copy of the evaluation report at the earliest possible date. The Committee is especially interested in the extent to which (1) social and economic concerns are broadly ad-

dressed in adjustment programs, and (2) local people are meaningfully consulted on IMF policies.

NEW ARRANGEMENTS FOR BORROWING

Appropriations, 1997	
Budget estimate, 1998	\$3,521,000,000
Committee recommendation	3,521,000,000

The Committee has supported the request for the new arrangements for borrowing [NAB] with the understanding that any transfer of dollars to the IMF under the NAB will not be scored as an outlay and will not increase the deficit. Consistent with past agreements, the United States will receive in exchange another monetary asset in the form of a liquid, interest bearing claim on the IMF. This claim is backed by the IMF's gold reserves.

The Committee has supported this request as a crisis prevention measure to maintain stability in international financial markets. The Committee understands that the NAB will only be activated should supplementary resources be required to meet a debt or financial emergency with global implications. While the U.S. share of the NAB will decrease relative to the existing general arrangements to borrow, U.S. leverage over activation decisions will be enhanced by changes in voting procedures.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Appropriations, 1997	\$269,950,000
Budget estimate, 1998	365,000,000
Committee recommendation	277,000,000

The Committee has provided \$277,000,000 for the "International organizations and programs" account. This amount does not include funding for the Korea Peninsula Economic Development Organization [KEDO] and the International Atomic Energy Agency [IAEA] which are provided for in the nonproliferation, antiterrorism, demining, and related programs section of the bill.

The Committee has included language earmarking \$5,000,000 for a U.S. contribution to the World Food Program, which has a central role in responding to famines and food emergencies around the world. This is a \$2,000,000 increase above last year's level.

The Committee recommends that \$85,000,000 be made available to the United Nations Development Program [UNDP], an increase of \$8,650,000 above the fiscal year 1997 level, but \$15,000,000 below the request. The Committee notes that while a recent GAO report credited UNDP with pursuing programs that further U.S. foreign policy goals, the Committee continues to receive mixed reports about UNDP's effectiveness in the field.

Like last year, the Committee recommends \$25,000,000 for the United Nations Fund for Population Activities. Also like last year, the Committee recognizes the important role the international environmental organizations and programs play in protecting the health and environment of the American people, and recommends that funding for these organizations and programs be maintained.

UNITED NATIONS PROPOSALS CONCERNING UNICEF

The Committee recognizes the unique public/private funding partnership which has enabled the United Nations Children's Fund [UNICEF] to operate for over 50 years for the survival, protection, and development of vulnerable children around the world. The Committee expects \$100,000,000 to be made available to UNICEF for these important activities.

The Committee notes with grave concern that proposals are being developed within the United Nations that would merge and consolidate UNICEF with other entities like UNFPA and UNDP into a single U.N. development group. Such proposals would destroy the special identity and singular mandate of UNICEF to serve the world's children, and jeopardize UNICEF's ability to raise globally \$300,000,000 each year from the private sector. While the Committee clearly favors reform of the U.N. system, it is opposed to any plan that would have the effect of diluting or eliminating UNICEF, directly or indirectly. The treatment of the status of UNICEF will be a key indicator for the Committee's evaluation of any overall U.N. reform proposals. The Committee recommends that the Secretary of State immediately convey the Committee's concern in this regard to the United Nations Secretary-General.

UNITED NATIONS FUND FOR VICTIMS OF TORTURE

The United Nations Voluntary Fund for Victims of Torture provides modest financial grants to treatment programs for victims of torture. These programs provide medical and psychological services to victims both in countries of refuge and in the victim's country of origin. Programs exist in California, Illinois, Minnesota, and New York. Most U.S. programs receive or are applying for assistance from the voluntary fund. The Committee recommends that the administration maintain the U.S. contribution to the voluntary fund in fiscal year 1998 at its current level. The Committee urges the Department of State to encourage other governments to increase their own contributions.

