

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Federal Funds

General and special funds:

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, [\$2,400,000,000] \$2,513,600,000, to remain available until [September 30, 1999: *Provided*, That of the funds appropriated under this heading, not less than \$1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of enactment of this Act or by October 31, 1997, whichever is later: *Provided further*, That not less than \$815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country: *Provided further*, That of the funds appropriated under this heading, not less than \$150,000,000 shall be made available for Jordan: *Provided further*, That of the funds made available under this heading in previous Acts making appropriations for foreign operations, export financing, and related programs, notwithstanding any provision in any such heading in such previous Acts, up to \$116,000,000 may be allocated or made available for programs and activities under this heading including the Middle East Peace and Stability Fund: *Provided further*, That in carrying out the previous proviso, the President should seek to ensure to the extent feasible that not more than 1 percent of the amount specified in section 586 of this Act should be derived from funds that would otherwise be made available for any single country: *Provided further*, That funds provided for the Middle East Peace and Stability Fund by a country in the region under the authority of section 635(d) of the Foreign Assistance Act of 1961, and funds made available for Jordan following the date of enactment of this Act from previous Acts making appropriations for foreign operations, export financing, and related programs, shall count toward meeting the earmark contained in the fourth proviso under this heading: *Provided further*, That up to \$10,000,000 of funds under this heading in previous foreign operations, export financing, and related programs appropriations Acts that were reprogrammed for Jordan during fiscal year 1997 shall also count toward such earmark: *Provided further*, That, in order to facilitate the implementation of the fourth proviso under this heading, the requirement of section 515 of this Act or any similar provision of law shall not apply to the making available of funds appropriated for a fiscal year for programs, projects, or activities that were justified for another fiscal year: *Provided further*, That for fiscal year 1998 such portions of the notification required under section 653 of the Foreign Assistance Act of 1961 that relate to the Middle East may be submitted to the Congress as soon as practicable, but no later than March 1, 1998: *Provided further*, That during fiscal year 1998, of the local currencies generated from funds made available under this heading for Guatemala by this Act and prior appropriations Acts, the United States and Guatemala may jointly program the Guatemala quetzales equivalent of a total of up to \$10,000,000 for the purpose of retiring the debt owed by universities in Guatemala to the Inter-American Development Bank] expended, of which not to exceed \$10,000,000 may be used, notwithstanding any other provision of law, to support victims of and programs related to the Holocaust: *Provided further*, That notwithstanding any provision in this or any other Act, funds provided under this heading may be used to support the Bank for Economic Cooperation and Development in the Middle East and North Africa. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

		Program and Financing (in millions of dollars)		
		1997 actual	1998 est.	1999 est.
Identification code 72-1037-0-1-152				
Obligations by program activity:				
10.00	Total obligations	2,420	2,662	2,514
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year:			
	Uninvested	287	242	
22.00	New budget authority (gross)	2,385	2,420	2,514
22.10	Resources available from recoveries of prior year obligations	16		
22.21	Unobligated balance transferred to other accounts	-6		
22.30	Unobligated balance expiring	-20		
23.90	Total budgetary resources available for obligation	2,662	2,662	2,514
23.95	New obligations	-2,420	-2,662	-2,514
24.40	Unobligated balance available, end of year:			
	Uninvested	242		
New budget authority (gross), detail:				
40.00	Appropriation	2,363	2,420	2,514
41.00	Transferred to other accounts	-19		
42.00	Transferred from other accounts	41		
43.00	Appropriation (total)	2,385	2,420	2,514
70.00	Total new budget authority (gross)	2,385	2,420	2,514
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	2,799	2,976	3,217
73.10	New obligations	2,420	2,662	2,514
73.20	Total outlays (gross)	-2,226	-2,421	-2,418
73.40	Adjustments in expired accounts	-1		
73.45	Adjustments in unexpired accounts	-16		
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	2,976	3,217	3,313
Outlays (gross), detail:				
86.90	Outlays from new current authority	1,214	1,285	1,292
86.93	Outlays from current balances	1,012	1,136	1,126
87.00	Total outlays (gross)	2,226	2,421	2,418
Net budget authority and outlays:				
89.00	Budget authority	2,385	2,420	2,514
90.00	Outlays	2,226	2,421	2,418

This account supports U.S. foreign policy objectives by providing economic assistance to allies and countries in transition to democracy, supporting the Middle East peace process, and financing economic stabilization programs, frequently in a multi-donor context. Key objectives include:

(1) Supporting strategically significant friends and allies through assistance designed to increase the role of the private sector in the economy, reduce government controls over markets, enhance job creation, and improve economic growth.

