

Union Calendar No. 123

108TH CONGRESS
1ST SESSION

H. R. 2800

[Report No. 108-222]

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2003

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

A BILL

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any
4 money in the Treasury not otherwise appropriated, for the
5 fiscal year ending September 30, 2004, and for other pur-
6 poses, namely:

1 TITLE I—EXPORT AND INVESTMENT
2 ASSISTANCE

3 EXPORT-IMPORT BANK OF THE UNITED STATES

4 The Export-Import Bank of the United States is au-
5 thorized to make such expenditures within the limits of
6 funds and borrowing authority available to such corpora-
7 tion, and in accordance with law, and to make such con-
8 tracts and commitments without regard to fiscal year limi-
9 tations, as provided by section 104 of the Government
10 Corporation Control Act, as may be necessary in carrying
11 out the program for the current fiscal year for such cor-
12 poration: *Provided*, That none of the funds available dur-
13 ing the current fiscal year may be used to make expendi-
14 tures, contracts, or commitments for the export of nuclear
15 equipment, fuel, or technology to any country, other than
16 a nuclear-weapon state as defined in Article IX of the
17 Treaty on the Non-Proliferation of Nuclear Weapons eligi-
18 ble to receive economic or military assistance under this
19 Act, that has detonated a nuclear explosive after the date
20 of the enactment of this Act: *Provided further*, That not-
21 withstanding section 1(c) of Public Law 103–428, as
22 amended, sections 1(a) and (b) of Public Law 103–428
23 shall remain in effect through October 1, 2004.

24 ADMINISTRATIVE EXPENSES

25 For administrative expenses to carry out the direct
26 and guaranteed loan and insurance programs, including

1 hire of passenger motor vehicles and services as authorized
2 by 5 U.S.C. 3109, and not to exceed \$30,000 for official
3 reception and representation expenses for members of the
4 Board of Directors, \$71,395,000: *Provided*, That the Ex-
5 port-Import Bank may accept, and use, payment or serv-
6 ices provided by transaction participants for legal, finan-
7 cial, or technical services in connection with any trans-
8 action for which an application for a loan, guarantee or
9 insurance commitment has been made: *Provided further*,
10 That, notwithstanding subsection (b) of section 117 of the
11 Export Enhancement Act of 1992, subsection (a) thereof
12 shall remain in effect until October 1, 2004.

13 OVERSEAS PRIVATE INVESTMENT CORPORATION

14 NONCREDIT ACCOUNT

15 The Overseas Private Investment Corporation is au-
16 thorized to make, without regard to fiscal year limitations,
17 as provided by 31 U.S.C. 9104, such expenditures and
18 commitments within the limits of funds available to it and
19 in accordance with law as may be necessary: *Provided*,
20 That the amount available for administrative expenses to
21 carry out the credit and insurance programs (including an
22 amount for official reception and representation expenses
23 which shall not exceed \$35,000) shall not exceed
24 \$41,385,000: *Provided further*, That project-specific trans-
25 action costs, including direct and indirect costs incurred
26 in claims settlements, and other direct costs associated

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

5 PROGRAM ACCOUNT

6 For the cost of direct and guaranteed loans,
7 \$24,000,000, as authorized by section 234 of the Foreign
8 Assistance Act of 1961, to be derived by transfer from
9 the Overseas Private Investment Corporation Non-Credit
10 Account: *Provided*, That such costs, including the cost of
11 modifying such loans, shall be as defined in section 502
12 of the Congressional Budget Act of 1974: *Provided fur-*
13 *ther*, That such sums shall be available for direct loan obli-
14 gations and loan guaranty commitments incurred or made
15 during fiscal years 2004 and 2005: *Provided further*, That
16 such sums shall remain available through fiscal year 2012
17 for the disbursement of direct and guaranteed loans obli-
18 gated in fiscal year 2004, and through fiscal year 2013
19 for the disbursement of direct and guaranteed loans obli-
20 gated in fiscal year 2005.

21 In addition, such sums as may be necessary for ad-
22 ministrative expenses to carry out the credit program may
23 be derived from amounts available for administrative ex-
24 penses to carry out the credit and insurance programs in
25 the Overseas Private Investment Corporation Noncredit
26 Account and merged with said account.

1 FUNDS APPROPRIATED TO THE PRESIDENT

2 TRADE AND DEVELOPMENT AGENCY

3 For necessary expenses to carry out the provisions
4 of section 661 of the Foreign Assistance Act of 1961,
5 \$50,000,000, to remain available until September 30,
6 2005.

7 TITLE II—BILATERAL ECONOMIC ASSISTANCE

8 FUNDS APPROPRIATED TO THE PRESIDENT

9 For expenses necessary to enable the President to
10 carry out the provisions of the Foreign Assistance Act of
11 1961, and for other purposes, to remain available until
12 September 30, 2004, unless otherwise specified herein, as
13 follows:

14 UNITED STATES AGENCY FOR INTERNATIONAL

15 DEVELOPMENT

16 CHILD SURVIVAL AND HEALTH PROGRAMS FUND

17 (INCLUDING TRANSFER OF FUNDS)

18 For necessary expenses to carry out the provisions
19 of chapters 1 and 10 of part I of the Foreign Assistance
20 Act of 1961, for child survival, health, and family plan-
21 ning/reproductive health activities, in addition to funds
22 otherwise available for such purposes, \$2,235,830,000, to
23 remain available until September 30, 2005: *Provided,*
24 That this amount shall be made available for such activi-
25 ties as: (1) programs for the prevention, treatment, con-
26 trol of, and research on HIV/AIDS, tuberculosis, polio,

1 malaria, and other infectious diseases, and for assistance
2 to communities severely affected by HIV/AIDS, including
3 children displaced or orphaned by AIDS; (2) family plan-
4 ning/reproductive health; (3) health, nutrition, water and
5 sanitation programs, and related education programs,
6 which directly address the needs of mothers and children;
7 (4) assistance for children displaced or orphaned by causes
8 other than AIDS; (5) immunization programs; and (6)
9 oral rehydration programs: *Provided further*, That none of
10 the funds appropriated under this heading may be made
11 available for nonproject assistance, except that funds may
12 be made available for such assistance for ongoing health
13 activities: *Provided further*, That of the funds appropriated
14 under this heading, not to exceed \$250,000, in addition
15 to funds otherwise available for such purposes, may be
16 used to monitor and provide oversight of child survival,
17 maternal and family planning/reproductive health, and in-
18 fectious disease programs: *Provided further*, That the fol-
19 lowing amounts should be allocated as follows:
20 \$324,000,000 for child survival and maternal health;
21 \$27,000,000 for vulnerable children; \$840,830,000 for
22 HIV/AIDS; \$155,500,000 for other infectious diseases;
23 \$368,500,000 for family planning/reproductive health; and
24 \$120,000,000 for UNICEF: *Provided further*, That of the
25 funds appropriated under this heading, and in addition to

1 funds allocated under the previous proviso, not less than
2 \$400,000,000 shall be made available, notwithstanding
3 any other provision of law, for a United States contribu-
4 tion to the Global Fund to Fight AIDS, Tuberculosis and
5 Malaria (the “Global Fund”), and shall be expended at
6 the minimum rate necessary to make timely payment for
7 projects and activities: *Provided further*, That of the funds
8 appropriated and allocated for HIV/AIDS and the Global
9 Fund under this Act, not to exceed \$870,830,000 may be
10 apportioned to the Office of the Coordinator of United
11 States Government Activities to Combat HIV/AIDS Glob-
12 ally (the “Coordinator”), of which amount: \$400,000,000
13 shall be made available as a contribution to the Global
14 Fund; not less than \$15,000,000 should be made available
15 as a contribution to the International AIDS Vaccine Ini-
16 tiative; not more than \$6,326,000 may be available for ad-
17 ministrative expenses; and not more than \$50,000,000
18 may be made available under the authority contained in
19 section 1(f)(2)(A)(iii) of the State Department Basic Au-
20 thorities Act of 1956: *Provided further*, That no United
21 States contribution to the Global Fund may cause the
22 total amount of United States Government contributions
23 to the Global Fund to exceed one-half of the total amount
24 of funds contributed to the Global Fund from all other
25 sources: *Provided further*, That if, by June 30, 2004, the

1 application of the previous proviso prevents a contribution
2 of the full amount allocated for the Global Fund, the
3 amount that cannot be made available for the Global Fund
4 may be made available by the Coordinator, through rel-
5 evant executive branch agencies, for activities to combat
6 HIV/AIDS, tuberculosis, or malaria, subject to prior con-
7 sultation with the Committees on Appropriations: *Pro-*
8 *vided further*, That in carrying out the duties specified in
9 section 1(f)(2)(B)(ii)(VII) of the State Department Basic
10 Authorities Act of 1956, the Coordinator shall ensure that
11 assistance is provided for activities in not fewer than 15
12 countries, at least one of which shall not be in Africa or
13 the Caribbean region: *Provided further*, That of the funds
14 appropriated under this heading, up to \$60,000,000 may
15 be made available for a United States contribution to the
16 Vaccine Fund, and up to \$6,000,000 may be transferred
17 to and merged with funds appropriated by this Act under
18 the heading “Operating Expenses of the United States
19 Agency for International Development” for costs directly
20 related to international health, but funds made available
21 for such costs may not be derived from amounts made
22 available for contribution under the preceding provisos:
23 *Provided further*, That notwithstanding any other provi-
24 sion of this Act, funds appropriated under this heading
25 that are available for child survival and health programs,

1 shall be apportioned to the Office of the Coordinator, or
2 the United States Agency for International Development,
3 and the authority of sections 632(a) or 632(b) of the For-
4 eign Assistance Act of 1961, or any comparable provision
5 of law, may not be used to transfer or allocate any part
6 of such funds to the Department of Health and Human
7 Services including any office of that agency, except that
8 the authority of those sections may be used to transfer
9 or allocate up to \$35,000,000 of such funds to the Centers
10 for Disease Control and Prevention: *Provided further,*
11 That none of the funds made available in this Act nor
12 any unobligated balances from prior appropriations may
13 be made available to any organization or program which,
14 as determined by the President of the United States, sup-
15 ports or participates in the management of a program of
16 coercive abortion or involuntary sterilization: *Provided fur-*
17 *ther,* That none of the funds made available under this
18 Act may be used to pay for the performance of abortion
19 as a method of family planning or to motivate or coerce
20 any person to practice abortions: *Provided further,* That
21 none of the funds made available under this Act may be
22 used to lobby for or against abortion: *Provided further,*
23 That in order to reduce reliance on abortion in developing
24 nations, funds shall be available only to voluntary family
25 planning projects which offer, either directly or through

1 referral to, or information about access to, a broad range
2 of family planning methods and services, and that any
3 such voluntary family planning project shall meet the fol-
4 lowing requirements: (1) service providers or referral
5 agents in the project shall not implement or be subject
6 to quotas, or other numerical targets, of total number of
7 births, number of family planning acceptors, or acceptors
8 of a particular method of family planning (this provision
9 shall not be construed to include the use of quantitative
10 estimates or indicators for budgeting and planning pur-
11 poses); (2) the project shall not include payment of incen-
12 tives, bribes, gratuities, or financial reward to: (A) an indi-
13 vidual in exchange for becoming a family planning accep-
14 tor; or (B) program personnel for achieving a numerical
15 target or quota of total number of births, number of fam-
16 ily planning acceptors, or acceptors of a particular method
17 of family planning; (3) the project shall not deny any right
18 or benefit, including the right of access to participate in
19 any program of general welfare or the right of access to
20 health care, as a consequence of any individual's decision
21 not to accept family planning services; (4) the project shall
22 provide family planning acceptors comprehensible infor-
23 mation on the health benefits and risks of the method cho-
24 sen, including those conditions that might render the use
25 of the method inadvisable and those adverse side effects

1 known to be consequent to the use of the method; and
2 (5) the project shall ensure that experimental contracep-
3 tive drugs and devices and medical procedures are pro-
4 vided only in the context of a scientific study in which
5 participants are advised of potential risks and benefits;
6 and, not less than 60 days after the date on which the
7 Administrator of the United States Agency for Inter-
8 national Development determines that there has been a
9 violation of the requirements contained in paragraph (1),
10 (2), (3), or (5) of this proviso, or a pattern or practice
11 of violations of the requirements contained in paragraph
12 (4) of this proviso, the Administrator shall submit to the
13 Committees on Appropriations a report containing a de-
14 scription of such violation and the corrective action taken
15 by the Agency: *Provided further*, That in awarding grants
16 for natural family planning under section 104 of the For-
17 eign Assistance Act of 1961 no applicant shall be discrimi-
18 nated against because of such applicant's religious or con-
19 scientious commitment to offer only natural family plan-
20 ning; and, additionally, all such applicants shall comply
21 with the requirements of the previous proviso: *Provided*
22 *further*, That for purposes of this or any other Act author-
23 izing or appropriating funds for foreign operations, export
24 financing, and related programs, the term "motivate", as
25 it relates to family planning assistance, shall not be con-

1 strued to prohibit the provision, consistent with local law,
2 of information or counseling about all pregnancy options:
3 *Provided further*, That nothing in this paragraph shall be
4 construed to alter any existing statutory prohibitions
5 against abortion under section 104 of the Foreign Assist-
6 ance Act of 1961: *Provided further*, That information pro-
7 vided about the use of condoms as part of projects or ac-
8 tivities that are funded from accounts appropriated by this
9 Act shall be medically accurate and shall include the public
10 health benefits and failure rates of such use.

11 DEVELOPMENT ASSISTANCE

12 For necessary expenses of the United States Agency
13 for International Development to carry out the provisions
14 of sections 103, 105, 106, and 131, and chapter 10 of
15 part I of the Foreign Assistance Act of 1961,
16 \$1,317,000,000, of which up to \$50,000,000 may remain
17 available until September 30, 2005: *Provided*, That none
18 of the funds appropriated under title II of this Act that
19 are managed by or allocated to the United States Agency
20 for International Development's Global Development Sec-
21 retariat, may be made available except through the regular
22 notification procedures of the Committees on Appropria-
23 tions: *Provided further*, That \$194,000,000 should be allo-
24 cated for trade capacity building: *Provided further*, That
25 \$250,000,000 should be allocated for basic education: *Pro-*
26 *vided further*, That of the funds appropriated under this

1 heading and managed by the United States Agency for
2 International Development Bureau of Democracy, Con-
3 flict, and Humanitarian Assistance, not less than
4 \$11,000,000 shall be made available only for programs to
5 improve women's leadership capacity in recipient coun-
6 tries: *Provided further*, That such funds may not be made
7 available for construction: *Provided further*, That of the
8 funds appropriated under this heading that are made
9 available for assistance programs for displaced and or-
10 phaned children and victims of war, not to exceed
11 \$32,500, in addition to funds otherwise available for such
12 purposes, may be used to monitor and provide oversight
13 of such programs.

14 INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

15 For necessary expenses of the United States Agency
16 for International Development to carry out the provisions
17 of section 491 of the Foreign Assistance Act of 1961, as
18 amended for international disaster relief, rehabilitation,
19 and reconstruction assistance, \$235,500,000, to remain
20 available until expended.

21 In addition, for necessary expenses of the United
22 States Agency for International Development for assist-
23 ance for famine prevention and relief, including for mitiga-
24 tion of the effects of famine, \$80,000,000, to remain avail-
25 able until expended: *Provided*, That such funds shall be
26 made available utilizing the general authorities of section

1 transfer from funds appropriated by this Act to carry out
2 part I of such Act and under the heading “Assistance for
3 Eastern Europe and the Baltic States”: *Provided*, That
4 such funds shall not exceed \$21,000,000, which shall be
5 made available only for micro and small enterprise pro-
6 grams, urban programs, and other programs which fur-
7 ther the purposes of part I of the Act: *Provided further*,
8 That such costs shall be as defined in section 502 of the
9 Congressional Budget Act of 1974: *Provided further*, That
10 the provisions of section 107A(d) (relating to general pro-
11 visions applicable to the Development Credit Authority)
12 of the Foreign Assistance Act of 1961, as contained in
13 section 306 of H.R. 1486 as reported by the House Com-
14 mittee on International Relations on May 9, 1997, shall
15 be applicable to direct loans and loan guarantees provided
16 under this heading. In addition, for administrative ex-
17 penses to carry out credit programs administered by the
18 United States Agency for International Development,
19 \$8,000,000, which may be transferred to and merged with
20 the appropriation for Operating Expenses of the United
21 States Agency for International Development: *Provided*
22 *further*, That funds made available under this heading
23 shall remain available until September 30, 2007.