TITLE V

GENERAL PROVISIONS

- SEC. 501.—Restrictions on enterprise funds.
- SEC. 502.—Restricts transfer of development assistance.
- SEC. 503.—Limits AID residential expenses.
- SEC. 504.—Limits AID entertainment expenses.
- SEC. 505.—Limits other agency entertainment expenses.
- SEC. 506.—Prohibition on financing of nuclear goods.
- SEC. 507.—Restricts funding for Cuba, Iraq, Libya, North Korea, Iran, Sudan, and Syria.
- SEC. 508.—Restricts aid to countries which undergo a coup.
- SEC. 509.—Requires notification of any transfer of funds to an account to which it was not appropriated.
- SEC. 510.—Provides deobligation/reobligation authority.
- SEC. 511.—Restricts the availability of funds to current fiscal year.
- SEC. 512.—Limits assistance to countries in default.
- SEC. 513.—Restricts Export-Import Bank and OPIC from funding exports or activities which harm U.S. producers engaging in similar businesses.
- SEC. 514.—Restricts funding from production or extraction of any commodity or mineral for export that would cause substantial injury to U.S. producers of similar commodities.
- SEC. 515.—Requires notification from administration of spending changes.
- SEC. 516.—Restricts funds for international organizations and programs.
- SEC. 517.—Policy regarding economic support fund assistance for Israel.
- SEC. 518.—Prohibits funding for abortions and involuntary sterilization.
- SEC. 519.—Limits funds for foreign organizations that perform abortion.
- SEC. 520.—Requires report relative to Arms Export Control Act.
- SEC. 521.—Requires special notification for funding of programs in Colombia, Guatemala, Dominican Republic, Haiti, Liberia, Pakistan, Peru, Serbia, Sudan, or Democratic Republic of the Congo.
- SEC. 522.—Definition of program, project and activity.
- SEC. 523.—Provides funds for child survival and AIDS programs.
- SEC. 524.—Prohibits indirect funding to Cuba, Iraq, Libya, Iran, Syria, North Korea, or People's Republic of China.
- SEC. 525.—Replaces "1997" with "1998" in relevant sections.
- SEC. 526.—Requires notification of planned activity involving excess defense equipment.
- SEC. 527.—Waives authorization requirement.
- SEC. 528.—Prohibits bilateral assistance to terrorist nations.

- SEC. 529.—Allows for commercial leasing of defense articles.
- SEC. 530.—Allows U.S. insurance companies to bid for insurance contracts.
- SEC. 531.—Restricts stingers for Persian Gulf nations.
- SEC. 532.—Provides for debt-for-development programs.
- SEC. 533.—Requires separate accounts for local currencies and cash transfers.
- SEC. 534.—Limits funding for compensation for U.S. executive directors to international financial institutions.
- SEC. 535.—Requires compliance with U.N. sanctions against Iraq.
- SEC. 536.—Allows competitive pricing for sales of defense articles.
- SEC. 537.—Requires report if Peace Corps conducts activities in countries where assistance is prohibited.
- SEC. 538.—Restricts funding for programs which have adverse impact on U.S. jobs.
- SEC. 539.—Places restrictions on the termination of sanctions against Serbia and Montenegro.
- SEC. 540.—Provides special authorities.
- SEC. 541.—Sense of the Congress regarding the Arab League boycott of Israel.
- SEC. 542.—Allows economic support funds to be used for counternarcotic programs in Latin America and Caribbean.
- SEC. 543.—Requires notification for funding of nongovernmental organizations and Public Law 480 programs in countries subject to restrictions.
- SEC. 544.—Requires notification of reprogramming of earmarked funds.
- SEC. 545.—Defines ceilings and earmarks.
- SEC. 546.—Prohibits funds for publicity or propaganda.
- SEC. 547.—Prohibits payments to the United Nations.
- SEC. 548.—Requires expenditure of consulting services be matter of public record.
- SEC. 549.—Requires private voluntary organizations to be able to provide documents necessary to the AID auditing requirements.
- SEC. 550.—Prohibits assistance to foreign governments that export lethal military equipment to countries supporting international terrorism.
- SEC. 551.—Withholds assistance for parking fines owed by foreign countries.
- SEC. 552.—Limits assistance for the PLO.
- SEC. 553.—Provides export financing transfer authorities.
- SEC. 554.—Allows drawdown for United Nations War Crimes Tribunal.
- SEC. 555.—Provides demining equipment to foreign countries.
- SEC. 556.—Restrictions concerning Palestinian authority.
- SEC. 557.—Prohibits payment of certain expenses for IMET and foreign military financing.
- SEC. 558.—Requires purchase of American-made products.
- SEC. 559.—Provides for special debt relief to the poorest.
- SEC. 560.—Provisions relative to loans eligible for sale, reduction, or cancellation.
- SEC. 561.—Provides for assistance to Liberia.

SEC. 562.—Requires Presidential certification that the Guatemalan military is cooperating to resolve human rights abuses.

SEC. 563.—Imposes sanctions against countries harboring war criminals.

SEC. 564.—Limits assistance for Haiti.

SEC. 565.—Requires report detailing recipient nation's support for the United States at the United Nations.

SEC. 566.—Burma report.