(2) Developing and strengthening institutions necessary for sustainable democracy. Typical areas of assistance include technical assistance to administer and monitor elections, capacity-building for non-governmental organizations, judicial training, and women's participation in politics. Assistance is also provided to support the transformation of the public sector to encourage democratic development, including training to improve public administration, promote decentralization, strengthen local governments, parliaments, independent media and non-governmental organizations.

(3) Strengthening the capacity to manage the human dimension of the transition to democracy and a market econ-

General and special funds—Continued

ECONOMIC SUPPORT FUND—Continued

omy, and to help sustain the neediest sectors of the population during the transition period.

Haiti.—The Administration is requesting a total of \$140,000,000 out of the total ESF appropriation for Haiti. Haiti is at a pivotal juncture in its efforts to make the transformation to a democratic form of government and a free market economy. The Administration believes these additional resources for Haiti will be especially beneficial to show continued support for Haiti following the scheduled conclusion of the United Nation's peacekeeping operations in Haiti at the end of November 1998.

Holocaust Victims Relief.—This is a contribution toward the three-year U.S. Government donation (not to exceed \$25 million) for a multilateral program of financial relief to certain victims of Nazi persecution during World War II. Grants from the fund will be provided through approved non-governmental organizations with established administrative and organizational infrastructure to ensure the contributions are utilized only for the relief of living victims, who have to date received little or no relief and currently live below the poverty line in their country of residence.

Object Classification (in millions of dollars)			
Identification code 72-1037-0-1-152	1997 actual	1998 est.	1999 est.
Direct obligations:			
25.2 Other services	6	5	5
41.0 Grants, subsidies, and contributions	2,371	2,657	2,509
99.0 Subtotal, direct obligations	2,377	2,662	2,514
41.0 Allocation Account: Grants, subsidies, and contributions	43		
99.9 Total obligations	2,420	2,662	2,514

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, **[\$3,296,550,000] \$3,275,910,000: Provided,** [That of the funds appropriated under this heading, not less than \$1,800,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be made available for grants only for Egypt: *Provided further,* That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of enactment of this Act or by October 31, 1997, whichever is later: *Provided further,* That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than \$475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further,* That of the funds appropriated by this paragraph, not less than \$75,000,000 shall be available for assistance for Jordan: *Provided further,* That during fiscal year 1998 the President is authorized to, and shall, direct drawdowns of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than \$25,000,000 under the authority of this proviso for Jordan for the purposes of part II of the Foreign Assistance Act of 1961, and any amount so directed shall count toward meeting the earmark in the previous proviso: *Provided further,* That section 506(c) of the Foreign Assistance Act of 1961 shall apply, and section 632(d) of the Foreign Assistance Act of 1961 shall not apply, to any such drawdown: *Provided further,* That of the funds appropriated by this paragraph, a total of \$18,300,000 should be available for assistance for Estonia, Latvia, and Lithuania: *Provided further,* That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations: *Provided further,*] That funds appropriated by this paragraph shall be nonrepayable notwithstand-

ing any requirement in section 23 of the Arms Export Control Act: *Provided further,* That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further,* That \$50,000,000 of the funds appropriated or otherwise made available under this heading should be made available for the purpose of facilitating the integration of Poland, Hungary, and the Czech Republic into the North Atlantic Treaty Organization].