1 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND
2 DISABILITY FUND

3 For payment to the “Foreign Service Retirement and
4 Disability Fund”, as authorized by the Foreign Service
5 Act of 1980, \$43,859,000.

6 OPERATING EXPENSES OF THE UNITED STATES AGENCY
7 FOR INTERNATIONAL DEVELOPMENT
8 (INCLUDING TRANSFER OF FUNDS)

9 For necessary expenses to carry out the provisions
10 of section 667 of the Foreign Assistance Act of 1961,
11 \$604,100,000, of which \$30,000,000 may remain avail-
12 able until September 30, 2005: *Provided*, That none of the
13 funds appropriated under this heading and under the
14 heading “Capital Investment Fund” may be made avail-
15 able to finance the construction (including architect and
16 engineering services), purchase, or long term lease of of-
17 fices for use by the United States Agency for International
18 Development, unless the Administrator has identified such
19 proposed construction (including architect and engineering
20 services), purchase, or long term lease of offices in a re-
21 port submitted to the Committees on Appropriations at
22 least 15 days prior to the obligation of these funds for
23 such purposes: *Provided further*, That the previous proviso
24 shall not apply where the total cost of construction (in-
25 cluding architect and engineering services), purchase, or
26 long term lease of offices does not exceed \$1,000,000: *Pro-*

1 *vided further*, That in addition not to exceed \$15,000,000
2 may be derived by transfer from the “Iraq Relief and Re-
3 construction Fund” (Public Law 108–11) to support the
4 United States Agency for International Development mis-
5 sion in Iraq: *Provided further*, That none of the funds in
6 this Act may be used to open a new overseas mission of
7 the United States Agency for International Development
8 without the prior written notification of the Committees
9 on Appropriations: *Provided further*, That the authority of
10 sections 610 and 109 of the Foreign Assistance Act of
11 1961 may be exercised by the Secretary of State to trans-
12 fer funds appropriated to carry out chapter 1 of such Act
13 to “Operating Expenses of the United States Agency for
14 International Development” in accordance with the provi-
15 sions of those sections.

16 CAPITAL INVESTMENT FUND

17 For necessary expenses for overseas construction and
18 related costs, and for the procurement and enhancement
19 of information technology and related capital investments
20 of the United States Agency for International Develop-
21 ment, pursuant to section 667 of the Foreign Assistance
22 Act of 1961, \$49,300,000, to remain available until ex-
23 pended: *Provided*, That this amount is in addition to funds
24 otherwise available for such purposes: *Provided further*,
25 That the Administrator of the United States Agency for
26 International Development shall assess fair and reasonable

1 rental payments for the use of space by employees of other
2 United States Government agencies in buildings con-
3 structed using funds appropriated under this heading, and
4 such rental payments shall be deposited into this account
5 as an offsetting collection: *Provided further*, That the rent-
6 al payments collected pursuant to the previous proviso and
7 deposited as an offsetting collection shall be available for
8 obligation only pursuant to the regular notification proce-
9 dures of the Committees on Appropriations: *Provided fur-*
10 *ther*, That the assignment of United States Government
11 employees or contractors to space in buildings constructed
12 using funds appropriated under this heading shall be sub-
13 ject to the concurrence of the Administrator of the United
14 States Agency for International Development: *Provided*
15 *further*, That funds appropriated under this heading shall
16 be available for obligation only pursuant to the regular
17 notification procedures of the Committees on Appropria-
18 tions.

19 OPERATING EXPENSES OF THE UNITED STATES AGENCY
20 FOR INTERNATIONAL DEVELOPMENT OFFICE OF IN-
21 SPECTOR GENERAL

22 For necessary expenses to carry out the provisions
23 of section 667 of the Foreign Assistance Act of 1961,
24 \$35,000,000, to remain available until September 30,
25 2005, which sum shall be available for the Office of the

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

3 OTHER BILATERAL ECONOMIC ASSISTANCE

4 ECONOMIC SUPPORT FUND

5 For necessary expenses to carry out the provisions
6 of chapter 4 of part II, \$2,240,500,000 to remain avail-
7 able until September 30, 2005: *Provided*, That of the
8 funds appropriated under this heading, not less than
9 \$480,000,000 shall be available only for Israel, which sum
10 shall be available on a grant basis as a cash transfer and
11 shall be disbursed within 30 days of the enactment of this
12 Act: *Provided further*, That not less than \$575,000,000
13 shall be available only for Egypt, which sum shall be pro-
14 vided on a grant basis, and of which sum cash transfer
15 assistance shall be provided with the understanding that
16 Egypt will undertake significant economic reforms which
17 are additional to those which were undertaken in previous
18 fiscal years: *Provided further*, That in exercising the au-
19 thority to provide cash transfer assistance for Israel, the
20 President shall ensure that the level of such assistance
21 does not cause an adverse impact on the total level of non-
22 military exports from the United States to such country
23 and that Israel enters into a side letter agreement in an
24 amount proportional to the fiscal year 1999 agreement:
25 *Provided further*, That of the funds appropriated under

1 this heading, not less than \$250,000,000 should be made
2 available only for assistance for Jordan: *Provided further,*
3 That not less than \$12,000,000 of the funds appropriated
4 under this heading should be made available for Cyprus
5 to be used only for scholarships, administrative support
6 of the scholarship program, bicommunal projects, and
7 measures aimed at reunification of the island and designed
8 to reduce tensions and promote peace and cooperation be-
9 tween the two communities on Cyprus: *Provided further,*
10 That not less than \$35,000,000 of the funds appropriated
11 under this heading should be made available for assistance
12 for Lebanon of which not less than \$4,000,000 should be
13 available only for American educational institutions for
14 scholarships and other programs: *Provided further,* That
15 notwithstanding section 534(a) of this Act, funds appro-
16 priated under this heading that are made available for as-
17 sistance for the Central Government of Lebanon shall be
18 subject to the regular notification procedures of the Com-
19 mittees on Appropriations: *Provided further,* That not to
20 exceed \$65,000,000 of the funds appropriated under this
21 heading in this Act may be made available for the costs,
22 as defined in section 502 of the Congressional Budget Act
23 of 1974, of modifying direct loans and guarantees for
24 Pakistan: *Provided further,* That not to exceed
25 \$67,000,000 shall be available to the Department of State

1 Office of Overseas Buildings Operation for construction
2 of United States Agency for International Development
3 facilities in Mali, Guinea, Cambodia, and Georgia: *Pro-*
4 *vided further*, That funds appropriated under this heading
5 shall be made available for administrative costs of the
6 United States Agency for International Development to
7 provide adequate security, carry out programs in Afghani-
8 stan, and implement regional programs in Asia and the
9 Near East, including the Middle East Partnership Initia-
10 tive, in addition to amounts otherwise available for such
11 purposes: *Provided further*, That with respect to funds ap-
12 propriated under this heading in this Act or prior Acts
13 making appropriations for foreign operations, export fi-
14 nancing, and related programs, the responsibility for pol-
15 icy decisions and justifications for the use of such funds,
16 including whether there will be a program for a country
17 that uses those funds and the amount of each such pro-
18 gram, shall be the responsibility of the Secretary of State
19 and the Deputy Secretary of State and this responsibility
20 shall not be delegated.

21 INTERNATIONAL FUND FOR IRELAND

22 For necessary expenses to carry out the provisions
23 of chapter 4 of part II of the Foreign Assistance Act of
24 1961, \$19,600,000, which shall be available for the United
25 States contribution to the International Fund for Ireland
26 and shall be made available in accordance with the provi-

1 sions of the Anglo-Irish Agreement Support Act of 1986
2 (Public Law 99–415): *Provided*, That such amount shall
3 be expended at the minimum rate necessary to make time-
4 ly payment for projects and activities: *Provided further*,
5 That funds made available under this heading shall re-
6 main available until September 30, 2005.

7 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
8 STATES

9 (a) For necessary expenses to carry out the provisions
10 of the Foreign Assistance Act of 1961 and the Support
11 for East European Democracy (SEED) Act of 1989,
12 \$452,000,000, to remain available until September 30,
13 2005, which shall be available, notwithstanding any other
14 provision of law, for assistance and for related programs
15 for Eastern Europe and the Baltic States: *Provided*, That
16 funds appropriated under this heading shall be considered
17 to be economic assistance under the Foreign Assistance
18 Act of 1961 for purposes of making available the adminis-
19 trative authorities contained in that Act for the use of eco-
20 nomic assistance: *Provided further*, That funds made avail-
21 able for assistance for Kosovo from funds appropriated
22 under this heading and under the headings “Economic
23 Support Fund” and “International Narcotics Control and
24 Law Enforcement” should not exceed 15 percent of the
25 total resources pledged by all donors for calendar year
26 2004 for assistance for Kosovo as of March 31, 2004.

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

12 (c) With regard to funds appropriated under this
13 heading for the economic revitalization program in Bosnia
14 and Herzegovina, and local currencies generated by such
15 funds (including the conversion of funds appropriated
16 under this heading into currency used by Bosnia and
17 Herzegovina as local currency and local currency returned
18 or repaid under such program) the Administrator of the
19 United States Agency for International Development shall
20 provide written approval for grants and loans prior to the
21 obligation and expenditure of funds for such purposes, and
22 prior to the use of funds that have been returned or repaid
23 to any lending facility or grantee.

24 (d) The provisions of section 529 of this Act shall
25 apply to funds made available under subsection (c) and

1 to funds appropriated under this heading: *Provided*, That
2 notwithstanding any provision of this or any other Act,
3 including provisions in this subsection regarding the appli-
4 cation of section 529 of this Act, local currencies gen-
5 erated by, or converted from, funds appropriated by this
6 Act and by previous appropriations Acts and made avail-
7 able for the economic revitalization program in Bosnia
8 may be used in Eastern Europe and the Baltic States to
9 carry out the provisions of the Foreign Assistance Act of
10 1961 and the Support for East European Democracy
11 (SEED) Act of 1989.

12 (e) The President is authorized to withhold funds ap-
13 propriated under this heading made available for economic
14 revitalization programs in Bosnia and Herzegovina, if he
15 determines and certifies to the Committees on Appropria-
16 tions that the Federation of Bosnia and Herzegovina has
17 not complied with article III of annex 1–A of the General
18 Framework Agreement for Peace in Bosnia and
19 Herzegovina concerning the withdrawal of foreign forces,
20 and that intelligence cooperation on training, investiga-
21 tions, and related activities between state sponsors of ter-
22 rorism and terrorist organizations and Bosnian officials
23 has not been terminated.

1 ASSISTANCE FOR THE INDEPENDENT STATES OF THE
2 FORMER SOVIET UNION

3 (a) For necessary expenses to carry out the provisions
4 of chapters 11 and 12 of part I of the Foreign Assistance
5 Act of 1961 and the FREEDOM Support Act, for assist-
6 ance for the Independent States of the former Soviet
7 Union and for related programs, \$576,000,000, to remain
8 available until September 30, 2005: *Provided*, That the
9 provisions of such chapters shall apply to funds appro-
10 priated by this paragraph: *Provided further*, That of the
11 funds made available for the Southern Caucasus region,
12 notwithstanding any other provision of law, funds may be
13 used for confidence-building measures and other activities
14 in furtherance of the peaceful resolution of the regional
15 conflicts, especially those in the vicinity of Abkhazia and
16 Nagorno-Karabagh: *Provided further*, That of the funds
17 appropriated under this heading, \$1,500,000 should be
18 available only to meet the health and other assistance
19 needs of victims of trafficking in persons: *Provided further*,
20 That, notwithstanding any other provision of law, funds
21 appropriated under this heading in this Act or prior Acts
22 making appropriations for foreign operations, export fi-
23 nancing, and related programs, that are made available
24 pursuant to the provisions of section 807 of the FREE-

1 DOM Support Act (Public Law 102–511) shall be subject
2 to a 6 percent ceiling on administrative expenses.

3 (b) Of the funds appropriated under this heading, not
4 less than \$70,000,000 should be made available for assist-
5 ance for Armenia and not less than \$90,000,000 should
6 be available for assistance for Russia.

7 (c)(1) Of the funds appropriated under this heading
8 that are allocated for assistance for the Government of
9 the Russian Federation, 60 percent shall be withheld from
10 obligation until the President determines and certifies in
11 writing to the Committees on Appropriations that the Gov-
12 ernment of the Russian Federation:

13 (A) has terminated implementation of arrange-
14 ments to provide Iran with technical expertise, train-
15 ing, technology, or equipment necessary to develop a
16 nuclear reactor, related nuclear research facilities or
17 programs, or ballistic missile capability; and

18 (B) is providing full access to international non-
19 government organizations providing humanitarian
20 relief to refugees and internally displaced persons in
21 Chechnya.

22 (2) Paragraph (1) shall not apply to—

23 (A) assistance to combat infectious diseases,
24 child survival activities, or assistance for victims of
25 trafficking in persons; and

1 (B) activities authorized under title V (Non-
2 proliferation and Disarmament Programs and Ac-
3 tivities) of the FREEDOM Support Act.

4 (d) Of the funds appropriated under this heading, not
5 less than \$63,000,000 should be made available, in addi-
6 tion to funds otherwise available for such purposes, for
7 assistance for child survival, environmental and reproduc-
8 tive health, and to combat HIV/AIDS, tuberculosis and
9 other infectious diseases, and for related activities.

10 (e) Section 907 of the FREEDOM Support Act shall
11 not apply to—

12 (1) activities to support democracy or assist-
13 ance under title V of the FREEDOM Support Act
14 and section 1424 of Public Law 104–201 or non-
15 proliferation assistance;

16 (2) any assistance provided by the Trade and
17 Development Agency under section 661 of the For-
18 eign Assistance Act of 1961 (22 U.S.C. 2421);

19 (3) any activity carried out by a member of the
20 United States and Foreign Commercial Service while
21 acting within his or her official capacity;

22 (4) any insurance, reinsurance, guarantee or
23 other assistance provided by the Overseas Private
24 Investment Corporation under title IV of chapter 2

1 of part I of the Foreign Assistance Act of 1961 (22
2 U.S.C. 2191 et seq.);

3 (5) any financing provided under the Export-
4 Import Bank Act of 1945; or

5 (6) humanitarian assistance.

6 INDEPENDENT AGENCIES

7 INTER-AMERICAN FOUNDATION

8 For necessary expenses to carry out the functions of
9 the Inter-American Foundation in accordance with the
10 provisions of section 401 of the Foreign Assistance Act
11 of 1969, \$15,185,000, to remain available until September
12 30, 2005.

13 AFRICAN DEVELOPMENT FOUNDATION

14 For necessary expenses to carry out title V of the
15 International Security and Development Cooperation Act
16 of 1980, Public Law 96–533, \$17,689,000, to remain
17 available until September 30, 2005: *Provided*, That funds
18 made available to grantees may be invested pending ex-
19 penditure for project purposes when authorized by the
20 board of directors of the Foundation: *Provided further*,
21 That interest earned shall be used only for the purposes
22 for which the grant was made: *Provided further*, That not-
23 withstanding section 505(a)(2) of the African Develop-
24 ment Foundation Act, in exceptional circumstances the
25 board of directors of the Foundation may waive the
26 \$250,000 limitation contained in that section with respect

1 to a project: *Provided further*, That the Foundation shall
2 provide a report to the Committees on Appropriations
3 after each time such waiver authority is exercised.