SEC. 567.—Allows Haiti police and Coast Guard to purchase defense articles and services.

SEC. 568.—International financial institution policies.

SEC. 569.—Limitations on assistance to security forces.

SEC. 570.—Limitations on international financial institution support for Cambodia.

SEC. 571.—Limitations on transfer of military equipment to East Timor.

SEC. 572.—Transparency of budgets.

SEC. 573.—Limitations on aid to countries offering sanctuary to war criminals.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE
STANDING RULES OF THE SENATE

Rule XVI, paragraph 7 requires that every report on a general appropriation bill filed by the Committee must identify each recommended amendment, with particularity, which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

Items providing funding for fiscal year 1998 which are either over Senate-passed authorization or lack authorization altogether are as follows:

Export-Import Bank	\$700,000,000
Development assistance, including Inter-American Foundation, African Development Foundation	1,793,093,020
International disaster assistance	195,000,000
Debt restructuring	34,000,000
Micro and Small Enterprise Development Program	1,500,000
Urban and Environmental Credit Program	3,000,000
AID operating expenses	473,000,000
AID operating expenses, Office of Inspector General	29,047,000
Economic support fund	2,585,100,000
Assistance for Eastern Europe and the Baltics	485,000,000
Assistance for the New Independent States of the former Soviet Union	800,000,000
Peace Corps	206,000,000
International narcotics control	216,200,000
Migration and refugee assistance	650,000,000
Nonproliferation, antiterrorism, demining, and related programs	129,000,000
International military education and training	47,000,000
Foreign Military Financing Program	3,339,000,000
Peacekeeping operations	75,000,000
Global environment facility	60,000,000
International Development Association	950,000,000
International organizations and programs	277,000,000
Trade and Development Agency	43,000,000
Inter-American Development Bank	25,610,667
Fund for special operations	20,835,000
Contribution to the Enterprise for the Americas Multilateral Investment Fund	30,000,000
Asian Development Fund	140,000,000
European Bank for Reconstruction and Development	35,778,717
Overseas Private Investment Corporation	60,000,000

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the accompanying bill was ordered reported from the Committee, subject to amendment and subject to appropriate scoring, by recorded vote of 27-1, a quorum being present.

Yeas	Nays
Chairman Stevens	Mr. Craig
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. Gorton	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Faircloth	
Mrs. Hutchison	
Mr. Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Bumpers	
Mr. Lautenberg	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Boxer	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee report on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman.

TITLE 8—ALIENS AND NATIONALITY
CHAPTER 12—IMMIGRATION AND NATIONALITY
SUBCHAPTER II—IMMIGRATION

PART I—SELECTION SYSTEM

§ 1157. Annual admission of refugees and admission of emergency situation refugees

* * * * *

ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS

“(a) IN GENERAL.—* * *

“(b) ESTABLISHMENT OF CATEGORIES.—

* * * * *

“(3) Within the number of admissions of refugees allocated for for [sic] each of fiscal years 1990, 1991, and 1992 for refugees who are nationals of the Soviet Union under section 207(a)(3) of the Immigration and Nationality Act [8 U.S.C. 1157(a)(3)] and within the number of such admissions allocated for each of fiscal years 1993, 1994, 1995, 1996, [and 1997] 1997, and 1998 for refugees who are nationals of the independent states of the former Soviet Union, Estonia, Latvia, and Lithuania under such section, notwithstanding any other provision of law, the President shall allocate one thousand of such admissions for such fiscal year to refugees who are within the category of aliens described in paragraph (2)(B).

* * * * *

“(e) PERIOD OF APPLICATION.—

“(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act [Nov. 21, 1989] and shall only apply to applications for refugee status submitted before [October 1, 1997] October 1, 1998.

“(2) Subsection (c) shall apply to decisions made after the date of the enactment of this Act and before [October 1, 1997] October 1, 1998.

“(3) Subsection (d) shall take effect on the date of the enactment of this Act and shall only apply to reapplications for refugee status submitted before [October 1, 1997] October 1, 1998.”

* * * * *

PART V—DEPORTATION; ADJUSTMENT OF STATUS

* * * * *

§ 1255. Adjustment of status of nonimmigrant to that of person admitted for permanent residence

* * * * *

(a) Status as person admitted for permanent residence on application and eligibility for immigrant visa

* * * * *

“(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided in subsection (a) shall only apply to an alien who—

“(1) was a national of an independent state of the former Soviet Union, Estonia, Latvia, Lithuania, Vietnam, Laos, or Cambodia, and

“(2) was inspected and granted parole into the United States during the period beginning on August 15, 1988, and ending on [September 30, 1997] *September 30, 1998*, after being denied refugee status.