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, **[\$60,000,000] \$20,000,000: Provided,** That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed **[\$657,000,000: Provided further,** That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: *Provided further,* That funds appropriated under this paragraph shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed the following: **\$105,000,000 only for Greece and \$150,000,000 only for Turkey] \$167,000,000.**

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided,* [That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further,* That none of the funds appropriated under this heading shall be available for Sudan and Liberia: *Provided further,*] That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities and may include activities implemented through non-governmental and international organizations: *Provided further,* That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further,* That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: *Provided further,* That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further,* That not more than **[\$23,250,000] \$29,910,000** of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further,* That none of the funds under this heading shall be available for Guatemala: *Provided further,* That not more than **[\$350,000,000] \$340,000,000** of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year **[1998] 1999** pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)			
Identification code 11-1082-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct Program Activity [GPRA]	3,266	3,313	3,246
00.02 Direct Program Activity [GPRA]	23	30	30
10.00 Total obligations	3,289	3,343	3,276
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3,288	3,343	3,276

23.95	New obligations	-3,289	-3,343	-3,276
New budget authority (gross), detail:				
40.00	Appropriation	3,224	3,297	3,276
42.00	Transferred from other accounts	64	46	
43.00	Appropriation (total)	3,288	3,343	3,276
70.00	Total new budget authority (gross)	3,288	3,343	3,276
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance: Uninvested	1,781	2,110	2,240
73.10	New obligations	3,289	3,343	3,276
73.20	Total outlays (gross)	-2,960	-3,213	-3,178
74.40	Unpaid obligations, end of year: Obligated balance: Uninvested	2,110	2,240	2,337
Outlays (gross), detail:				
86.90	Outlays from new current authority	1,844	1,843	1,839
86.93	Outlays from current balances	1,116	1,370	1,339
87.00	Total outlays (gross)	2,960	3,213	3,178
Net budget authority and outlays:				
89.00	Budget authority	3,288	3,343	3,276
90.00	Outlays	2,960	3,213	3,178

The foreign military financing (FMF) program enables selected friendly and allied countries to improve their ability to defend themselves by financing their acquisition of U.S. military articles, services, and training. This account provides the grant financing portion of the FMF program. Credit financing, in the form of direct loans, is provided in the FMF loan program account.

Object Classification (in millions of dollars)

Identification code 11-1082-0-1-152	1997 actual	1998 est.	1999 est.
25.2 Other services	23	30	30
41.0 Grants, subsidies, and contributions	3,266	3,313	3,246
99.9 Total obligations	3,289	3,343	3,276

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$50,000,000, to remain available until September 30, 2000: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded international military education and training and funds made available for Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds appropriated under this heading may be made available to support grant financed military education and training at the School of the Americas unless: (1) the Secretary of Defense certifies that the instruction and training provided by the School of the Americas is fully consistent with training and doctrine, particularly with respect to the observance of human rights, provided by the Department of Defense to United States military students at Department of Defense institutions whose primary purpose is to train United States military personnel; (2) the Secretary of Defense certifies that the Secretary of State, in consultation with the Secretary of Defense, has developed and issued specific guidelines governing the selection and screening of candidates for instruction at the School of the Americas; and (3) the Secretary of Defense submits to the Committees on Appropriations a report detailing the training activities of the School of the Americas and a general assessment regarding the performance of its graduates during 1996]. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-1081-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations	43	50	50
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	43	50	50
23.95 New obligations	-43	-50	-50
New budget authority (gross), detail:			
40.00 Appropriation	43	50	50
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Uninvested	27	35	39
73.10 New obligations	43	50	50
73.20 Total outlays (gross)	-34	-46	-49
73.40 Adjustments in expired accounts	-2		
74.40 Unpaid obligations, end of year: Obligated balance: Uninvested	35	39	40
Outlays (gross), detail:			
86.90 Outlays from new current authority	20	25	25
86.93 Outlays from current balances	14	21	24
87.00 Total outlays (gross)	34	46	49
Net budget authority and outlays:			
89.00 Budget authority	43	50	50
90.00 Outlays	34	46	49

This assistance provides grants for military education and training to military and civilian students from foreign countries. In addition to helping these countries move toward self-sufficiency in defending themselves, this program also exposes foreign students to American democratic values, particularly military respect for civilian rule and for internationally recognized standards of individual and human rights.