4 PEACE CORPS

5 For necessary expenses to carry out the provisions
6 of the Peace Corps Act (75 Stat. 612), \$314,000,000, in-
7 cluding the purchase of not to exceed five passenger motor
8 vehicles for administrative purposes for use outside of the
9 United States: *Provided*, That none of the funds appro-
10 priated under this heading shall be used to pay for abor-
11 tions: *Provided further*, That funds appropriated under
12 this heading shall remain available until September 30,
13 2005: *Provided further*, That the Director of the Peace
14 Corps may make appointments or assignments, or extend
15 current appointments or assignments, to permit United
16 States citizens to serve for periods in excess of five years
17 in the case of individuals whose appointment or assign-
18 ment, such as regional safety security officers and employ-
19 ees within the Office of the Inspector General, involves the
20 safety of Peace Corps volunteers: *Provided further*, That
21 the Director of the Peace Corps may make such appoint-
22 ments or assignments notwithstanding the provisions of
23 section 7 of the Peace Corps Act limiting the length of
24 an appointment or assignment, the circumstances under
25 which such an appointment or assignment may exceed 5

1 years, and the percentage of appointments or assignments
2 that can be made in excess of 5 years.

3 MILLENNIUM CHALLENGE ACCOUNT

4 For necessary expenses for the “Millennium Chal-
5 lenge Account”, \$800,000,000, to remain available until
6 expended: *Provided*, That the availability of such amount
7 is contingent upon enactment of authorization.

8 DEPARTMENT OF STATE

9 INTERNATIONAL NARCOTICS CONTROL AND LAW

10 ENFORCEMENT

11 For necessary expenses to carry out section 481 of
12 the Foreign Assistance Act of 1961, \$241,700,000: *Pro-*
13 *vided*, That funds appropriated under this heading shall
14 remain available until September 30, 2005: *Provided fur-*
15 *ther*, That during fiscal year 2004, the Department of
16 State may also use the authority of section 608 of the
17 Foreign Assistance Act of 1961, without regard to its re-
18 strictions, to receive excess property from an agency of
19 the United States Government for the purpose of pro-
20 viding it to a foreign country under chapter 8 of part I
21 of that Act subject to the regular notification procedures
22 of the Committees on Appropriations: *Provided further*,
23 That the Secretary of State shall provide to the Commit-
24 tees on Appropriations not later than 45 days after the
25 date of the enactment of this Act and prior to the initial
26 obligation of funds appropriated under this heading, a re-

1 port on the proposed uses of all funds under this heading
2 on a country-by-country basis for each proposed program,
3 project, or activity: *Provided further*, That of the funds
4 appropriated under this heading, not more than
5 \$24,180,000 may be available for administrative expenses.

6 ANDEAN COUNTERDRUG INITIATIVE

7 For necessary expenses to carry out section 481 of
8 the Foreign Assistance Act of 1961 to support
9 counterdrug activities in the Andean region of South
10 America, \$731,000,000, to remain available until Sep-
11 tember 30, 2005: *Provided*, That in fiscal year 2004,
12 funds available to the Department of State for assistance
13 to the Government of Colombia shall be available to sup-
14 port a unified campaign against narcotics trafficking,
15 against activities by organizations designated as terrorist
16 organizations such as the Revolutionary Armed Forces of
17 Colombia (FARC), the National Liberation Army (ELN),
18 and the United Self-Defense Forces of Colombia (AUC),
19 and to take actions to protect human health and welfare
20 in emergency circumstances, including undertaking rescue
21 operations: *Provided further*, That this authority shall
22 cease to be effective if the Secretary of State has credible
23 evidence that the Colombian Armed Forces are not con-
24 ducting vigorous operations to restore government author-
25 ity and respect for human rights in areas under the effec-
26 tive control of paramilitary and guerrilla organizations:

1 *Provided further*, That the President shall ensure that if
2 any helicopter procured with funds under this heading is
3 used to aid or abet the operations of any illegal self-de-
4 fense group or illegal security cooperative, such helicopter
5 shall be immediately returned to the United States: *Pro-*
6 *vided further*, That none of the funds appropriated by this
7 Act may be made available to support a Peruvian air inter-
8 diction program until the Secretary of State and Director
9 of Central Intelligence certify to the Congress, 30 days
10 before any resumption of United States involvement in a
11 Peruvian air interdiction program, that an air interdiction
12 program that permits the ability of the Peruvian Air Force
13 to shoot down aircraft will include enhanced safeguards
14 and procedures to prevent the occurrence of any incident
15 similar to the April 20, 2001 incident: *Provided further*,
16 That the Secretary of State, in consultation with the Ad-
17 ministrator of the United States Agency for International
18 Development, shall provide to the Committees on Appro-
19 priations not later than 45 days after the date of the en-
20 actment of this Act and prior to the initial obligation of
21 funds appropriated under this heading, a report on the
22 proposed uses of all funds under this heading on a coun-
23 try-by-country basis for each proposed program, project,
24 or activity: *Provided further*, That section 482(b) of the
25 Foreign Assistance Act of 1961 shall not apply to funds

1 appropriated under this heading: *Provided further*, That
2 assistance provided with funds appropriated under this
3 heading that is made available notwithstanding section
4 482(b) of the Foreign Assistance Act of 1961, as amend-
5 ed, shall be made available subject to the regular notifica-
6 tion procedures of the Committees on Appropriations: *Pro-*
7 *vided further*, That the provisions of section 3204(b)
8 through (d) of Public Law 106–246, as amended by Public
9 Law 107–115, shall be applicable to funds appropriated
10 for fiscal year 2004: *Provided further*, That the reports
11 required by sections 3204(e) and (f) of Division B, title
12 III, chapter 2 of Public Law 106–246, shall be submitted
13 also to the Committees on Appropriations on the dates
14 specified in those sections: *Provided further*, That of the
15 funds appropriated under this heading, not more than
16 \$15,680,000 may be available for administrative expenses
17 of the Department of State, and not more than
18 \$4,500,000 may be available, in addition to amounts oth-
19 erwise available for such purposes, for administrative ex-
20 penses of the United States Agency for International De-
21 velopment.

22 MIGRATION AND REFUGEE ASSISTANCE

23 For expenses, not otherwise provided for, necessary
24 to enable the Secretary of State to provide, as authorized
25 by law, a contribution to the International Committee of
26 the Red Cross, assistance to refugees, including contribu-

1 tions to the International Organization for Migration and
2 the United Nations High Commissioner for Refugees, and
3 other activities to meet refugee and migration needs; sala-
4 ries and expenses of personnel and dependents as author-
5 ized by the Foreign Service Act of 1980; allowances as
6 authorized by sections 5921 through 5925 of title 5,
7 United States Code; purchase and hire of passenger motor
8 vehicles; and services as authorized by section 3109 of title
9 5, United States Code, \$760,197,000, which shall remain
10 available until expended: *Provided*, That not more than
11 \$18,500,000 may be available for administrative expenses:
12 *Provided further*, That funds appropriated under this
13 heading may be made available for a headquarters con-
14 tribution to the International Committee of the Red Cross
15 only if the Secretary of State determines (and so reports
16 to the appropriate committees of Congress) that the
17 Magen David Adom Society of Israel is not being denied
18 participation in the activities of the International Red
19 Cross and Red Crescent Movement: *Provided further*, That
20 none of the funds made available pursuant to this Act
21 after March 31, 2004, by the Department of State under
22 the headings “Migration and Refugee Assistance” and
23 “United States Emergency Refugee and Migration Assist-
24 ance Fund” for the purposes of provision of assistance to
25 refugees or internally displaced persons may be provided

1 to an organization that has failed to adopt a code of con-
2 duct consistent with the Inter-Agency Standing Com-
3 mittee Task Force on Protection From Sexual Exploi-
4 tation and Abuse in Humanitarian Crises six core prin-
5 ciples for the protection of beneficiaries of humanitarian
6 assistance.

7 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
8 ASSISTANCE FUND

9 For necessary expenses to carry out the provisions
10 of section 2(c) of the Migration and Refugee Assistance
11 Act of 1962, as amended (22 U.S.C. 2601(c)),
12 \$15,831,000, to remain available until expended.

13 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
14 RELATED PROGRAMS

15 For necessary expenses for nonproliferation, anti-ter-
16 rorism, demining and related programs and activities,
17 \$335,200,000, to carry out the provisions of chapter 8 of
18 part II of the Foreign Assistance Act of 1961 for anti-
19 terrorism assistance, chapter 9 of part II of the Foreign
20 Assistance Act of 1961, section 504 of the FREEDOM
21 Support Act, section 23 of the Arms Export Control Act
22 or the Foreign Assistance Act of 1961 for demining activi-
23 ties, the clearance of unexploded ordnance, the destruction
24 of small arms, and related activities, notwithstanding any
25 other provision of law, including activities implemented
26 through nongovernmental and international organizations,

1 and section 301 of the Foreign Assistance Act of 1961
2 for a voluntary contribution to the International Atomic
3 Energy Agency (IAEA) and for a United States contribu-
4 tion to the Comprehensive Nuclear Test Ban Treaty Pre-
5 paratory Commission: *Provided further*, That of this
6 amount not to exceed \$20,000,000, to remain available
7 until expended, may be made available for the Non-
8 proliferation and Disarmament Fund, notwithstanding
9 any other provision of law, to promote bilateral and multi-
10 lateral activities relating to nonproliferation and disar-
11 mament: *Provided further*, That such funds may also be
12 used for such countries other than the Independent States
13 of the former Soviet Union and international organiza-
14 tions when it is in the national security interest of the
15 United States to do so following consultation with the ap-
16 propriate committees of Congress: *Provided further*, That
17 funds appropriated under this heading may be made avail-
18 able for the International Atomic Energy Agency only if
19 the Secretary of State determines (and so reports to the
20 Congress) that Israel is not being denied its right to par-
21 ticipate in the activities of that Agency: *Provided further*,
22 That of the funds made available for demining and related
23 activities, not to exceed \$690,000, in addition to funds
24 otherwise available for such purposes, may be used for ad-

1 ministrative expenses related to the operation and man-
2 agement of the demining program.

3 DEPARTMENT OF THE TREASURY

4 INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

5 For necessary expenses to carry out the provisions
6 of section 129 of the Foreign Assistance Act of 1961,
7 \$19,000,000, to remain available until September 30,
8 2006, which shall be available notwithstanding any other
9 provision of law.

10 DEBT RESTRUCTURING

11 For the cost, as defined in section 502 of the Con-
12 gressional Budget Act of 1974, of modifying loans and
13 loan guarantees, as the President may determine, for
14 which funds have been appropriated or otherwise made
15 available for programs within the International Affairs
16 Budget Function 150, including the cost of selling, reduc-
17 ing, or canceling amounts owed to the United States as
18 a result of concessional loans made to eligible countries,
19 pursuant to parts IV and V of the Foreign Assistance Act
20 of 1961, and of modifying concessional credit agreements
21 with least developed countries, as authorized under section
22 411 of the Agricultural Trade Development and Assist-
23 ance Act of 1954, as amended, and concessional loans,
24 guarantees and credit agreements, as authorized under
25 section 572 of the Foreign Operations, Export Financing,
26 and Related Programs Appropriations Act, 1989 (Public

1 Law 100–461), and of canceling amounts owed, as a result
2 of loans or guarantees made pursuant to the Export-Im-
3 port Bank Act of 1945, by countries that are eligible for
4 debt reduction pursuant to title V of H.R. 3425 as enacted
5 into law by section 1000(a)(5) of Public Law 106–113,
6 \$95,000,000, to remain available until September 30,
7 2005: *Provided*, That \$20,000,000 of the funds appro-
8 priated under this heading may be made available to carry
9 out the provisions of part V of the Foreign Assistance Act
10 of 1961: *Provided further*, That \$75,000,000 of the funds
11 appropriated under this heading may be used by the Sec-
12 retary of the Treasury to pay to the Heavily Indebted Poor
13 Countries (HIPC) Trust Fund administered by the Inter-
14 national Bank for Reconstruction and Development
15 amounts for the benefit of countries that are eligible for
16 debt reduction pursuant to title V of H.R. 3425 as enacted
17 into law by section 1000(a)(5) of Public Law 106–113:
18 *Provided further*, That amounts paid to the HIPC Trust
19 Fund may be used only to fund debt reduction under the
20 enhanced HIPC initiative by—

- 21 (1) the Inter-American Development Bank;
- 22 (2) the African Development Fund;
- 23 (3) the African Development Bank; and
- 24 (4) the Central American Bank for Economic
25 Integration:

1 *Provided further*, That funds may not be paid to the HIPC
2 Trust Fund for the benefit of any country if the Secretary
3 of State has credible evidence that the government of such
4 country is engaged in a consistent pattern of gross viola-
5 tions of internationally recognized human rights or in mili-
6 tary or civil conflict that undermines its ability to develop
7 and implement measures to alleviate poverty and to devote
8 adequate human and financial resources to that end: *Pro-*
9 *vided further*, That on the basis of final appropriations,
10 the Secretary of the Treasury shall consult with the Com-
11 mittees on Appropriations concerning which countries and
12 international financial institutions are expected to benefit
13 from a United States contribution to the HIPC Trust
14 Fund during the fiscal year: *Provided further*, That the
15 Secretary of the Treasury shall inform the Committees on
16 Appropriations not less than 15 days in advance of the
17 signature of an agreement by the United States to make
18 payments to the HIPC Trust Fund of amounts for such
19 countries and institutions: *Provided further*, That the Sec-
20 retary of the Treasury may disburse funds designated for
21 debt reduction through the HIPC Trust Fund only for the
22 benefit of countries that—
23 (1) have committed, for a period of 24 months, not
24 to accept new market rate loans from the international
25 financial institution receiving debt repayment as a result

1 of such disbursement, other than loans made by such insti-
2 tution to export-oriented commercial projects that gen-
3 erate foreign exchange which are generally referred to as
4 “enclave” loans; and

5 (2) have documented and demonstrated their commit-
6 ment to redirect their budgetary resources from inter-
7 national debt repayments to programs to alleviate poverty
8 and promote economic growth that are additional to or
9 expand upon those previously available for such purposes:
10 *Provided further*, That any limitation of subsection (e) of
11 section 411 of the Agricultural Trade Development and
12 Assistance Act of 1954 shall not apply to funds appro-
13 priated under this heading: *Provided further*, That none
14 of the funds made available under this heading in this or
15 any other appropriations Acts shall be made available for
16 Sudan or Burma unless the Secretary of Treasury deter-
17 mines and notifies the Committees on Appropriations that
18 a democratically elected government has taken office.

19 TITLE III—MILITARY ASSISTANCE

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 INTERNATIONAL MILITARY EDUCATION AND TRAINING

22 For necessary expenses to carry out the provisions
23 of section 541 of the Foreign Assistance Act of 1961,
24 \$91,700,000, of which up to \$3,000,000 may remain
25 available until expended: *Provided*, That the civilian per-

1 sonnel for whom military education and training may be
2 provided under this heading may include civilians who are
3 not members of a government whose participation would
4 contribute to improved civil-military relations, civilian con-
5 trol of the military, or respect for human rights: *Provided*
6 *further*, That funds appropriated under this heading for
7 military education and training for Guatemala may only
8 be available for expanded international military education
9 and training and funds made available for Nigeria and
10 Guatemala may only be provided through the regular noti-
11 fication procedures of the Committees on Appropriations.

12 FOREIGN MILITARY FINANCING PROGRAM

13 For expenses necessary for grants to enable the
14 President to carry out the provisions of section 23 of the
15 Arms Export Control Act, \$4,314,000,000: *Provided*, That
16 of the funds appropriated under this heading, not less
17 than \$2,160,000,000 shall be available for grants only for
18 Israel, and not less than \$1,300,000,000 shall be made
19 available for grants only for Egypt: *Provided further*, That
20 the funds appropriated by this paragraph for Israel shall
21 be disbursed within 30 days of the enactment of this Act:
22 *Provided further*, That to the extent that the Government
23 of Israel requests that funds be used for such purposes,
24 grants made available for Israel by this paragraph shall,
25 as agreed by Israel and the United States, be available
26 for advanced weapons systems, of which not less than

1 \$568,000,000 shall be available for the procurement in
2 Israel of defense articles and defense services, including
3 research and development: *Provided further*, That funds
4 appropriated by this paragraph shall be nonrepayable not-
5 withstanding any requirement in section 23 of the Arms
6 Export Control Act: *Provided further*, That funds made
7 available under this paragraph shall be obligated upon ap-
8 portionment in accordance with paragraph (5)(C) of title
9 31, United States Code, section 1501(a).