* * * * *

TITLE 22—FOREIGN RELATIONS AND INTERCOURSE

* * * * *

CHAPTER 63—SUPPORT FOR EAST EUROPEAN DEMOCRACY (SEED)

SUBCHAPTER II—PRIVATE SECTOR DEVELOPMENT

* * * * *

§ 5421. Enterprise Funds for Poland and Hungary

* * * * *

[(D) Limitation on payments to Enterprise Fund personnel

[No part of the funds of either Enterprise Fund shall inure to the benefit of any board member, officer, or employee of such Enterprise Fund, except as salary or reasonable compensation for services.]

(l) *LIMITATION ON PAYMENTS TO ENTERPRISE FUND PERSONNEL.*—

(1) *No part of the funds of an Enterprise Fund shall inure to the benefit of any board member, officer, or employee of such Enterprise Fund, except as salary or reasonable compensation for services subject to paragraph (2).*

(2) *An Enterprise Fund shall not pay compensation for services to—*

(A) *any board member of the Enterprise Fund, except for services as a board member; or*

(B) *any firm, association, or entity in which a board member of the Enterprise Fund serves as partner, director, officer, or employee.*

(3) *Nothing in paragraph (2) shall preclude payment for services performed before the date of enactment of this subsection.*

* * * * *

ARMS EXPORT CONTROL ACT

1. Foreign Assistance and Arms Export Acts

a. The Foreign Assistance Act of 1961, as Amended

* * * * *

b. Arms Export Control Act (Public Law 90-629)

* * * * *

Chapter 1—FOREIGN AND NATIONAL SECURITY POLICY OBJECTIVES AND RESTRAINTS

* * * * *

Chapter 2—FOREIGN MILITARY SALES AUTHORIZATIONS

Sec. 21. * * *

* * * * *

Sec. 25. Annual Estimate and Justification for Sales Program.—(a) Except as provided in subsection (d) of this section, no later than February 1 of each year, the President shall transmit to the [Congress] appropriate congressional committees, as a part of the annual presentation materials for security assistance programs proposed for the next fiscal year, a report which sets forth—

* * * * *

(b) Not later than thirty days following the receipt of a request made by [the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives] any of the congressional committees described in subsection (e) for additional information with respect to any information submitted pursuant to subsection (a), the President shall submit such information to such committee.

* * * * *

(d) * * *

“(e) As used in this section, the term ‘appropriate congressional committees’ means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.”

* * * * *

SEC. 61. LEASING AUTHORITY.—(a) The President may lease defense articles in the stocks of the Department of Defense to an eligible foreign country or international organization if—

(1) he determines that there are compelling foreign policy and national security reasons for providing such articles on a lease basis rather than on a sales basis under this Act;

(2) he determines that the articles are not for the time needed for public use; and

(3) the country or international organization has agreed to pay in United States dollars all costs incurred by the United States Government in leasing such articles, including reimbursement for depreciation of such articles while leased, the

costs of restoration or replacement cost (less any depreciation in the value) if the articles are lost or destroyed while leased. The requirement for paragraph (3) shall not apply to leases entered into for purposes of cooperative research or development, military exercises, or communications or electronics interface projects, or to any defense article which has passed three-quarters of its normal service life.

The President may waive the requirement of paragraph (3) with respect to a lease which is made in exchange with the lessee for a lease on substantially reciprocal terms of defense articles for the Department of Defense, except that this waiver authority—

(A) may be exercised only if the President submits to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate, in accordance with the regular notification procedures of those Committees, a detailed notification for each lease with respect to which the authority is exercised; and

(B) may be exercised only during the fiscal year **[1997]** 1998 and only with respect to one country, unless the Congress hereafter provides otherwise.

* * * * *

OMNIBUS CONSOLIDATED APPROPRIATIONS ACT, 1997 (PUBLIC LAW 104–208)

TITLE V—GENERAL PROVISIONS

* * * * *

TRANSPARENCY OF BUDGETS

SEC. 576. (a) LIMITATION.— * * *

[(1) does not have in place a functioning system for a civilian audit of all receipts and expenditures that fund activities of the armed forces and security forces] *(1) does not have in place a functioning system for reporting to civilian authorities audits of receipts and expenditures that fund activities of the armed forces and security forces;*

(2) has not provided a summary of a current audit to the institution (2) has not provided to the institution information about the audit process requested by the institution.