Object Classification (in millions of dollars)

Identification code 11-1081-0-1-152	1997 actual	1998 est.	1999 est.
26.0 Supplies and materials	4	5	5
41.0 Grants, subsidies, and contributions	38	44	44
99.0 Subtotal, direct obligations	42	49	49
99.5 Below reporting threshold	1	1	1
99.9 Total obligations	43	50	50

MILITARY-TO-MILITARY CONTACT PROGRAM

Program and Financing (in millions of dollars)

Identification code 11-1084-0-1-152	1997 actual	1998 est.	1999 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Uninvested	3	2	1
73.20 Total outlays (gross)		-2	-1
73.40 Adjustments in expired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance: Uninvested	2	1	
Outlays (gross), detail:			
86.93 Outlays from current balances		2	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays		2	1

This program financed expenses associated with direct contacts between U.S. military and the military establishments of Eastern Europe and the Baltic and Pacific regions. These contacts were designed to promote the development of foreign

General and special funds—Continued

MILITARY-TO-MILITARY CONTACT PROGRAM—Continued

military organizations that are non-political, loyal to civilian constitutional authority, structured for defensive needs, and respectful of human and individual rights.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, **[\$77,500,000] \$83,000,000**: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998*).

Program and Financing (in millions of dollars)

Identification code 72-1032-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	97	78	83
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	97	78	83
23.95 New obligations	-97	-78	-83
New budget authority (gross), detail:			
40.00 Appropriation	65	78	83
42.00 Transferred from other accounts	32		
43.00 Appropriation (total)	97	78	83
70.00 Total new budget authority (gross)	97	78	83
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	50	41	25
73.10 New obligations	97	78	83
73.20 Total outlays (gross)	-106	-94	-81
73.40 Adjustments in expired accounts	-2		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	41	25	27
Outlays (gross), detail:			
86.90 Outlays from new current authority	68	54	57
86.93 Outlays from current balances	38	40	24
87.00 Total outlays (gross)	106	94	81
Net budget authority and outlays:			
89.00 Budget authority	97	78	83
90.00 Outlays	106	94	81

This account funds U.S. assistance to international efforts to monitor and maintain the peace in areas of special concern to the United States and provides funds to other related programs carried out in furtherance of the national security interests of the United States. In 1999, contributions are planned for the Multinational Force and Observers in the Sinai, Europe, Africa and other regional programs, and other activities.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, **[\$133,000,000] \$215,900,000**, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining, the clearance of unexploded ordnance, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy

Agency (IAEA) [and], a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided*, That of this amount not to exceed \$15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: *Provided further*, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That not to exceed \$30,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework: *Provided further*, That such funds may be obligated to KEDO only if, 30 days prior to such obligation of funds, the President certifies and so reports to Congress that: (1)(A) the parties to the Agreed Framework are taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by April 1, 1998; and (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended: *Provided further*, That the President may waive the certification requirements of the preceding proviso if the President determines that it is vital to the national security interests of the United States: *Provided further*, That no funds may be obligated for KEDO until 30 calendar days after submission to Congress of the waiver permitted under the preceding proviso: *Provided further*, That the obligation of any funds for KEDO shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the Secretary of State shall submit to the appropriate congressional committees an annual report (to be submitted with the annual presentation for appropriations) providing a full and detailed accounting of the fiscal year request for the United States contribution to KEDO, the expected operating budget of KEDO, to include unpaid debt, proposed annual costs associated with heavy fuel oil purchases, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities: *Provided further*, That of the funds made available under this heading, up to \$10,000,000 may be made available to KEDO, in addition to funds otherwise made available under this heading for KEDO, if the Secretary of State certifies and reports to the Committees on Appropriations that, except for the funds made available under this proviso, funds sufficient to cover all outstanding debts owed by KEDO for heavy fuel oil have been provided to KEDO by donors other than the United States. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998*).