10 None of the funds made available under this heading
11 shall be available to finance the procurement of defense
12 articles, defense services, or design and construction serv-
13 ices that are not sold by the United States Government
14 under the Arms Export Control Act unless the foreign
15 country proposing to make such procurements has first
16 signed an agreement with the United States Government
17 specifying the conditions under which such procurements
18 may be financed with such funds: *Provided*, That all coun-
19 try and funding level increases in allocations shall be sub-
20 mitted through the regular notification procedures of sec-
21 tion 515 of this Act: *Provided further*, That none of the
22 funds appropriated under this heading shall be available
23 for assistance for Indonesia, Guatemala, Sudan, and Libe-
24 ria: *Provided further*, That funds made available under
25 this heading may be used, notwithstanding any other pro-

1 vision of law, for demining, the clearance of unexploded
2 ordnance, and related activities, and may include activities
3 implemented through nongovernmental and international
4 organizations: *Provided further*, That only those countries
5 for which assistance was justified for the “Foreign Mili-
6 tary Sales Financing Program” in the fiscal year 1989
7 congressional presentation for security assistance pro-
8 grams may utilize funds made available under this heading
9 for procurement of defense articles, defense services or de-
10 sign and construction services that are not sold by the
11 United States Government under the Arms Export Con-
12 trol Act: *Provided further*, That funds appropriated under
13 this heading shall be expended at the minimum rate nec-
14 essary to make timely payment for defense articles and
15 services: *Provided further*, That not more than
16 \$40,500,000 of the funds appropriated under this heading
17 may be obligated for necessary expenses, including the
18 purchase of passenger motor vehicles for replacement only
19 for use outside of the United States, for the general costs
20 of administering military assistance and sales: *Provided*
21 *further*, That not more than \$361,000,000 of funds real-
22 ized pursuant to section 21(e)(1)(A) of the Arms Export
23 Control Act may be obligated for expenses incurred by the
24 Department of Defense during fiscal year 2004 pursuant
25 to section 43(b) of the Arms Export Control Act, except

1 that this limitation may be exceeded only through the reg-
2 ular notification procedures of the Committees on Appro-
3 priations: *Provided further*, That foreign military financing
4 program funds estimated to be outlaid for Egypt during
5 fiscal year 2004 shall be transferred to an interest bearing
6 account for Egypt in the Federal Reserve Bank of New
7 York within 30 days of enactment of this Act.

8 PEACEKEEPING OPERATIONS

9 For necessary expenses to carry out the provisions
10 of section 551 of the Foreign Assistance Act of 1961,
11 \$85,000,000: *Provided*, That none of the funds appro-
12 priated under this heading shall be obligated or expended
13 except as provided through the regular notification proce-
14 dures of the Committees on Appropriations.

15 TITLE IV—MULTILATERAL ECONOMIC

16 ASSISTANCE

17 FUNDS APPROPRIATED TO THE PRESIDENT

18 INTERNATIONAL FINANCIAL INSTITUTIONS

19 GLOBAL ENVIRONMENT FACILITY

20 For the United States contribution for the Global En-
21 vironment Facility, \$107,500,000, to the International
22 Bank for Reconstruction and Development as trustee for
23 the Global Environment Facility, by the Secretary of the
24 Treasury, to remain available until expended.

1 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT
2 ASSOCIATION

3 For payment to the International Development Asso-
4 ciation by the Secretary of the Treasury, \$850,000,000,
5 to remain available until expended.

6 CONTRIBUTION TO THE MULTILATERAL INVESTMENT
7 GUARANTEE AGENCY

8 For payment to the Multilateral Investment Guar-
9 antee Agency by the Secretary of the Treasury,
10 \$4,001,672, for the United States paid-in share of the in-
11 crease in capital stock, to remain available until expended.

12 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

13 The United States Governor of the Multilateral In-
14 vestment Guarantee Agency may subscribe without fiscal
15 year limitation for the callable capital portion of the
16 United States share of such capital stock in an amount
17 not to exceed \$16,339,982.

18 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS
19 MULTILATERAL INVESTMENT FUND

20 For payment to the Enterprise for the Americas Mul-
21 tilateral Investment Fund by the Secretary of the Treas-
22 ury, for the United States contribution to the fund,
23 \$25,000,000, to remain available until expended.

24 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

25 For the United States contribution by the Secretary
26 of the Treasury to the increase in resources of the Asian

1 Development Fund, as authorized by the Asian Develop-
2 ment Bank Act, as amended, \$151,921,405, to remain
3 available until expended.

4 CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

5 For payment to the African Development Bank by
6 the Secretary of the Treasury, \$5,104,930, for the United
7 States paid-in share of the increase in capital stock, to
8 remain available until expended.

9 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

10 The United States Governor of the African Develop-
11 ment Bank may subscribe without fiscal year limitation
12 for the callable capital portion of the United States share
13 of such capital stock in an amount not to exceed
14 \$79,609,817.

15 CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

16 For the United States contribution by the Secretary
17 of the Treasury to the increase in resources of the African
18 Development Fund, \$107,370,856, to remain available
19 until expended.

20 CONTRIBUTION TO THE EUROPEAN BANK FOR

21 RECONSTRUCTION AND DEVELOPMENT

22 For payment to the European Bank for Reconstruc-
23 tion and Development by the Secretary of the Treasury,
24 \$35,431,111 for the United States share of the paid-in
25 portion of the increase in capital stock, to remain available
26 until expended.

1 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

2 The United States Governor of the European Bank
3 for Reconstruction and Development may subscribe with-
4 out fiscal year limitation to the callable capital portion of
5 the United States share of such capital stock in an amount
6 not to exceed \$122,085,497.

7 CONTRIBUTION TO THE INTERNATIONAL FUND FOR

8 AGRICULTURAL DEVELOPMENT

9 For the United States contribution by the Secretary
10 of the Treasury to increase the resources of the Inter-
11 national Fund for Agricultural Development,
12 \$15,004,042, to remain available until expended.

13 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

14 For necessary expenses to carry out the provisions
15 of section 301 of the Foreign Assistance Act of 1961, and
16 of section 2 of the United Nations Environment Program
17 Participation Act of 1973, \$194,550,000: *Provided*, That
18 none of the funds appropriated under this heading may
19 be made available to the Korean Peninsula Energy Devel-
20 opment Organization (KEDO) or the International Atomic
21 Energy Agency (IAEA).

1 TITLE V—GENERAL PROVISIONS
2 COMPENSATION FOR UNITED STATES EXECUTIVE
3 DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

4 SEC. 501. (a) No funds appropriated by this Act may
5 be made as payment to any international financial institu-
6 tion while the United States Executive Director to such
7 institution is compensated by the institution at a rate
8 which, together with whatever compensation such Director
9 receives from the United States, is in excess of the rate
10 provided for an individual occupying a position at level IV
11 of the Executive Schedule under section 5315 of title 5,
12 United States Code, or while any alternate United States
13 Director to such institution is compensated by the institu-
14 tion at a rate in excess of the rate provided for an indi-
15 vidual occupying a position at level V of the Executive
16 Schedule under section 5316 of title 5, United States
17 Code.

18 (b) For purposes of this section, “international finan-
19 cial institutions” are: the International Bank for Recon-
20 struction and Development, the Inter-American Develop-
21 ment Bank, the Asian Development Bank, the Asian De-
22 velopment Fund, the African Development Bank, the Afri-
23 can Development Fund, the International Monetary Fund,
24 the North American Development Bank, and the Euro-
25 pean Bank for Reconstruction and Development.

1 PRIVATE AND VOLUNTARY ORGANIZATIONS

2 SEC. 502. None of the funds appropriated or other-
3 wise made available by this Act for development assistance
4 may be made available to any United States private and
5 voluntary organization, except any cooperative develop-
6 ment organization, which obtains less than 20 percent of
7 its total annual funding for international activities from
8 sources other than the United States Government: *Pro-*
9 *vided*, That the Administrator of the United States Agen-
10 cy for International Development, after informing the
11 Committees on Appropriations, may, on a case-by-case
12 basis, waive the restriction contained in this subsection,
13 after taking into account the effectiveness of the overseas
14 development activities of the organization, its level of vol-
15 unteer support, its financial viability and stability, and the
16 degree of its dependence for its financial support on the
17 agency.

18 LIMITATION ON RESIDENCE EXPENSES

19 SEC. 503. Of the funds appropriated or made avail-
20 able pursuant to this Act, not to exceed \$100,500 shall
21 be for official residence expenses of the United States
22 Agency for International Development during the current
23 fiscal year: *Provided*, That appropriate steps shall be
24 taken to assure that, to the maximum extent possible,
25 United States-owned foreign currencies are utilized in lieu
26 of dollars.

1 for entertainment and representation allowances: *Provided*
2 *further*, That of the funds made available by this Act for
3 the Peace Corps, not to exceed a total of \$4,000 shall be
4 available for entertainment expenses: *Provided further*,
5 That of the funds made available by this Act under the
6 heading “Trade and Development Agency”, not to exceed
7 \$2,000 shall be available for representation and entertain-
8 ment allowances.

9 PROHIBITION ON TAXATION OF UNITED STATES

10 ASSISTANCE

11 SEC. 506. (a) PROHIBITION ON TAXATION.—None of
12 the funds appropriated by this Act may be made available
13 to provide assistance for a foreign country under a new
14 bilateral agreement governing the terms and conditions
15 under which such assistance is to be provided unless such
16 agreement includes a provision stating that assistance pro-
17 vided by the United States shall be exempt from taxation,
18 or reimbursed, by the foreign government, and the Sec-
19 retary of State shall expeditiously seek to negotiate
20 amendments to existing bilateral agreements, as nec-
21 essary, to conform with this requirement.

22 (b) REIMBURSEMENT OF FOREIGN TAXES.—An
23 amount equivalent to 200 percent of the total taxes as-
24 sessed during fiscal year 2004 by a foreign government
25 or entity against commodities financed under United
26 States assistance programs for which funds are appro-

1 priated by this Act, either directly or through grantees,
2 contractors and subcontractors shall be withheld from ob-
3 ligation from funds appropriated for assistance for fiscal
4 year 2005 and allocated for the central government of
5 such country and for the West Bank and Gaza Program
6 to the extent that the Secretary of State certifies and re-
7 ports in writing to the Committees on Appropriations that
8 such taxes have not been reimbursed to the Government
9 of the United States.

10 (c) DE MINIMIS EXCEPTION.—Foreign taxes of a de
11 minimis nature shall not be subject to the provisions of
12 subsection (b).

13 (d) REFUND TO THE TREASURY AND REPROGRAM-
14 MING OF FUNDS.—Of the funds withheld from obligation
15 for each country or entity pursuant to subsection (b), one-
16 half may become available for reprogramming for other
17 purposes (pursuant to section 515 of this Act and con-
18 sistent with the purposes for which such funds were origi-
19 nally appropriated) and one-half shall be deposited in the
20 General Fund of the Treasury on, or within 5 days after,
21 September 1, 2005, pursuant to the certification required
22 under subsection (b).

23 (e) IMPLEMENTATION.—The Secretary of State shall
24 issue rules, regulations, or policy guidance, as appropriate,

1 to implement the prohibition against the taxation of assist-
2 ance contained in this section.

3 (f) DEFINITIONS.—As used in this section—

4 (1) the terms “taxes” and “taxation” refer to
5 value added taxes and customs duties imposed on
6 commodities financed with United States assistance
7 for programs for which funds are appropriated by
8 this Act; and

9 (2) the term “bilateral agreement” refers to a
10 framework bilateral agreement between the Govern-
11 ment of the United States and the government of
12 the country receiving assistance that describes the
13 privileges and immunities applicable to United
14 States foreign assistance for such country generally,
15 or an individual agreement between the Government
16 of the United States and such government that de-
17 scribes, among other things, the treatment for tax
18 purposes that will be accorded the United States as-
19 sistance provided under that agreement.

20 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
21 COUNTRIES

22 SEC. 507. None of the funds appropriated or other-
23 wise made available pursuant to this Act shall be obligated
24 or expended to finance directly any assistance or repara-
25 tions to Cuba, Libya, North Korea, Iran, or Syria: *Pro-*
26 *vided*, That for purposes of this section, the prohibition

1 on obligations or expenditures shall include direct loans,
2 credits, insurance and guarantees of the Export-Import
3 Bank or its agents.

4 MILITARY COUPS

5 SEC. 508. None of the funds appropriated or other-
6 wise made available pursuant to this Act shall be obligated
7 or expended to finance directly any assistance to the gov-
8 ernment of any country whose duly elected head of govern-
9 ment is deposed by decree or military coup: *Provided*, That
10 assistance may be resumed to such government if the
11 President determines and certifies to the Committees on
12 Appropriations that subsequent to the termination of as-
13 sistance a democratically elected government has taken of-
14 fice: *Provided further*, That the provisions of this section
15 shall not apply to assistance to promote democratic elec-
16 tions or public participation in democratic processes: *Pro-*
17 *vided further*, That funds made available pursuant to the
18 previous provisos shall be subject to the regular notifica-
19 tion procedures of the Committees on Appropriations.

20 TRANSFERS

21 SEC. 509. (a)(1) LIMITATION ON TRANSFERS BE-
22 TWEEN AGENCIES.—None of the funds made available by
23 this Act may be transferred to any department, agency,
24 or instrumentality of the United States Government, ex-
25 cept pursuant to a transfer made by, or transfer authority
26 provided in, this Act or any other appropriation Act.

1 (2) Notwithstanding paragraph (1), in addition to
2 transfers made by, or authorized elsewhere in, this Act,
3 funds appropriated by this Act to carry out the purposes
4 of the Foreign Assistance Act of 1961 may be allocated
5 or transferred to agencies of the United States Govern-
6 ment pursuant to the provisions of sections 109, 610, and
7 632 of the Foreign Assistance Act of 1961.

8 (b) None of the funds made available by this Act may
9 be obligated under an appropriation account to which they
10 were not appropriated, except for transfers specifically
11 provided for in this Act, unless the President, not less than
12 five days prior to the exercise of any authority contained
13 in the Foreign Assistance Act of 1961 to transfer funds,
14 consults with and provides a written policy justification
15 to the Committees on Appropriations of the House of Rep-
16 resentatives and the Senate.

17 (c) Any agreement for the transfer or allocation of
18 funds appropriated by this Act, or prior Acts, entered into
19 between the United States Agency for International Devel-
20 opment and another agency of the United States Govern-
21 ment under the authority of section 632(a) of the Foreign
22 Assistance Act of 1961 or any comparable provision of
23 law, shall expressly provide that the Office of the Inspector
24 General for the agency receiving the transfer or allocation
25 of such funds shall perform periodic program and financial

1 audits of the use of such funds: *Provided*, That funds
2 transferred under such authority may be made available
3 for the cost of such audits.

4 COMMERCIAL LEASING OF DEFENSE ARTICLES

5 SEC. 510. Notwithstanding any other provision of
6 law, and subject to the regular notification procedures of
7 the Committees on Appropriations, the authority of sec-
8 tion 23(a) of the Arms Export Control Act may be used
9 to provide financing to Israel, Egypt and NATO and
10 major non-NATO allies for the procurement by leasing
11 (including leasing with an option to purchase) of defense
12 articles from United States commercial suppliers, not in-
13 cluding Major Defense Equipment (other than helicopters
14 and other types of aircraft having possible civilian applica-
15 tion), if the President determines that there are compel-
16 ling foreign policy or national security reasons for those
17 defense articles being provided by commercial lease rather
18 than by government-to-government sale under such Act.