GOVERNMENT PERFORMANCE AND RESULTS ACT [GPRA]

The Agency for International Development was one of two agencies which chose to implement GPRA agencywide rather than by office or program. Under GPRA, AID has sought to establish an agencywide framework for planning, measuring and managing results. According to the Administrator's letter to the Office of Management and Budget [OMB], AID proposed:

“One, to expand strategic planning and to have plans in place for all AID's sustainable development programs;

Two, to link performance measures to agencywide programming and management systems; and

Three, to test broader management reforms aimed at enhancing AID's ability to manage for results.”

AID has maintained broad program goals which the GPRA review intended to connect more closely to focused, country objectives. In the past, projects were evaluated subject to an absolute rating standard which GPRA analysts believed produced skewed results. In other words, past evaluations established a target such as the number of Government employees to be trained as accountants, then determined if those goals were met.

Through the GPRA review, the Agency shifted emphasis and ranked strategic objectives by the political importance of the country, the actual development needs that were being addressed, and the overall quality of the partnership. The GPRA team asked missions to evaluate the best, worst, and most significant results they achieved. Characterized by the Administrator as a bottom up review the process was designed to encourage AID, program beneficiaries and host government officials to work more closely to achieve strategic objectives. As a result of this first stage, field staff now submit an annual results review and resource request which must document performance against specific country defined strategic objectives.

The Agency is working toward establishing common objectives and indicators which reflect evolving change and improvements. As stated by the Administrator, AID intends to complete this process by creating and institutionalizing indicators that are results oriented rather than just a bureaucratic requirement.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 1998: Subcommittee on Foreign Operations, Export Financing, and Related Programs:				
Defense discretionary				
Nondefense discretionary	13,200	16,721	13,083	¹ 13,083
Violent crime reduction fund				
Mandatory	44	44	44	44
Projections of outlays associated with the recommendation:				
1998				² 5,086
1999				3,960
2000				1,624
2001				960
2002 and future year				1,610
Financial assistance to State and local governments for 1997 in bill		NA		NA

¹Includes outlays from prior-year budget authority.

²Excludes outlays from prior-year budget authority.

NA: Not applicable.

Note.—Consistent with the funding recommended in the bill for the International Monetary Fund and in accordance with section 202 of H. Con. Res. 84, the concurrent resolution on the budget for fiscal year 1998, the Committee anticipates that the Budget Committee will file a revised section 602(a) allocation for the Committee on Appropriations reflecting an upward adjustment of \$3,521,000,000 in budget authority. The Committee also anticipates an upward adjustment consistent with section 206 of H. Con. Res. 84.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1998

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with	
				1997 appropriation	Budget estimate
TITLE I—EXPORT AND INVESTMENT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
Limitation on Program Activity:					
Subsidy appropriations	\$726,000,000	\$632,000,000	\$700,000,000	— \$26,000,000	+ \$68,000,000
Administrative expenses	46,614,000	48,614,000	46,614,000	.....	— 2,000,000
Negative subsidy	— 68,000,000	— 51,000,000	— 51,000,000	+ 7,000,000	.....
(Direct loan authorization) .....	.....	(1,330,000,000)	(1,330,000,000)	(+ 1,330,000,000)	.....
(Guaranteed loan authorization) .....	.....	(11,300,000,000)	(11,300,000,000)	(+ 11,300,000,000)	.....
Total, Export-Import Bank of the United States	714,614,000	629,614,000	695,614,000	— 19,000,000	+ 66,000,000
OVERSEAS PRIVATE INVESTMENT CORPORATION					
Noncredit account:					
Administrative expenses	32,000,000	32,000,000	32,000,000	.....	.....
Insurance fees and other offsetting collections	— 224,000,000	— 251,000,000	— 251,000,000	— 27,000,000	.....
Direct loans:					
Loan subsidy	4,000,000	4,000,000	4,000,000	.....	.....
(Loan authorization)	(80,000,000)	(133,000,000)	(133,000,000)	(+ 53,000,000)	.....
Guaranteed loans:					
Loan subsidy	68,000,000	56,000,000	56,000,000	— 12,000,000	.....
(Loan authorization)	(1,360,000,000)	(1,800,000,000)	(1,800,000,000)	(+ 440,000,000)	.....
Total, Overseas Private Investment Corporation	— 120,000,000	— 159,000,000	— 159,000,000	— 39,000,000	.....
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and Development Agency					
Trade and development agency	40,000,000	43,000,000	43,000,000	+ 3,000,000	.....
(By transfer)	(5,000,000)	.....	.....	(— 5,000,000)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with	
				1997 appropriation	Budget estimate
Total, title I, Export and investment assistance (Loan authorizations)	634,614,000 (1,440,000,000)	513,614,000 (14,563,000,000)	579,614,000 (14,563,000,000)	-55,000,000 (+ 13,123,000,000)	+66,000,000
TITLE II—BILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT Agency for International Development					
Child survival and disease programs fund	600,000,000	.....	.....	-600,000,000	.....
Development assistance	1,181,500,000	998,000,000	1,793,093,020	+611,593,020	+795,093,020
Development Fund for Africa	.....	700,000,000	.....	.....	-700,000,000
International disaster assistance	190,000,000	190,000,000	195,000,000	+5,000,000	+5,000,000
Debt restructuring	27,000,000	34,000,000	34,000,000	+7,000,000	.....
Micro and Small Enterprise Development program account:	.....	.....	.....	.....	.....
Subsidy appropriations	1,500,000	1,500,000	1,500,000	.....	.....
(Direct loan authorization)	(1,000,000)	(1,000,000)	(1,000,000)	.....	.....
(Guaranteed loan authorization)	(17,000,000)	.....	.....	(-17,000,000)	.....
Administrative expenses	500,000	500,000	500,000	.....	.....
Urban and Environmental Credit Program:	.....	.....	.....	.....	.....
Subsidy appropriations	3,500,000	3,000,000	3,000,000	-500,000	.....
(Guaranteed loan authorization)	(29,400,000)	(46,000,000)	(35,000,000)	(+5,600,000)	(-11,000,000)
Operating expenses	6,000,000	6,000,000	6,000,000	.....	.....
Subtotal, development assistance	2,010,000,000	1,933,000,000	2,033,093,020	+23,093,020	+100,093,020
Payment to the Foreign Service Retirement and Disability Fund	43,826,000	44,208,000	44,208,000	+382,000	.....
Operating expenses of the Agency for International Development	470,750,000	473,000,000	473,000,000	+2,250,000	.....
Operating expenses of the Agency for International Development Office of Inspector General	30,000,000	29,047,000	29,047,000	-953,000	.....
Subtotal, Agency for International Development	2,554,576,000	2,479,255,000	2,579,348,020	+24,772,020	+100,093,020