Program and Financing (in millions of dollars)

Identification code 11-1075-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Comprehensive test ban treaty prepcom			29
00.02 Demining	1	20	50
00.03 Export control		3	5
00.04 Nonproliferation and disarmament assistance	15	15	15
00.05 Anti-terrorism assistance	18	19	21
00.06 IAEA voluntary contribution	36	36	40
00.07 KEDO payment	25	40	35
00.08 Science centers in NIS	14		21
10.00 Total obligations (object class 41.0)	108	133	216

Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year:		
	Uninvested	1	1
22.00	New budget authority (gross)	109	133
		133	216
23.90	Total budgetary resources available for obligation	109	134
23.95	New obligations	-108	-133
24.40	Unobligated balance available, end of year:		
	Uninvested	1	1
		1	1
New budget authority (gross), detail:			
40.00	Appropriation	151	133
41.00	Transferred to other accounts	-56	
42.00	Transferred from other accounts	14	
43.00	Appropriation (total)	109	133
70.00	Total new budget authority (gross)	109	133
		133	216
Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance:		
	Uninvested	37	60
73.10	New obligations	108	133
73.20	Total outlays (gross)	-71	-110
74.40	Unpaid obligations, end of year: Obligated balance:		
	Uninvested	37	60
		60	93
Outlays (gross), detail:			
86.90	Outlays from new current authority	71	86
86.93	Outlays from current balances		24
			43
87.00	Total outlays (gross)	71	110
		110	183
Net budget authority and outlays:			
89.00	Budget authority	109	133
90.00	Outlays	71	110
		110	183

This account funds contributions to certain organizations supporting nonproliferation, and provides assistance for nonproliferation, demining, antiterrorism, and export control activities.

ASSISTANCE FOR RELOCATION OF FACILITIES IN ISRAEL

Program and Financing (in millions of dollars)

Identification code 11-1088-0-1-152	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year:		
	Uninvested	2	
24.40	Unobligated balance available, end of year:		
	Uninvested	2	
New budget authority (gross), detail:			
Spending authority from offsetting collections:			
68.00	Offsetting collections (cash)	2	
68.49	Portion applied to liquidate contract authority	-1	
68.90	Spending authority from offsetting collections (total)	1	
Change in unpaid obligations:			
72.49	Unpaid obligations, start of year: Obligated balance:		
	Contract authority	4	3
73.20	Total outlays (gross)	-1	1
73.40	Adjustments in expired accounts		-3
74.49	Unpaid obligations, end of year: Obligated balance:		
	Contract authority	3	
Outlays (gross), detail:			
86.93	Outlays from current balances	1	
86.98	Outlays from permanent balances		-1
87.00	Total outlays (gross)	1	-1
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-2	
Net budget authority and outlays:			
89.00	Budget authority	-2	

90.00	Outlays	-1	
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Status of Contract Authority (in millions of dollars)

Identification code 11-1088-0-1-152	1997 actual	1998 est.	1999 est.
0100	Balance, start of year	4	3
0360	Adjustments in expired accounts		-3
0500	Offsetting collections applied to liquidate contract authority	-1	
0700	Balance, end of year	3	

This account shows financial transactions related to the construction of two airfields in Israel that were part of the Camp David agreement. The 1998 transactions are expected to be the last ones in this account.

NON-PROLIFERATION AND DISARMAMENT FUND

Program and Financing (in millions of dollars)

Identification code 11-1071-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00	Total obligations	11	5
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year:		
	Uninvested	16	5
23.95	New obligations	-11	-5
24.40	Unobligated balance available, end of year:		
	Uninvested	5	
Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance:		
	Uninvested	13	18
73.10	New obligations	11	5
73.20	Total outlays (gross)	-6	-16
74.40	Unpaid obligations, end of year: Obligated balance:		
	Uninvested	18	7
Outlays (gross), detail:			
86.93	Outlays from current balances	6	16
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays	6	16

This account provided financial and technical assistance to support nonproliferation and disarmament efforts in foreign countries, including education and training, elimination of weapons of mass destruction, and development of export control capabilities. Starting in 1997, these activities have been funded from the Non-Proliferation, Anti-Terrorism, Demining and Related Programs account. This schedule reflects the spend-out of prior-year obligations.