19 AVAILABILITY OF FUNDS

20 SEC. 511. No part of any appropriation contained in
21 this Act shall remain available for obligation after the ex-
22 piration of the current fiscal year unless expressly so pro-
23 vided in this Act: *Provided*, That funds appropriated for
24 the purposes of chapters 1, 8, 11, and 12 of part I, section
25 667, chapter 4 of part II of the Foreign Assistance Act
26 of 1961, as amended, section 23 of the Arms Export Con-

1 trol Act, and funds provided under the heading “Assist-
2 ance for Eastern Europe and the Baltic States”, shall re-
3 main available for an additional four years from the date
4 on which the availability of such funds would otherwise
5 have expired, if such funds are initially obligated before
6 the expiration of their respective periods of availability
7 contained in this Act: *Provided further*, That, notwith-
8 standing any other provision of this Act, any funds made
9 available for the purposes of chapter 1 of part I and chap-
10 ter 4 of part II of the Foreign Assistance Act of 1961
11 which are allocated or obligated for cash disbursements
12 in order to address balance of payments or economic policy
13 reform objectives, shall remain available until expended.

14 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

15 SEC. 512. No part of any appropriation contained in
16 this Act shall be used to furnish assistance to the govern-
17 ment of any country which is in default during a period
18 in excess of one calendar year in payment to the United
19 States of principal or interest on any loan made to the
20 government of such country by the United States pursuant
21 to a program for which funds are appropriated under this
22 Act unless the President determines, following consulta-
23 tions with the Committees on Appropriations, that assist-
24 ance to such country is in the national interest of the
25 United States.

COMMERCE AND TRADE

1
2 SEC. 513. (a) None of the funds appropriated or
3 made available pursuant to this Act for direct assistance
4 and none of the funds otherwise made available pursuant
5 to this Act to the Export-Import Bank and the Overseas
6 Private Investment Corporation shall be obligated or ex-
7 pended to finance any loan, any assistance or any other
8 financial commitments for establishing or expanding pro-
9 duction of any commodity for export by any country other
10 than the United States, if the commodity is likely to be
11 in surplus on world markets at the time the resulting pro-
12 ductive capacity is expected to become operative and if the
13 assistance will cause substantial injury to United States
14 producers of the same, similar, or competing commodity:
15 *Provided*, That such prohibition shall not apply to the Ex-
16 port-Import Bank if in the judgment of its Board of Direc-
17 tors the benefits to industry and employment in the
18 United States are likely to outweigh the injury to United
19 States producers of the same, similar, or competing com-
20 modity, and the Chairman of the Board so notifies the
21 Committees on Appropriations.

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

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

5 NOTIFICATION REQUIREMENTS

6 SEC. 515. For the purposes of providing the executive
7 branch with the necessary administrative flexibility, none
8 of the funds made available under this Act for “Child Sur-
9 vival and Health Programs Fund”, “Development Assist-
10 ance”, “International Organizations and Programs”,
11 “Trade and Development Agency”, “International Nar-
12 cotics Control and Law Enforcement”, “Andean
13 Counterdrug Initiative”, “Assistance for Eastern Europe
14 and the Baltic States”, “Assistance for the Independent
15 States of the Former Soviet Union”, “Economic Support
16 Fund”, “Peacekeeping Operations”, “Capital Investment
17 Fund”, “Operating Expenses of the United States Agency
18 for International Development”, “Operating Expenses of
19 the United States Agency for International Development
20 Office of Inspector General”, “Nonproliferation, Anti-ter-
21 rorism, Demining and Related Programs”, “Millennium
22 Challenge Account” (by country only), “Foreign Military
23 Financing Program”, “International Military Education
24 and Training”, “Peace Corps”, and “Migration and Ref-
25 ugee Assistance”, shall be available for obligation for ac-
26 tivities, programs, projects, type of materiel assistance,

1 countries, or other operations not justified or in excess of
2 the amount justified to the Committees on Appropriations
3 for obligation under any of these specific headings unless
4 the Committees on Appropriations of both Houses of Con-
5 gress are previously notified 15 days in advance: *Provided*,
6 That the President shall not enter into any commitment
7 of funds appropriated for the purposes of section 23 of
8 the Arms Export Control Act for the provision of major
9 defense equipment, other than conventional ammunition,
10 or other major defense items defined to be aircraft, ships,
11 missiles, or combat vehicles, not previously justified to
12 Congress or 20 percent in excess of the quantities justified
13 to Congress unless the Committees on Appropriations are
14 notified 15 days in advance of such commitment: *Provided*
15 *further*, That this section shall not apply to any re-
16 programming for an activity, program, or project for
17 which funds are appropriated under Title II of this Act
18 of less than 10 percent of the amount previously justified
19 to the Congress for obligation for such activity, program,
20 or project for the current fiscal year: *Provided further*,
21 That the requirements of this section or any similar provi-
22 sion of this Act or any other Act, including any prior Act
23 requiring notification in accordance with the regular noti-
24 fication procedures of the Committees on Appropriations,
25 may be waived if failure to do so would pose a substantial

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

11 LIMITATION ON AVAILABILITY OF FUNDS FOR
12 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

13 SEC. 516. Subject to the regular notification proce-
14 dures of the Committees on Appropriations, funds appro-
15 priated under this Act or any previously enacted Act mak-
16 ing appropriations for foreign operations, export financ-
17 ing, and related programs, which are returned or not made
18 available for organizations and programs because of the
19 implementation of section 307(a) of the Foreign Assist-
20 ance Act of 1961, shall remain available for obligation
21 until September 30, 2005.

22 INDEPENDENT STATES OF THE FORMER SOVIET UNION

23 SEC. 517. (a) None of the funds appropriated under
24 the heading “Assistance for the Independent States of the
25 Former Soviet Union” shall be made available for assist-

1 ance for a government of an Independent State of the
2 former Soviet Union—

3 (1) unless that government is making progress
4 in implementing comprehensive economic reforms
5 based on market principles, private ownership, re-
6 spect for commercial contracts, and equitable treat-
7 ment of foreign private investment; and

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

12 Assistance may be furnished without regard to this sub-
13 section if the President determines that to do so is in the
14 national interest.

15 (b) None of the funds appropriated under the heading
16 “Assistance for the Independent States of the Former So-
17 viet Union” shall be made available for assistance for a
18 government of an Independent State of the former Soviet
19 Union if that government directs any action in violation
20 of the territorial integrity or national sovereignty of any
21 other Independent State of the former Soviet Union, such
22 as those violations included in the Helsinki Final Act: *Pro-*
23 *vided*, That such funds may be made available without re-
24 gard to the restriction in this subsection if the President

1 determines that to do so is in the national security interest
2 of the United States.

3 (c) None of the funds appropriated under the heading
4 “Assistance for the Independent States of the Former So-
5 viet Union” shall be made available for any state to en-
6 hance its military capability: *Provided*, That this restric-
7 tion does not apply to demilitarization, demining or non-
8 proliferation programs.

9 (d) Funds appropriated under the heading “Assist-
10 ance for the Independent States of the Former Soviet
11 Union” for the Russian Federation, Armenia, Georgia,
12 and Ukraine shall be subject to the regular notification
13 procedures of the Committees on Appropriations.

14 (e) Funds made available in this Act for assistance
15 for the Independent States of the former Soviet Union
16 shall be subject to the provisions of section 117 (relating
17 to environment and natural resources) of the Foreign As-
18 sistance Act of 1961.

19 (f) Funds made available for Enterprise Funds shall
20 be expended at the minimum rate necessary to make time-
21 ly payment for projects and activities.

22 (g) In issuing new task orders, entering into con-
23 tracts, or making grants, with funds appropriated in this
24 Act or prior appropriations Acts under the heading “As-
25 sistance for the Independent States of the Former Soviet

1 Union” and under comparable headings in prior appro-
2 priations Acts, for projects or activities that have as one
3 of their primary purposes the fostering of private sector
4 development, the Coordinator for United States Assistance
5 to the New Independent States and the implementing
6 agency shall encourage the participation of and give sig-
7 nificant weight to contractors and grantees who propose
8 investing a significant amount of their own resources (in-
9 cluding volunteer services and in-kind contributions) in
10 such projects and activities.

11 PROHIBITION ON FUNDING FOR ABORTIONS AND
12 INVOLUNTARY STERILIZATION

13 SEC. 518. None of the funds made available to carry
14 out part I of the Foreign Assistance Act of 1961, as
15 amended, may be used to pay for the performance of abor-
16 tions as a method of family planning or to motivate or
17 coerce any person to practice abortions. None of the funds
18 made available to carry out part I of the Foreign Assist-
19 ance Act of 1961, as amended, may be used to pay for
20 the performance of involuntary sterilization as a method
21 of family planning or to coerce or provide any financial
22 incentive to any person to undergo sterilizations. None of
23 the funds made available to carry out part I of the Foreign
24 Assistance Act of 1961, as amended, may be used to pay
25 for any biomedical research which relates in whole or in
26 part, to methods of, or the performance of, abortions or

1 involuntary sterilization as a means of family planning.
2 None of the funds made available to carry out part I of
3 the Foreign Assistance Act of 1961, as amended, may be
4 obligated or expended for any country or organization if
5 the President certifies that the use of these funds by any
6 such country or organization would violate any of the
7 above provisions related to abortions and involuntary steri-
8 lizations.

9 EXPORT FINANCING TRANSFER AUTHORITIES

10 SEC. 519. Not to exceed 5 percent of any appropria-
11 tion other than for administrative expenses made available
12 for fiscal year 2004, for programs under title I of this
13 Act may be transferred between such appropriations for
14 use for any of the purposes, programs, and activities for
15 which the funds in such receiving account may be used,
16 but no such appropriation, except as otherwise specifically
17 provided, shall be increased by more than 25 percent by
18 any such transfer: *Provided*, That the exercise of such au-
19 thority shall be subject to the regular notification proce-
20 dures of the Committees on Appropriations.

21 SPECIAL NOTIFICATION REQUIREMENTS

22 SEC. 520. None of the funds appropriated by this Act
23 shall be obligated or expended for Liberia, Sudan,
24 Zimbabwe, the Democratic Republic of the Congo, or
25 Cambodia except as provided through the regular notifica-
26 tion procedures of the Committees on Appropriations.

1 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

2 SEC. 521. For the purpose of this Act, “program,
3 project, and activity” shall be defined at the appropria-
4 tions Act account level and shall include all appropriations
5 and authorizations Acts earmarks, ceilings, and limita-
6 tions with the exception that for the following accounts:
7 Economic Support Fund and Foreign Military Financing
8 Program, “program, project, and activity” shall also be
9 considered to include country, regional, and central pro-
10 gram level funding within each such account; for the devel-
11 opment assistance accounts of the United States Agency
12 for International Development “program, project, and ac-
13 tivity” shall also be considered to include central, country,
14 regional, and program level funding, either as: (1) justified
15 to the Congress; or (2) allocated by the executive branch
16 in accordance with a report, to be provided to the Commit-
17 tees on Appropriations within 30 days of the enactment
18 of this Act, as required by section 653(a) of the Foreign
19 Assistance Act of 1961.

20 CHILD SURVIVAL AND HEALTH ACTIVITIES

21 SEC. 522. Up to \$13,500,000 of the funds made
22 available by this Act for assistance under the heading
23 “Child Survival and Health Programs Fund”, may be
24 used to reimburse United States Government agencies,
25 agencies of State governments, institutions of higher
26 learning, and private and voluntary organizations for the

1 full cost of individuals (including for the personal services
2 of such individuals) detailed or assigned to, or contracted
3 by, as the case may be, the United States Agency for
4 International Development for the purpose of carrying out
5 activities under that heading: *Provided*, That up to
6 \$3,500,000 of the funds made available by this Act for
7 assistance under the heading “Development Assistance”
8 may be used to reimburse such agencies, institutions, and
9 organizations for such costs of such individuals carrying
10 out other development assistance activities: *Provided fur-*
11 *ther*, That funds appropriated by this Act that are made
12 available for child survival activities or disease programs
13 including activities relating to research on, and the preven-
14 tion, treatment and control of, HIV/AIDS may be made
15 available notwithstanding any other provision of law ex-
16 cept for the provisions under the heading “Child Survival
17 and Health Programs Fund”, section 515 of this Act, and
18 sections 104(c), 104A, 104B, and 104C of the Foreign
19 Assistance Act of 1961: *Provided further*, That funds ap-
20 propriated under titles II and III of this Act may be made
21 available pursuant to section 301 of the Foreign Assist-
22 ance Act of 1961 if a primary purpose of the assistance
23 is for child survival and related programs.

24 AFGHANISTAN

25 SEC. 523. Of the funds appropriated by titles II and
26 III of this Act, not less than \$600,000,000 shall be made

1 available for humanitarian, reconstruction, and related as-
2 sistance for Afghanistan: *Provided*, That of the funds
3 made available pursuant to this section, not less than
4 \$150,000,000 should be from funds appropriated under
5 the heading “Economic Support Fund”.

6 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

7 SEC. 524. Prior to providing excess Department of
8 Defense articles in accordance with section 516(a) of the
9 Foreign Assistance Act of 1961, the Department of De-
10 fense shall notify the Committees on Appropriations to the
11 same extent and under the same conditions as are other
12 committees pursuant to subsection (f) of that section: *Pro-*
13 *vided*, That before issuing a letter of offer to sell excess
14 defense articles under the Arms Export Control Act, the
15 Department of Defense shall notify the Committees on
16 Appropriations in accordance with the regular notification
17 procedures of such Committees if such defense articles are
18 significant military equipment (as defined in section 47(9)
19 of the Arms Export Control Act) or are valued (in terms
20 of original acquisition cost) at \$7,000,000 or more, or if
21 notification is required elsewhere in this Act for the use
22 of appropriated funds for specific countries that would re-
23 ceive such excess defense articles: *Provided further*, That
24 such Committees shall also be informed of the original ac-
25 quisition cost of such defense articles.

USAID OVERSEAS PROGRAM

1
2 SEC. 525. Funds appropriated by this and subse-
3 quent appropriations Acts to carry out the provisions of
4 Part I of the Foreign Assistance Act of 1961, including
5 funds appropriated under the heading “Assistance for
6 Eastern Europe and the Baltic States”, may be made
7 available to employ individuals overseas on a limited ap-
8 pointment basis pursuant to the authority of sections 308
9 and 309 of the Foreign Service Act of 1980: *Provided*,
10 That in fiscal year 2004 the authority of this section may
11 be used to employ not more than 85 individuals.

TIBET

12
13 SEC. 526. Notwithstanding any other provision of law
14 not to exceed \$3,000,000 of the funds appropriated by this
15 Act to carry out the provisions of chapter 4 of part II
16 of the Foreign Assistance Act of 1961 may be made avail-
17 able to United States nongovernmental organizations lo-
18 cated outside the People’s Republic of China to support
19 activities which preserve cultural traditions and promote
20 sustainable development and environmental conservation
21 in Tibetan communities in Tibet: *Provided*, That funds
22 made available for programs, projects, and activities for
23 the Peoples’s Republic of China shall be subject to the
24 regular notification procedures of the Committees on Ap-
25 propriations.

1 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
2 COUNTRIES

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

8 (1) grants sanctuary from prosecution to any
9 individual or group which has committed an act of
10 international terrorism; or

11 (2) otherwise supports international terrorism.

12 (b) The President may waive the application of sub-
13 section (a) to a country if the President determines that
14 national security or humanitarian reasons justify such
15 waiver. The President shall publish each waiver in the
16 Federal Register and, at least 15 days before the waiver
17 takes effect, shall notify the Committees on Appropria-
18 tions of the waiver (including the justification for the waiv-
19 er) in accordance with the regular notification procedures
20 of the Committees on Appropriations.

21 DEBT-FOR-DEVELOPMENT

22 SEC. 528. In order to enhance the continued partici-
23 pation of nongovernmental organizations in debt-for-devel-
24 opment and debt-for-nature exchanges, a nongovern-
25 mental organization which is a grantee or contractor of
26 the United States Agency for International Development

1 cy for International Development and that govern-
2 ment to monitor and account for deposits into and
3 disbursements from the separate account.

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

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

12 (i) project and sector assistance activities;

13 or

14 (ii) debt and deficit financing; or

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

17 (3) PROGRAMMING ACCOUNTABILITY.—The United
18 States Agency for International Development shall take all
19 necessary steps to ensure that the equivalent of the local
20 currencies disbursed pursuant to subsection (a)(2)(A)
21 from the separate account established pursuant to sub-
22 section (a)(1) are used for the purposes agreed upon pur-
23 suant to subsection (a)(2).