Other Bilateral Economic Assistance					
Economic support fund:					
Camp David countries	2,015,000,000	2,015,000,000	1,200,000,000	-815,000,000	-815,000,000
Other	328,000,000	482,600,000	1,385,100,000	+1,057,100,000	+902,500,000
Subtotal, Economic support fund	2,343,000,000	2,497,600,000	2,585,100,000	+242,100,000	+87,500,000
International fund for Ireland	19,600,000	.....	.....	-19,600,000	.....
Assistance for Eastern Europe and the Baltic States	475,000,000	492,000,000	485,000,000	+10,000,000	-7,000,000
Assistance for the New Independent States of the former Soviet Union	625,000,000	900,000,000	800,000,000	+175,000,000	-100,000,000
U.S. Russian Investment Fund .....	.....	(50,000,000)	.....	.....	(-50,000,000)
Subtotal, Other Bilateral Economic Assistance	3,462,600,000	3,889,600,000	3,870,100,000	+407,500,000	-19,500,000
Total, Agency for International Development	6,017,176,000	6,368,855,000	6,449,448,020	+432,272,020	+80,593,020
African Development Foundation					
Appropriations .....	.....	14,000,000	.....	.....	-14,000,000
By transfer .....	.....	.....	(10,500,000)	(+10,500,000)	(+10,500,000)
Inter-American Foundation					
Appropriations .....	.....	22,000,000	.....	.....	-22,000,000
By transfer .....	.....	.....	(18,000,000)	(+18,000,000)	(+18,000,000)
Total, Funds Appropriated to the President	6,017,176,000	6,404,855,000	6,449,448,020	+432,272,020	+44,593,020
INDEPENDENT AGENCY					
Peace Corps					
Appropriations	208,000,000	222,000,000	206,000,000	-2,000,000	-16,000,000
(By transfer)	(12,000,000)	.....	(10,000,000)	(-2,000,000)	(+10,000,000)
Department of State					
International narcotics control	213,000,000	230,000,000	216,200,000	+3,200,000	-13,800,000
Migration and refugee assistance	650,000,000	650,000,000	650,000,000	.....	.....
Refugee resettlement assistance	5,000,000	.....	.....	-5,000,000	.....
United States Emergency Refugee and Migration Assistance Fund	50,000,000	50,000,000	50,000,000	.....	.....
Anti-terrorism assistance .....	.....	19,000,000	.....	.....	-19,000,000
Nonproliferation and Disarmament Fund .....	.....	15,000,000	.....	.....	-15,000,000
Nonproliferation, anti-terrorism, demining and related programs	151,000,000	.....	129,000,000	-22,000,000	+129,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with	
				1997 appropriation	Budget estimate
Total, Department of State	1,069,000,000	964,000,000	1,045,200,000	-23,800,000	+81,200,000
Total, title II, Bilateral economic assistance	7,294,176,000	7,590,855,000	7,700,648,020	+406,472,020	+109,793,020
(By transfer)	(12,000,000)	(50,000,000)	(38,500,000)	(+26,500,000)	(-11,500,000)
(Loan authorizations)	(47,400,000)	(47,000,000)	(36,000,000)	(-11,400,000)	(-11,000,000)
TITLE III—MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training	43,475,000	50,000,000	47,000,000	+3,525,000	-3,000,000
Foreign Military Financing Program:					
Grants:					
Camp David countries	3,100,000,000	3,100,000,000	1,800,000,000	-1,300,000,000	-1,300,000,000
Other	124,000,000	174,250,000	1,465,000,000	+1,341,000,000	+1,290,750,000
Subtotal, grants	3,224,000,000	3,274,250,000	3,265,000,000	+41,000,000	-9,250,000
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....
Direct concessional loans:					
Subsidy appropriations	60,000,000	66,000,000	74,000,000	+14,000,000	+8,000,000
(Loan authorization)	(540,000,000)	(699,500,000)	(791,800,000)	(+251,800,000)	(+92,300,000)
FMF program level	(3,764,000,000)	(3,973,750,000)	(4,056,800,000)	(+292,800,000)	(+83,050,000)
Total, Foreign military assistance	3,284,000,000	3,340,250,000	3,339,000,000	+55,000,000	-1,250,000
Special Defense Acquisition Fund:					
Offsetting collections	-166,000,000	-106,000,000	-106,000,000	+60,000,000	.....
Peacekeeping operations	65,000,000	90,000,000	75,000,000	+10,000,000	-15,000,000
Total, title III, Military assistance	3,226,475,000	3,374,250,000	3,355,000,000	+128,525,000	-19,250,000
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....