24 (4) TERMINATION OF ASSISTANCE PROGRAMS.—
25 Upon termination of assistance to a country under chapter

1 1 or 10 of part I or chapter 4 of part II (as the case
2 may be), any unencumbered balances of funds which re-
3 main in a separate account established pursuant to sub-
4 section (a) shall be disposed of for such purposes as may
5 be agreed to by the government of that country and the
6 United States Government.

7 (5) REPORTING REQUIREMENT.—The Administrator
8 of the United States Agency for International Develop-
9 ment shall report on an annual basis as part of the jus-
10 tification documents submitted to the Committees on Ap-
11 propriations on the use of local currencies for the adminis-
12 trative requirements of the United States Government as
13 authorized in subsection (a)(2)(B), and such report shall
14 include the amount of local currency (and United States
15 dollar equivalent) used and/or to be used for such purpose
16 in each applicable country.

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

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

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

18 (4) EXEMPTION.—Nonproject sector assistance funds
19 may be exempt from the requirements of subsection (b)(1)
20 only through the notification procedures of the Commit-
21 tees on Appropriations.

22 ENTERPRISE FUND RESTRICTIONS

23 SEC. 530. Prior to the distribution of any assets re-
24 sulting from any liquidation, dissolution, or winding up
25 of an Enterprise Fund, in whole or in part, the President
26 shall submit to the Committees on Appropriations, in ac-

1 cordance with the regular notification procedures of the
2 Committees on Appropriations, a plan for the distribution
3 of the assets of the Enterprise Fund.

4 BURMA

5 SEC. 531. Of the funds appropriated under the head-
6 ing "Economic Support Fund", not less than \$6,000,000
7 should be made available to support democracy activities
8 along the Burma-Thailand border, for activities of Bur-
9 mese student groups and other organizations located out-
10 side Burma, and for the purpose of supporting the provi-
11 sion of humanitarian assistance to displaced Burmese
12 along Burma's borders: *Provided*, That of this amount
13 \$500,000 should be made available to support newspapers,
14 publications, and other media activities promoting democ-
15 racy inside Burma: *Provided further*, That funds made
16 available under this heading may be made available not-
17 withstanding any other provision of law: *Provided further*,
18 That funds made available by this section shall be subject
19 to the regular notification procedures of the Committees
20 on Appropriations.

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

23 SEC. 532. Unless expressly provided to the contrary,
24 provisions of this or any other Act, including provisions
25 contained in prior Acts authorizing or making appropria-
26 tions for foreign operations, export financing, and related

1 programs, shall not be construed to prohibit activities au-
2 thorized by or conducted under the Peace Corps Act, the
3 Inter-American Foundation Act or the African Develop-
4 ment Foundation Act. The agency shall promptly report
5 to the Committees on Appropriations whenever it is con-
6 ducting activities or is proposing to conduct activities in
7 a country for which assistance is prohibited.

8 IMPACT ON JOBS IN THE UNITED STATES

9 SEC. 533. None of the funds appropriated by this Act
10 may be obligated or expended to provide—

11 (a) any financial incentive to a business enter-
12 prise currently located in the United States for the
13 purpose of inducing such an enterprise to relocate
14 outside the United States if such incentive or in-
15 ducement is likely to reduce the number of employ-
16 ees of such business enterprise in the United States
17 because United States production is being replaced
18 by such enterprise outside the United States; or

19 (b) assistance for any program, project, or ac-
20 tivity that contributes to the violation of internation-
21 ally recognized workers rights, as defined in section
22 507(4) of the Trade Act of 1974, of workers in the
23 recipient country, including any designated zone or
24 area in that country: *Provided*, That the application
25 of section 507(4)(D) and (E) of such Act should be
26 commensurate with the level of development of the

1 recipient country and sector, and shall not preclude
2 assistance for the informal sector in such country,
3 micro and small-scale enterprise, and smallholder
4 agriculture.

5 SPECIAL AUTHORITIES

6 SEC. 534. (a) AFGHANISTAN, PAKISTAN, LEBANON,
7 MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN,
8 AND DISPLACED BURMESE.—Funds appropriated by this
9 Act that are made available for assistance for Afghanistan
10 may be made available notwithstanding section 512 of this
11 Act and any similar provision of law and section 660 of
12 the Foreign Assistance Act of 1961, and funds appro-
13 priated in titles I and II of this Act that are made avail-
14 able for Lebanon, Montenegro, Pakistan, and for victims
15 of war, displaced children, and displaced Burmese, and to
16 assist victims of trafficking in persons and, subject to the
17 regular notification procedures of the Committees on Ap-
18 propriations, to combat such trafficking, may be made
19 available notwithstanding any other provision of law.

20 (b) TROPICAL FORESTRY AND BIODIVERSITY CON-
21 SERVATION ACTIVITIES.—Funds appropriated by this Act
22 to carry out the provisions of sections 103 through 106,
23 and chapter 4 of part II, of the Foreign Assistance Act
24 of 1961 may be used, notwithstanding any other provision
25 of law, for the purpose of supporting tropical forestry and
26 biodiversity conservation activities and energy programs

1 aimed at reducing greenhouse gas emissions: *Provided*,
2 That such assistance shall be subject to sections 116,
3 502B, and 620A of the Foreign Assistance Act of 1961.

4 (c) PERSONAL SERVICES CONTRACTORS.—Funds ap-
5 propriated by this Act to carry out chapter 1 of part I,
6 chapter 4 of part II, and section 667 of the Foreign As-
7 sistance Act of 1961, and title II of the Agricultural Trade
8 Development and Assistance Act of 1954, may be used
9 by the United States Agency for International Develop-
10 ment to employ up to 20 personal services contractors in
11 the United States, notwithstanding any other provision of
12 law, for the purpose of providing direct, interim support
13 for new or expanded overseas programs and activities
14 managed by the agency until permanent direct hire per-
15 sonnel are hired and trained: *Provided*, That not more
16 than 7 of such contractors shall be assigned to any bureau
17 or office: *Provided further*, That such funds appropriated
18 to carry out the Foreign Assistance Act of 1961 may be
19 made available for personal services contractors assigned
20 only to the Office of Procurement; the Bureau for Africa;
21 and the Bureau for Asia and the Near East: *Provided fur-*
22 *ther*, That such funds appropriated to carry out title II
23 of the Agricultural Trade Development and Assistance Act
24 of 1954, may be made available only for personal services
25 contractors assigned to the Office of Food for Peace.

1 (d)(1) WAIVER.—The President may waive the provi-
2 sions of section 1003 of Public Law 100–204 if the Presi-
3 dent determines and certifies in writing to the Speaker
4 of the House of Representatives and the President pro
5 tempore of the Senate that it is important to the national
6 security interests of the United States.

7 (2) PERIOD OF APPLICATION OF WAIVER.—Any
8 waiver pursuant to paragraph (1) shall be effective for no
9 more than a period of 6 months at a time and shall not
10 apply beyond 12 months after the enactment of this Act.

11 (e) SMALL BUSINESS.—In entering into multiple
12 award indefinite-quantity contracts with funds appro-
13 priated by this Act, the United States Agency for Inter-
14 national Development may provide an exception to the fair
15 opportunity process for placing task orders under such
16 contracts when the order is placed with any category of
17 small or small disadvantaged business.

18 (f) SHIPMENT OF HUMANITARIAN ASSISTANCE.—
19 During fiscal year 2004 and each fiscal year thereafter,
20 of the amounts made available by the United States Agen-
21 cy for International Development to carry out the provi-
22 sions of section 123(b) of the Foreign Assistance Act of
23 1961, funds may be made available to nongovernmental
24 organizations for administrative costs necessary to imple-
25 ment a program to obtain available donated space on com-

1 mercial ships for the shipment of humanitarian assistance
2 overseas.

3 (g) RECONSTITUTING CIVILIAN POLICE AUTHOR-
4 ITY.—In providing assistance with funds appropriated by
5 this Act under section 660(b)(6) of the Foreign Assistance
6 Act of 1961, support for a nation emerging from insta-
7 bility may be deemed to mean support for regional, dis-
8 trict, municipal, or other sub-national entity emerging
9 from instability, as well as a nation emerging from insta-
10 bility.

11 (h) NATIONAL ENDOWMENT FOR DEMOCRACY.—
12 Funds appropriated by this Act that are provided to the
13 National Endowment for Democracy may be provided not-
14 withstanding any other provision of law or regulation.

15 ARAB LEAGUE BOYCOTT OF ISRAEL

16 SEC. 535. It is the sense of the Congress that—

17 (1) the Arab League boycott of Israel, and the
18 secondary boycott of American firms that have com-
19 mercial ties with Israel, is an impediment to peace
20 in the region and to United States investment and
21 trade in the Middle East and North Africa;

22 (2) the Arab League boycott, which was regret-
23 tably reinstated in 1997, should be immediately and
24 publicly terminated, and the Central Office for the
25 Boycott of Israel immediately disbanded;

1 (3) the three Arab League countries with diplo-
2 matic and trade relations with Israel should return
3 their ambassadors to Israel, should refrain from
4 downgrading their relations with Israel, and should
5 play a constructive role in securing a peaceful reso-
6 lution of the Israeli-Arab conflict;

7 (4) the remaining Arab League states should
8 normalize relations with their neighbor Israel;

9 (5) the President and the Secretary of State
10 should continue to vigorously oppose the Arab
11 League boycott of Israel and find concrete steps to
12 demonstrate that opposition by, for example, taking
13 into consideration the participation of any recipient
14 country in the boycott when determining to sell
15 weapons to said country; and

16 (6) the President should report to Congress an-
17 nually on specific steps being taken by the United
18 States to encourage Arab League states to normalize
19 their relations with Israel to bring about the termi-
20 nation of the Arab League boycott of Israel, includ-
21 ing those to encourage allies and trading partners of
22 the United States to enact laws prohibiting busi-
23 nesses from complying with the boycott and penal-
24 izing businesses that do comply.

1 ADMINISTRATION OF JUSTICE ACTIVITIES

2 SEC. 536. Of the funds appropriated or otherwise
3 made available by this Act or any subsequent Act for
4 “Economic Support Fund”, assistance may be provided
5 to strengthen the administration of justice in countries in
6 Latin America and the Caribbean and in other regions
7 consistent with the provisions of section 534(b) of the For-
8 eign Assistance Act of 1961, except that programs to en-
9 hance protection of participants in judicial cases may be
10 conducted notwithstanding section 660 of that Act. Funds
11 made available pursuant to this section may be made
12 available notwithstanding section 534(c) and the second
13 and third sentences of section 534(e) of the Foreign As-
14 sistance Act of 1961.

15 ELIGIBILITY FOR ASSISTANCE

16 SEC. 537. (a) ASSISTANCE THROUGH NONGOVERN-
17 MENTAL ORGANIZATIONS.—Restrictions contained in this
18 or any other Act with respect to assistance for a country
19 shall not be construed to restrict assistance in support of
20 programs of nongovernmental organizations from funds
21 appropriated by this Act to carry out the provisions of
22 chapters 1, 10, 11, and 12 of part I and chapter 4 of
23 part II of the Foreign Assistance Act of 1961, and from
24 funds appropriated under the heading “Assistance for
25 Eastern Europe and the Baltic States”: *Provided*, That
26 before using the authority of this subsection to furnish as-

1 sistance in support of programs of nongovernmental orga-
2 nizations, the President shall notify the Committees on
3 Appropriations under the regular notification procedures
4 of those committees, including a description of the pro-
5 gram to be assisted, the assistance to be provided, and
6 the reasons for furnishing such assistance: *Provided fur-*
7 *ther*, That nothing in this subsection shall be construed
8 to alter any existing statutory prohibitions against abor-
9 tion or involuntary sterilizations contained in this or any
10 other Act.

11 (b) PUBLIC LAW 480.—During fiscal year 2004, re-
12 strictions contained in this or any other Act with respect
13 to assistance for a country shall not be construed to re-
14 strict assistance under the Agricultural Trade Develop-
15 ment and Assistance Act of 1954: *Provided*, That none
16 of the funds appropriated to carry out title I of such Act
17 and made available pursuant to this subsection may be
18 obligated or expended except as provided through the reg-
19 ular notification procedures of the Committees on Appro-
20 priations.

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

22 (1) with respect to section 620A of the Foreign
23 Assistance Act of 1961 or any comparable provision
24 of law prohibiting assistance to countries that sup-
25 port international terrorism; or

1 change in circumstances makes it unlikely that such ear-
2 marked funds can be obligated during the original period
3 of availability: *Provided*, That such earmarked funds that
4 are continued available for an additional fiscal year shall
5 be obligated only for the purpose of such earmark.

6 CEILINGS AND EARMARKS

7 SEC. 539. Ceilings and earmarks contained in this
8 Act shall not be applicable to funds or authorities appro-
9 priated or otherwise made available by any subsequent Act
10 unless such Act specifically so directs. Earmarks or min-
11 imum funding requirements contained in any other Act
12 shall not be applicable to funds appropriated by this Act.

13 PROHIBITION ON PUBLICITY OR PROPAGANDA

14 SEC. 540. No part of any appropriation contained in
15 this Act shall be used for publicity or propaganda purposes
16 within the United States not authorized before the date
17 of the enactment of this Act by the Congress: *Provided*,
18 That not to exceed \$750,000 may be made available to
19 carry out the provisions of section 316 of Public Law 96-
20 533.

21 PROHIBITION OF PAYMENTS TO UNITED NATIONS

22 MEMBERS

23 SEC. 541. None of the funds appropriated or made
24 available pursuant to this Act for carrying out the Foreign
25 Assistance Act of 1961, may be used to pay in whole or
26 in part any assessments, arrearages, or dues of any mem-

1 ber of the United Nations or, from funds appropriated by
2 this Act to carry out chapter 1 of part I of the Foreign
3 Assistance Act of 1961, the costs for participation of an-
4 other country's delegation at international conferences
5 held under the auspices of multilateral or international or-
6 ganizations.

7 NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION

8 SEC. 542. None of the funds appropriated or made
9 available pursuant to this Act shall be available to a non-
10 governmental organization which fails to provide upon
11 timely request any document, file, or record necessary to
12 the auditing requirements of the United States Agency for
13 International Development.

14 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-
15 MENTS THAT EXPORT LETHAL MILITARY EQUIP-
16 MENT TO COUNTRIES SUPPORTING INTERNATIONAL
17 TERRORISM

18 SEC. 543. (a) None of the funds appropriated or oth-
19 erwise made available by this Act may be available to any
20 foreign government which provides lethal military equip-
21 ment to a country the government of which the Secretary
22 of State has determined is a terrorist government for pur-
23 poses of section 6(j) of the Export Administration Act.
24 The prohibition under this section with respect to a for-
25 eign government shall terminate 12 months after that gov-
26 ernment ceases to provide such military equipment. This

1 section applies with respect to lethal military equipment
2 provided under a contract entered into after October 1,
3 1997.

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

8 (c) Whenever the waiver authority of subsection (b)
9 is exercised, the President shall submit to the appropriate
10 congressional committees a report with respect to the fur-
11 nishing of such assistance. Any such report shall include
12 a detailed explanation of the assistance to be provided, in-
13 cluding the estimated dollar amount of such assistance,
14 and an explanation of how the assistance furthers United
15 States national interests.

16 WITHHOLDING OF ASSISTANCE FOR PARKING FINES
17 OWED BY FOREIGN COUNTRIES

18 SEC. 544. (a) IN GENERAL.—Of the funds appro-
19 priated under this Act that are made available for a for-
20 eign country under part I of the Foreign Assistance Act
21 of 1961, an amount equivalent to 110 percent of the total
22 unpaid fines determined to be owed under the parking pro-
23 grams in the District of Columbia and New York City,
24 New York by such country as of September 30, 2003 that
25 were incurred after the first day of the fiscal year pre-
26 ceding the current fiscal year shall be withheld from obli-

1 gation for such country until the Secretary of State cer-
2 tifies and reports in writing to the appropriate congres-
3 sional committees that such fines and penalties are fully
4 paid to the governments of the District of Columbia and
5 New York City, New York.

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

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

14 SEC. 545. None of the funds appropriated by this Act
15 may be obligated for assistance for the Palestine Libera-
16 tion Organization for the West Bank and Gaza unless the
17 President has exercised the authority under section 604(a)
18 of the Middle East Peace Facilitation Act of 1995 (title
19 VI of Public Law 104–107) or any other legislation to sus-
20 pend or make inapplicable section 307 of the Foreign As-
21 sistance Act of 1961 and that suspension is still in effect:
22 *Provided*, That if the President fails to make the certifi-
23 cation under section 604(b)(2) of the Middle East Peace
24 Facilitation Act of 1995 or to suspend the prohibition
25 under other legislation, funds appropriated by this Act

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

3 WAR CRIMES TRIBUNALS DRAWDOWN

4 SEC. 546. If the President determines that doing so
5 will contribute to a just resolution of charges regarding
6 genocide or other violations of international humanitarian
7 law, the President may direct a drawdown pursuant to sec-
8 tion 552(c) of the Foreign Assistance Act of 1961, as
9 amended, of up to \$30,000,000 of commodities and serv-
10 ices for the United Nations War Crimes Tribunal estab-
11 lished with regard to the former Yugoslavia by the United
12 Nations Security Council or such other tribunals or com-
13 missions as the Council may establish or authorize to deal
14 with such violations, without regard to the ceiling limita-
15 tion contained in paragraph (2) thereof: *Provided*, That
16 the determination required under this section shall be in
17 lieu of any determinations otherwise required under sec-
18 tion 552(c): *Provided further*, That the drawdown made
19 under this section for any tribunal shall not be construed
20 as an endorsement or precedent for the establishment of
21 any standing or permanent international criminal tribunal
22 or court: *Provided further*, That funds made available for
23 tribunals other than Yugoslavia or Rwanda shall be made
24 available subject to the regular notification procedures of
25 the Committees on Appropriations.

1 LANDMINES

2 SEC. 547. Notwithstanding any other provision of
3 law, demining equipment available to the United States
4 Agency for International Development and the Depart-
5 ment of State and used in support of the clearance of
6 landmines and unexploded ordnance for humanitarian
7 purposes may be disposed of on a grant basis in foreign
8 countries, subject to such terms and conditions as the
9 President may prescribe.

10 RESTRICTIONS CONCERNING THE PALESTINIAN

11 AUTHORITY

12 SEC. 548. None of the funds appropriated by this Act
13 may be obligated or expended to create in any part of Je-
14 rusalem a new office of any department or agency of the
15 United States Government for the purpose of conducting
16 official United States Government business with the Pal-
17 estinian Authority over Gaza and Jericho or any successor
18 Palestinian governing entity provided for in the Israel-
19 PLO Declaration of Principles: *Provided*, That this re-
20 striction shall not apply to the acquisition of additional
21 space for the existing Consulate General in Jerusalem:
22 *Provided further*, That meetings between officers and em-
23 ployees of the United States and officials of the Pales-
24 tinian Authority, or any successor Palestinian governing
25 entity provided for in the Israel-PLO Declaration of Prin-
26 ciples, for the purpose of conducting official United States

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

8 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

9 SEC. 549. None of the funds appropriated or other-
10 wise made available by this Act under the heading “Inter-
11 national Military Education and Training” or “Foreign
12 Military Financing Program” for Informational Program
13 activities or under the headings “Child Survival and
14 Health Programs Fund”, “Development Assistance”, and
15 “Economic Support Fund” may be obligated or expended
16 to pay for—

17 (1) alcoholic beverages; or

18 (2) entertainment expenses for activities that
19 are substantially of a recreational character, includ-
20 ing but not limited to entrance fees at sporting
21 events, theatrical and musical productions, and
22 amusement parks.

23 RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO

24 UNITED NATIONS AGENCIES

25 SEC. 550. None of the funds appropriated by this Act
26 may be made available to pay any voluntary contribution

1 of the United States to the United Nations (including the
2 United Nations Development Program) if the United Na-
3 tions implements or imposes any taxation on any United
4 States persons.

5 HAITI

6 SEC. 551. The Government of Haiti shall be eligible
7 to purchase defense articles and services under the Arms
8 Export Control Act (22 U.S.C. 2751 et seq.), for the Coast
9 Guard.

10 LIMITATION ON ASSISTANCE TO THE PALESTINIAN

11 AUTHORITY

12 SEC. 552. (a) PROHIBITION OF FUNDS.—None of the
13 funds appropriated by this Act to carry out the provisions
14 of chapter 4 of part II of the Foreign Assistance Act of
15 1961 may be obligated or expended with respect to pro-
16 viding funds to the Palestinian Authority.

17 (b) WAIVER.—The prohibition included in subsection
18 (a) shall not apply if the President certifies in writing to
19 the Speaker of the House of Representatives and the
20 President pro tempore of the Senate that waiving such
21 prohibition is important to the national security interests
22 of the United States.

23 (c) PERIOD OF APPLICATION OF WAIVER.—Any
24 waiver pursuant to subsection (b) shall be effective for no
25 more than a period of 6 months at a time and shall not
26 apply beyond 12 months after the enactment of this Act.

1 LIMITATION ON ASSISTANCE TO SECURITY FORCES

2 SEC. 553. None of the funds made available by this
3 Act may be provided to any unit of the security forces
4 of a foreign country if the Secretary of State has credible
5 evidence that such unit has committed gross violations of
6 human rights, unless the Secretary determines and reports
7 to the Committees on Appropriations that the government
8 of such country is taking effective measures to bring the
9 responsible members of the security forces unit to justice:
10 *Provided*, That nothing in this section shall be construed
11 to withhold funds made available by this Act from any
12 unit of the security forces of a foreign country not credibly
13 alleged to be involved in gross violations of human rights:
14 *Provided further*, That in the event that funds are withheld
15 from any unit pursuant to this section, the Secretary of
16 State shall promptly inform the foreign government of the
17 basis for such action and shall, to the maximum extent
18 practicable, assist the foreign government in taking effec-
19 tive measures to bring the responsible members of the se-
20 curity forces to justice.

21 FOREIGN MILITARY TRAINING REPORT

22 SEC. 554. The annual foreign military training report
23 required by section 656 of the Foreign Assistance Act of
24 1961 shall be submitted by the Secretary of Defense and
25 the Secretary of State to the Committees on Appropria-

1 tions of the House of Representatives and the Senate by
2 the date specified in that section.

3 KOREAN PENINSULA ENERGY DEVELOPMENT

4 ORGANIZATION

5 SEC. 555. None of the funds appropriated by this Act
6 may be made available for assistance to the Korean Penin-
7 sula Energy Organization (KEDO).

8 PALESTINIAN STATEHOOD

9 SEC. 556. (a) LIMITATION ON ASSISTANCE.—None
10 of the funds appropriated by this Act may be provided
11 to support a Palestinian state unless the Secretary of
12 State determines and certifies to the appropriate congres-
13 sional committees that—

14 (1) a new leadership of a Palestinian governing
15 entity has been democratically elected through cred-
16 ible and competitive elections;

17 (2) the elected governing entity of a new Pales-
18 tinian state—

19 (A) has demonstrated a firm commitment
20 to peaceful co-existence with the State of Israel;

21 (B) is taking appropriate measures to
22 counter terrorism and terrorist financing in the
23 West Bank and Gaza, including the dismantling
24 of terrorist infrastructures;

25 (C) is establishing a new Palestinian secu-
26 rity entity that is fully cooperative with appro-

1 appropriate Israeli and other appropriate security or-
2 ganizations; and

3 (3) the Palestinian Authority (or the governing
4 body of a new Palestinian state) is working with
5 other countries in the region to vigorously pursue ef-
6 forts to establish a just, lasting, and comprehensive
7 peace in the Middle East that will enable Israel and
8 an independent Palestinian state to exist within the
9 context of full and normal relationships, which
10 should include—

11 (A) termination of all claims or states of
12 belligerency;

13 (B) respect for and acknowledgement of
14 the sovereignty, territorial integrity, and polit-
15 ical independence of every state in the area
16 through measures including the establishment
17 of demilitarized zones;

18 (C) their right to live in peace within se-
19 cure and recognized boundaries free from
20 threats or acts of force;

21 (D) freedom of navigation through inter-
22 national waterways in the area; and

23 (E) a framework for achieving a just set-
24 tlement of the refugee problem.

1 (2) The balance of such funds may be obligated
2 only after the Secretary of State certifies and re-
3 ports to the appropriate congressional committees
4 that:

5 (A) The Commander General of the Co-
6 lombian Armed Forces is suspending from the
7 Armed Forces those members, of whatever
8 rank, who have been credibly alleged to have
9 committed gross violations of human rights, in-
10 cluding extra-judicial killings, or to have aided
11 or abetted paramilitary organizations.

12 (B) The Colombian Government is pros-
13 ecuting those members of the Colombian Armed
14 Forces, of whatever rank, who have been
15 credibly alleged to have committed gross viola-
16 tions of human rights, including extra-judicial
17 killings, or to have aided or abetted para-
18 military organizations, and is punishing those
19 members of the Colombian Armed Forces found
20 to have committed such violations of human
21 rights or to have aided or abetted paramilitary
22 organizations.

23 (C) The Colombian Armed Forces are co-
24 operating with civilian prosecutors and judicial
25 authorities in such cases (including providing

1 requested information, such as the identity of
2 persons suspended from the Armed Forces and
3 the nature and cause of the suspension, and ac-
4 cess to witnesses, relevant military documents,
5 and other requested information).

6 (D) The Colombian Armed Forces are sev-
7 ering links (including denying access to military
8 intelligence, vehicles, and other equipment or
9 supplies, and ceasing other forms of active or
10 tacit cooperation) at the command, battalion,
11 and brigade levels, with paramilitary organiza-
12 tions.

13 (E) The Colombian Armed Forces are exe-
14 cuting orders for capture of leaders of para-
15 military organizations that continue armed con-
16 flict.

17 (b) CONSULTATIVE PROCESS.—At least 10 days prior
18 to making the certification required by subsection (a), the
19 Secretary of State shall consult with internationally recog-
20 nized human rights organizations regarding progress in
21 meeting the conditions contained in that subsection.

22 (c) DEFINITIONS.—In this section:

23 (1) AIDED OR ABETTED.—The term “aided or
24 abetted” means to provide any support to para-
25 military groups, including taking actions which

1 allow, facilitate, or otherwise foster the activities of
2 such groups.

3 (2) PARAMILITARY GROUPS.—The term “para-
4 military groups” means illegal self-defense groups
5 and illegal security cooperatives.

6 ILLEGAL ARMED GROUPS

7 SEC. 558. (a) DENIAL OF VISAS TO SUPPORTERS OF
8 COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to sub-
9 section (b), the Secretary of State shall not issue a visa
10 to any alien who the Secretary determines, based on cred-
11 ible evidence—

12 (1) has willfully provided any support to the
13 Revolutionary Armed Forces of Colombia (FARC),
14 the National Liberation Army (ELN), or the United
15 Self-Defense Forces of Colombia (AUC), including
16 taking actions or failing to take actions which allow,
17 facilitate, or otherwise foster the activities of such
18 groups; or

19 (2) has committed, ordered, incited, assisted, or
20 otherwise participated in the commission of gross
21 violations of human rights, including extra-judicial
22 killings, in Colombia.

23 (b) WAIVER.—Subsection (a) shall not apply if the
24 Secretary of State determines and certifies to the appro-
25 priate congressional committees, on a case-by-case basis,
26 that the issuance of a visa to the alien is necessary to

1 support the peace process in Colombia or for urgent hu-
2 manitarian reasons.

3 PROHIBITION ON ASSISTANCE TO THE PALESTINIAN
4 BROADCASTING CORPORATION

5 SEC. 559. None of the funds appropriated or other-
6 wise made available by this Act may be used to provide
7 equipment, technical support, consulting services, or any
8 other form of assistance to the Palestinian Broadcasting
9 Corporation.

10 WEST BANK AND GAZA PROGRAM

11 SEC. 560. (a) OVERSIGHT.—For fiscal year 2004, 30
12 days prior to the initial obligation of funds for the bilateral
13 West Bank and Gaza Program, the Secretary of State
14 shall certify to the appropriate committees of Congress
15 that procedures have been established to assure the Comp-
16 troller General of the United States will have access to
17 appropriate United States financial information in order
18 to review the uses of United States assistance for the Pro-
19 gram funded under the heading “Economic Support
20 Fund” for the West Bank and Gaza.

21 (b) VETTING.—Prior to the obligation of funds ap-
22 propriated by this Act under the heading “Economic Sup-
23 port Fund” for assistance for the West Bank and Gaza,
24 the Secretary of State shall take all appropriate steps to
25 ensure that such assistance is not provided to or through
26 any individual or entity that the Secretary knows or has

1 reason to believe advocates, plans, sponsors, engages in,
2 or has engaged in, terrorist activity. The Secretary of
3 State shall, as appropriate, establish procedures specifying
4 the steps to be taken in carrying out this subsection.

5 (c) AUDITS.—(1) The Administrator of the United
6 States Agency for International Development shall ensure
7 that Federal or non-Federal audits of all contractors and
8 grantees, and significant subcontractors and subgrantees,
9 under the West Bank and Gaza Program, are conducted
10 at least on an annual basis to ensure, among other things,
11 compliance with this section.

12 (2) Of the funds appropriated by this Act under the
13 heading “Economic Support Fund” that are made avail-
14 able for assistance for the West Bank and Gaza, up to
15 \$1,000,000 may be used by the Office of the Inspector
16 General of the United States Agency for International De-
17 velopment for audits, inspections, and other activities in
18 furtherance of the requirements of this subsection. Such
19 funds are in addition to funds otherwise available for such
20 purposes.

21 CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

22 SEC. 561. (a) LIMITATIONS ON AMOUNT OF CON-
23 TRIBUTION.—Of the amounts made available under
24 “International Organizations and Programs”,
25 \$25,000,000 for fiscal year 2004 shall be available for the

1 United Nations Population Fund (hereafter in this section
2 referred to as the “UNFPA”) subject to subsection (c).

3 (b) PROHIBITION ON USE OF FUNDS IN CHINA.—

4 None of the funds made available under “International
5 Organizations and Programs” may be made available for
6 the UNFPA for a country program in the People’s Repub-
7 lic of China.

8 (c) CONDITIONS ON AVAILABILITY OF FUNDS.—

9 Amounts made available under “International Organiza-
10 tions and Programs” for fiscal year 2004 for the UNFPA
11 may not be made available to the UNFPA unless—

12 (1) the UNFPA maintains amounts made avail-
13 able to the UNFPA under this section in an account
14 separate from other accounts of the UNFPA;

15 (2) the UNFPA does not commingle amounts
16 made available to the UNFPA under this section
17 with other sums;

18 (3) the UNFPA does not fund abortions; and

19 (4) the UNFPA does not provide any funding
20 for the State Planned-Birth Commission (Jihua
21 Shengyu Weiyuanhui) or its regional affiliates in the
22 People’s Republic of China.

23 (d) REPORT TO THE CONGRESS AND WITHHOLDING
24 OF FUNDS.—

1 (1) Not later than February 15, 2004, the Sec-
2 retary of State shall submit a report to the appro-
3 priate congressional committees indicating the
4 amount of funds that the UNFPA is budgeting for
5 the year in which the report is submitted for a coun-
6 try program in the People’s Republic of China.

7 (2) If a report under paragraph (1) indicates
8 that the UNFPA plans to spend funds for a country
9 program in the People’s Republic of China in the
10 year covered by the report, then the amount of such
11 funds that the UNFPA plans to spend in the Peo-
12 ple’s Republic of China shall be deducted from the
13 funds made available to the UNFPA after March 1
14 for obligation for the remainder of the fiscal year in
15 which the report is submitted.