(Loan authorization)	(540,000,000)	(699,500,000)	(791,800,000)	(+ 251,800,000)	(+ 92,300,000)
TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Contribution to the International Finance Corporation	6,656,000			- 6,656,000	
Contribution to the Global Environment Facility	35,000,000	100,000,000	60,000,000	+ 25,000,000	- 40,000,000
Contribution to the International Development Association	700,000,000	1,034,504,000	950,000,000	+ 250,000,000	- 84,504,000
Total, World Bank Group	741,656,000	1,134,504,000	1,010,000,000	+ 268,344,000	- 124,504,000
Contribution to the Inter-American Development Bank:					
Inter-regional paid-in capital	25,610,667	25,610,667	25,610,667		
(Limitation on callable capital subscriptions)	(1,503,718,910)			(- 1,503,718,910)	
Fund for special operations	10,000,000	20,835,000	20,835,000	+ 10,835,000	
Contribution to the Enterprise for the Americas Multilateral Investment Fund	27,500,000	30,000,000	30,000,000	+ 2,500,000	
Total, contribution to the Inter-American Development Bank	63,110,667	76,445,667	76,445,667	+ 13,335,000	
Contribution to the Asian Development Bank:					
Paid-in capital	13,221,596	13,221,596	13,221,596		
(Limitation on callable capital subscriptions)	(647,858,204)	(647,858,204)	(647,858,204)		
Contribution to the Asian Development fund	100,000,000	150,000,000	140,000,000	+ 40,000,000	- 10,000,000
Total, contribution to the Asian Development Bank	113,221,596	163,221,596	153,221,596	+ 40,000,000	- 10,000,000
Contribution to the African Development Fund		50,000,000			- 50,000,000
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital	11,916,447	35,778,717	35,778,717	+ 23,862,270	
(Limitation on callable capital subscriptions)	(27,805,043)	(123,237,803)	(123,237,803)	(+ 95,432,760)	
North American Development Bank:					
Paid-in capital	56,000,000	56,500,000	56,500,000	+ 500,000	
(Limitation on callable capital subscriptions)	(318,750,000)	(318,750,000)	(318,750,000)		
Contribution to the Bank for Economic Cooperation and Development in the Middle East and North Africa:					
(By transfer)		(52,500,000)			(- 52,500,000)
(Limitation on callable capital subscriptions)		(157,500,500)			(- 157,500,500)
International Monetary Fund					
Contribution to the enhanced structural adjustment facility		7,000,000			- 7,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1997 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1998—Continued