16 PROCUREMENT AND FINANCIAL MANAGEMENT REFORM

17 SEC. 562. (a) FUNDING CONDITIONS.—Of the funds
18 made available under the heading “International Financial
19 Institutions” in this Act, 10 percent of the United States
20 portion or payment to such International Financial Insti-
21 tution shall be withheld by the Secretary of the Treasury,
22 until the Secretary certifies to the Committees on Appro-
23 priations that, to the extent pertinent to its lending pro-
24 grams, the institution is—

1 (1) implementing procedures for conducting an-
2 nual audits by qualified independent auditors for all
3 new investment lending;

4 (2) implementing procedures for annual inde-
5 pendent external audits of central bank financial
6 statements for countries making use of International
7 Monetary Fund resources under new arrangements
8 or agreements with the Fund;

9 (3) taking steps to establish an independent
10 fraud and corruption investigative organization or
11 office;

12 (4) implementing a process to assess a recipient
13 country's procurement and financial management
14 capabilities including an analysis of the risks of cor-
15 ruption prior to initiating new investment lending;
16 and

17 (5) taking steps to fund and implement pro-
18 grams and policies to improve transparency and
19 anti-corruption programs and procurement and fi-
20 nancial management controls in recipient countries.

21 (b) DEFINITIONS.—The term “International Finan-
22 cial Institutions” means the International Bank for Re-
23 construction and Development, the International Develop-
24 ment Association, the International Finance Corporation,
25 the Inter-American Development Bank, the Inter-Amer-

1 (b) The provisions of subsection (a) shall apply unless
2 the Secretary of State determines and reports to the ap-
3 propriate congressional committees that the competent au-
4 thorities of such country, entity, or municipality are—

5 (1) cooperating with the Tribunal, including ac-
6 cess for investigators to archives and witnesses, the
7 provision of documents, and the surrender and
8 transfer of indictees or assistance in their apprehen-
9 sion; and

10 (2) are acting consistently with the Dayton Ac-
11 cords.

12 (c) Not less than 10 days before any vote in an inter-
13 national financial institution regarding the extension of
14 any new project involving financial or technical assistance
15 or grants to any country or entity described in subsection
16 (a), the Secretary of the Treasury, in consultation with
17 the Secretary of State, shall provide to the Committees
18 on Appropriations a written justification for the proposed
19 assistance, including an explanation of the United States
20 position regarding any such vote, as well as a description
21 of the location of the proposed assistance by municipality,
22 its purpose, and its intended beneficiaries.

23 (d) In carrying out this section, the Secretary of
24 State, the Administrator of the United States Agency for
25 International Development, and the Secretary of the

1 Treasury shall consult with representatives of human
2 rights organizations and all government agencies with rel-
3 evant information to help prevent indicted war criminals
4 from benefiting from any financial or technical assistance
5 or grants provided to any country or entity described in
6 subsection (a).

7 (e) The Secretary of State may waive the application
8 of subsection (a) with respect to projects within a country,
9 entity, or municipality upon a written determination to the
10 Committees on Appropriations that such assistance di-
11 rectly supports the implementation of the Dayton Accords.

12 (f) DEFINITIONS.—As used in this section—

13 (1) COUNTRY.—The term “country” means
14 Bosnia and Herzegovina, Croatia and Serbia.

15 (2) ENTITY.—The term “entity” refers to the
16 Federation of Bosnia and Herzegovina, Kosovo,
17 Montenegro and the Republika Srpska.

18 (3) MUNICIPALITY.—The term “municipality”
19 means a city, town or other subdivision within a
20 country or entity as defined herein.

21 (4) DAYTON ACCORDS.—The term “Dayton Ac-
22 cords” means the General Framework Agreement
23 for Peace in Bosnia and Herzegovina, together with
24 annexes relating thereto, done at Dayton, November
25 10 through 16, 1995.

1 USER FEES

2 SEC. 564. The Secretary of the Treasury shall in-
3 struct the United States Executive Director at each inter-
4 national financial institution (as defined in section
5 1701(c)(2) of the International Financial Institutions Act)
6 and the International Monetary Fund to oppose any loan,
7 grant, strategy or policy of these institutions that would
8 require user fees or service charges on poor people for pri-
9 mary education or primary healthcare, including preven-
10 tion and treatment efforts for HIV/AIDS, malaria, tuber-
11 culosis, and infant, child, and maternal well-being, in con-
12 nection with the institutions' financing programs.

13 FUNDING FOR SERBIA

14 SEC. 565. (a) Funds appropriated by this Act may
15 be made available for assistance for Serbia after March
16 1, 2004, if the President has made the determination and
17 certification contained in subsection (c).

18 (b) After March 1, 2004, the Secretary of the Treas-
19 ury should instruct the United States executive directors
20 to the international financial institutions to support loans
21 and assistance to the Government of the Federal Republic
22 of Yugoslavia (or a government of a successor state) sub-
23 ject to the conditions in subsection (c): *Provided*, That sec-
24 tion 576 of the Foreign Operations, Export Financing,
25 and Related Programs Appropriations Act, 1997, as
26 amended, shall not apply to the provision of loans and as-

1 sistance to the Federal Republic of Yugoslavia (or a suc-
2 cessor state) through international financial institutions.

3 (c) The determination and certification referred to in
4 subsection (a) is a determination by the President and a
5 certification to the Committees on Appropriations that the
6 Government of the Federal Republic of Yugoslavia (or a
7 government of a successor state) is—

8 (1) cooperating with the International Criminal
9 Tribunal for the former Yugoslavia including access
10 for investigators, the provision of documents, and
11 the surrender and transfer of indictees or assistance
12 in their apprehension;

13 (2) taking steps that are consistent with the
14 Dayton Accords to end Serbian financial, political,
15 security and other support which has served to
16 maintain separate Republika Srpska institutions;
17 and

18 (3) taking steps to implement policies which re-
19 flect a respect for minority rights and the rule of
20 law, including the release of political prisoners from
21 Serbian jails and prisons.

22 (d) This section shall not apply to Montenegro,
23 Kosovo, humanitarian assistance or assistance to promote
24 democracy in municipalities.

1 COMMUNITY-BASED POLICE ASSISTANCE

2 SEC. 566. (a) AUTHORITY.—Funds made available
3 by this Act to carry out the provisions of chapter 1 of
4 part I and chapter 4 of part II of the Foreign Assistance
5 Act of 1961, may be used, notwithstanding section 660
6 of that Act, to enhance the effectiveness and account-
7 ability of civilian police authority in Jamaica and El Sal-
8 vador through training and technical assistance in human
9 rights, the rule of law, strategic planning, and through as-
10 sistance to foster civilian police roles that support demo-
11 cratic governance including assistance for programs to
12 prevent conflict and foster improved police relations with
13 the communities they serve.

14 (b) NOTIFICATION.—Assistance provided under sub-
15 section (a) shall be subject to the regular notification pro-
16 cedures of the Committees on Appropriations.

17 TRADE CAPACITY BUILDING

18 SEC. 567. Of the funds appropriated by this Act,
19 under the headings “Trade and Development Agency”,
20 “Development Assistance”, “Transition Initiatives”,
21 “Economic Support Fund”, “International Affairs Tech-
22 nical Assistance”, and “International Organizations and
23 Programs”, not less than \$517,000,000 should be made
24 available for trade capacity building assistance.

1 SPECIAL DEBT RELIEF FOR THE POOREST

2 SEC. 568. (a) AUTHORITY TO REDUCE DEBT.—The
3 President may reduce amounts owed to the United States
4 (or any agency of the United States) by an eligible country
5 as a result of—

6 (1) guarantees issued under sections 221 and
7 222 of the Foreign Assistance Act of 1961;

8 (2) credits extended or guarantees issued under
9 the Arms Export Control Act; or

10 (3) any obligation or portion of such obligation,
11 to pay for purchases of United States agricultural
12 commodities guaranteed by the Commodity Credit
13 Corporation under export credit guarantee programs
14 authorized pursuant to section 5(f) of the Com-
15 modity Credit Corporation Charter Act of June 29,
16 1948, as amended, section 4(b) of the Food for
17 Peace Act of 1966, as amended (Public Law 89–
18 808), or section 202 of the Agricultural Trade Act
19 of 1978, as amended (Public Law 95–501).

20 (b) LIMITATIONS.—

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

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

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

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

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

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

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

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

1 (5) is not ineligible for assistance because of the
2 application of section 527 of the Foreign Relations
3 Authorization Act, Fiscal Years 1994 and 1995.

4 (d) AVAILABILITY OF FUNDS.—The authority pro-
5 vided by subsection (a) may be used only with regard to
6 funds appropriated by this Act under the heading “Debt
7 Restructuring”.

8 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—The
9 authority provided by subsection (a) may be exercised not-
10 withstanding section 620(r) of the Foreign Assistance Act
11 of 1961 or section 321 of the International Development
12 and Food Assistance Act of 1975.

13 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES
14 SEC. 569. (a) LOANS ELIGIBLE FOR SALE, REDUC-
15 TION, OR CANCELLATION.—

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

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

3 (B) a debt buyback by an eligible country of its own
4 qualified debt, only if the eligible country uses an addi-
5 tional amount of the local currency of the eligible country,
6 equal to not less than 40 percent of the price paid for
7 such debt by such eligible country, or the difference be-
8 tween the price paid for such debt and the face value of
9 such debt, to support activities that link conservation and
10 sustainable use of natural resources with local community
11 development, and child survival and other child develop-
12 ment, in a manner consistent with sections 707 through
13 710 of the Foreign Assistance Act of 1961, if the sale,
14 reduction, or cancellation would not contravene any term
15 or condition of any prior agreement relating to such loan.

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

21 (3) ADMINISTRATION.—The Facility, as defined
22 in section 702(8) of the Foreign Assistance Act of
23 1961, shall notify the administrator of the agency
24 primarily responsible for administering part I of the
25 Foreign Assistance Act of 1961 of purchasers that

1 the President has determined to be eligible, and
2 shall direct such agency to carry out the sale, reduc-
3 tion, or cancellation of a loan pursuant to this sec-
4 tion. Such agency shall make an adjustment in its
5 accounts to reflect the sale, reduction, or cancella-
6 tion.

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

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

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

22 (d) DEBTOR CONSULTATIONS.—Before the sale to
23 any eligible purchaser, or any reduction or cancellation
24 pursuant to this section, of any loan made to an eligible
25 country, the President should consult with the country

1 concerning the amount of loans to be sold, reduced, or
2 canceled and their uses for debt-for-equity swaps, debt-
3 for-development swaps, or debt-for-nature swaps.

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

8 CAMBODIA

9 SEC. 570. The Secretary of the Treasury should in-
10 struct the United States executive directors of the inter-
11 national financial institutions to use the voice and vote
12 of the United States to oppose loans to the Central Gov-
13 ernment of Cambodia, except loans to support basic
14 human needs.

15 CUBA

16 SEC. 571. None of the funds appropriated by this Act
17 under the heading “International Narcotics Control and
18 Law Enforcement” may be made available for assistance
19 to the Government of Cuba.

20 COMPETITION IN CONTRACTING

21 SEC. 572. Notwithstanding any other provision of
22 law, none of the funds appropriated by this Act to carry
23 out sections 103 through 106 and chapter 4 of part II
24 of the Foreign Assistance Act of 1961 that are made avail-
25 able for assistance for Iraq, and none of the funds appro-

1 priated in Public Law 108–11 under the heading “Iraq
2 Relief and Reconstruction Fund”, may be made available
3 to enter into any Federal contract or follow-on contract
4 through the use of other than full and open competitive
5 procedures: *Provided*, That this section shall be applicable
6 to contracts and follow-on contracts entered into after the
7 date of enactment of this Act.

8 DISASTER SURGE CAPACITY

9 SEC. 573. Funds appropriated by this Act to carry
10 out part I of the Foreign Assistance Act of 1961 may be
11 used, in addition to funds otherwise available for such pur-
12 poses, for the cost (including the support costs) of individ-
13 uals detailed to or employed by the United States Agency
14 for International Development whose primary responsi-
15 bility is to carry out programs to address natural or man-
16 made disasters or programs under the heading “Transi-
17 tion Initiatives”.

18 AUTHORIZATION

19 SEC. 574. The Secretary of the Treasury may, to ful-
20 fill commitments of the United States, contribute on be-
21 half of the United States to the sixth replenishment of
22 the resources of the International Fund for Agricultural
23 Development. The following amount is authorized to be
24 appropriated without fiscal year limitation for payment by

1 the Secretary of the Treasury: \$45,000,000 for the Inter-
2 national Fund for Agricultural Development.

3 CLARIFICATION OF ROLE OF USAID

4 SEC. 575. (a) STATUS OF USAID.—The Adminis-
5 trator of the United States Agency for International De-
6 velopment shall report to the President through, and oper-
7 ate under the foreign policy authority and direction of, the
8 Secretary of State. The United States Agency for Inter-
9 national Development shall be administered under the su-
10 pervision and operational direction of the Administrator
11 of the Agency.

12 (b) FUNCTIONS OF USAID.—The United States
13 Agency for International Development is authorized—

14 (1) to receive appropriated funds;

15 (2) to be the United States Government agency
16 primarily responsible for administering sections 103
17 through 108 (other than section 104A), 214, and
18 491 of the Foreign Assistance Act of 1961, the
19 “Child Survival and Health Programs Fund”, and
20 other United States economic assistance as directed
21 in writing by the President or the Secretary of
22 State, or as otherwise provided by law;

23 (3) to provide assistance to a country currently
24 ineligible for assistance from the Millennium Chal-
25 lenge Corporation in order that it may become eligi-
26 ble for such assistance; and

1 (4) upon the request of the Chief Executive Of-
2 ficer of the Millennium Challenge Corporation and
3 with the concurrence of the Administrator, to assist
4 in the evaluation, execution or oversight of a Millen-
5 nium Challenge Contract.

6 (c) Section 491 of the Foreign Assistance Act of 1961
7 (22 U.S.C. 2292) is amended—

8 (1) in subsection (a), by striking “assistance for
9 the relief and rehabilitation of” and inserting “relief,
10 rehabilitation, and reconstruction assistance for”;

11 (2) in subsection (b), by striking “relief and re-
12 habilitation” and inserting “relief, rehabilitation,
13 and reconstruction”; and

14 (3) in subsection (c), by striking “relief and re-
15 habilitation” and inserting “relief, rehabilitation,
16 and reconstruction assistance”.

17 PHILIPPINE EDUCATION AND HEALTH INFRASTRUCTURE

18 SEC. 576. Of the funds appropriated under “Eco-
19 nomic Support Fund” for the Philippines in Public Law
20 108–11, the Emergency Wartime Supplemental Appro-
21 priations Act, 2003, \$600,000 shall be available only for
22 upgrading education and health infrastructure in the Sulu
23 Archipelago.

1 BASIC EDUCATION

2 SEC. 577. Of the funds appropriated by title II of
3 this Act, not less than \$350,000,000 shall be made avail-
4 able for basic education: *Provided*, That of the funds made
5 available pursuant to this section, not less than
6 \$91,500,000 should be from funds appropriated under the
7 heading “Economic Support Fund”: *Provided further*,
8 That the Secretary of State, in consultation with the Ad-
9 ministrator of the United States Agency for International
10 Development (USAID), shall submit a report not later
11 than 120 days after enactment of this Act articulating a
12 strategy for the use of basic education funds in Africa,
13 East Asia and the Pacific, the Near East, South Asia, and
14 the Western Hemisphere (excluding the United States) to
15 include:

16 (1) country strategies and brief project descrip-
17 tions of the uses and proposed uses of all U.S. Gov-
18 ernment resources for basic education overseas;

19 (2) a detailed description of the administrative
20 structure currently in place to manage strategic co-
21 ordination undertaken among the State Department,
22 USAID and other agencies involved in international
23 basic education activities; and

24 (3) a description of actions being taken to expand
25 the administrative capacity of both USAID and the

1 State Department to deliver effective expanded basic
2 education programs.

3 This Act may be cited as the “Foreign Operations,
4 Export Financing, and Related Programs Appropriations
5 Act, 2004”.

Union Calendar No. 123

108TH CONGRESS
1ST SESSION

H. R. 2800

[Report No. 108-222]

A BILL

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

JULY 21, 2003

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