Item	1997 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1997 appropriation	Budget estimate
Loans to International Monetary Fund .....	.....	3,521,000,000	3,521,000,000	+ 3,521,000,000	.....
Total, International Financial Institutions	985,904,710	5,044,449,980	4,852,945,980	+ 3,867,041,270	- 191,504,000
(Limitation on callable capital subscript)	(2,498,132,157)	(1,247,346,507)	(1,089,846,007)	(- 1,408,286,150)	(- 157,500,500)
International Organizations and Programs					
International organizations and programs	169,950,000	365,000,000	277,000,000	+ 107,050,000	- 88,000,000
(By transfer)	(17,500,000)	.....	(2,500,000)	(- 15,000,000)	(+ 2,500,000)
Total, title IV, Multilateral economic assistance	1,155,854,710	5,409,449,980	5,129,945,980	+ 3,974,091,270	- 279,504,000
(By transfer)	(17,500,000)	(52,500,000)	(2,500,000)	(- 15,000,000)	(- 50,000,000)
(Limitation on callable capital subscript)	(2,498,132,157)	(1,247,346,507)	(1,089,846,007)	(- 1,408,286,150)	(- 157,500,500)
Grand total	12,311,119,710	16,888,168,980	16,765,208,000	+ 4,454,088,290	- 122,960,980
(By transfer)	(34,500,000)	(102,500,000)	(41,000,000)	(+ 6,500,000)	(- 61,500,000)
(Limitation on administrative expenses)	(23,250,000)	(23,250,000)	(23,250,000)	.....	.....
(Limitation on callable capital)	(2,498,132,157)	(1,247,346,507)	(1,089,846,007)	(- 1,408,286,150)	(- 157,500,500)
(Loan authorizations)	(2,027,400,000)	(15,309,500,000)	(15,390,800,000)	(+ 13,363,400,000)	(+ 81,300,000)
TITLE I—EXPORT AND INVESTMENT ASSISTANCE					
Export Assistance Appropriations	916,614,000	815,614,000	881,614,000	- 35,000,000	+ 66,000,000
Negative Subsidies and Offsetting Collections	- 282,000,000	- 302,000,000	- 302,000,000	- 20,000,000	.....
Total, Export Assistance	634,614,000	513,614,000	579,614,000	- 55,000,000	+ 66,000,000
TITLE II—BILATERAL ECONOMIC ASSISTANCE					
Bilateral Development Assistance	3,831,576,000	3,701,255,000	3,830,548,020	- 1,027,980	+ 129,293,020
Other Bilateral Economic Assistance	3,462,600,000	3,889,600,000	3,870,100,000	+ 407,500,000	- 19,500,000
Total, Bilateral Economic Assistance	7,294,176,000	7,590,855,000	7,700,648,020	+ 406,472,020	+ 109,793,020

TITLE III—MILITARY ASSISTANCE

Foreign Military Financing Program:					
Grants	3,224,000,000	3,274,250,000	3,265,000,000	+41,000,000	-9,250,000
Direct loans, subsidy costs	60,000,000	66,000,000	74,000,000	+14,000,000	+8,000,000
(Estimated level of direct loans)	(540,000,000)	(699,500,000)	(791,800,000)	(+251,800,000)	(+92,300,000)
Subtotal, Foreign Military Financing Program:					
Budget authority	3,284,000,000	3,340,250,000	3,339,000,000	+55,000,000	-1,250,000
(Program level)	(3,764,000,000)	(3,973,750,000)	(4,056,800,000)	(+292,800,000)	(+83,050,000)
Other, Military	108,475,000	140,000,000	122,000,000	+13,525,000	-18,000,000
Special Defense Acquisition Fund	-166,000,000	-106,000,000	-106,000,000	+60,000,000	.....
Total, Military Assistance Programs	3,226,475,000	3,374,250,000	3,355,000,000	+128,525,000	-19,250,000
TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE					
Contributions to International Financial Institutions	985,904,710	1,516,449,980	1,331,945,980	+346,041,270	-184,504,000
International Monetary Fund (IMF) .....	.....	3,528,000,000	3,521,000,000	+3,521,000,000	-7,000,000
International organizations and programs	169,950,000	365,000,000	277,000,000	+107,050,000	-88,000,000
Total, contribution for Multilateral Economic Assistance	1,155,854,710	5,409,449,980	5,129,945,980	+3,974,091,270	-279,504,000
Grand total	12,311,119,710	16,888,168,980	16,765,208,000	+4,454,088,290	-122,960,980

○