Object Classification (in millions of dollars)

Identification code 11-1071-0-1-152	1997 actual	1998 est.	1999 est.
25.2	Other services	10	5
41.0	Grants, subsidies, and contributions	1	
99.9	Total obligations	11	5

Credit accounts:

FOREIGN MILITARY FINANCING LOAN PROGRAM ACCOUNT

Unavailable Collections (in millions of dollars)

Identification code 11-1085-0-1-152	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99	Balance, start of year	11	26
Receipts:			
02.01	Downward reestimates of subsidies	11	15

Credit accounts—Continued

FOREIGN MILITARY FINANCING LOAN PROGRAM ACCOUNT—Continued

Unavailable Collections (in millions of dollars)—Continued

Identification code 11-1085-0-1-152	1997 actual	1998 est.	1999 est.
04.00 Total: Balances and collections	11	26	26
07.99 Total balance, end of year	11	26	26

Program and Financing (in millions of dollars)

Identification code 11-1085-0-1-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	58	20	20
00.05 Direct program	23	16	.....
00.06 Direct program	1	3	.....
10.00 Total obligations (object class 41.0)	82	39	20
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	82	39	20
23.95 New obligations	-82	-39	-20
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	60	60	20
41.00 Transferred to other accounts	-2	-40	.....
43.00 Appropriation (total)	58	20	20
Permanent:			
60.05 Appropriation (indefinite)	24	19	.....
70.00 Total new budget authority (gross)	82	39	20
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	184	202	176
73.10 New obligations	82	39	20
73.20 Total outlays (gross)	-64	-65	-39
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	202	176	158
Outlays (gross), detail:			
86.93 Outlays from current balances	40	46	39
86.97 Outlays from new permanent authority	24	19	.....
87.00 Total outlays (gross)	64	65	39
Net budget authority and outlays:			
89.00 Budget authority	82	39	20
90.00 Outlays	64	65	39

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated for foreign military financing committed in 1992 and beyond, as well as the administrative expenses of this program. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 11-1085-0-1-152	1997 actual	1998 est.	1999 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	297	200	167
1159 Total direct loan levels	297	200	167
Direct loan subsidy (in percent):			
1320 Subsidy rate	13.43	10.00	11.97
1329 Weighted average subsidy rate	13.43	10.00	11.97
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	83	60	20

1339 Total subsidy budget authority	83	60	20
Direct loan subsidy outlays:			
1340 Subsidy outlays	64	46	39
1349 Total subsidy outlays	64	46	39

FOREIGN MILITARY FINANCING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 11-4122-0-3-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	298	200	167
00.02 Direct program	99	112	148
00.03 Direct program	11	13	.....
00.04 Direct program .....	.....	2	.....
10.00 Total obligations	408	327	315
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	408	327	315
23.95 New obligations	-408	-327	-315
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	258	196	147
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	183	467	567
68.10 Change in receivables from program account	18	-26	-18
68.47 Portion applied to debt reduction	-51	-310	-381
68.90 Spending authority from offsetting collections (total)	150	131	168
70.00 Total new financing authority (gross)	408	327	315
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance: Uninvested	1,789	1,692	1,445
72.95 Receivables from program account	184	202	176
72.99 Total unpaid obligations, start of year	1,973	1,894	1,621
73.10 New obligations	408	327	315
73.20 Total financing disbursements (gross)	-487	-600	-691
Unpaid obligations, end of year:			
74.40 Obligated balance: Uninvested	1,692	1,445	1,089
74.95 Receivables from program account	202	176	158
74.99 Total unpaid obligations, end of year	1,894	1,621	1,247
87.00 Total financing disbursements (gross)	487	600	691
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Federal sources	-64	-46	-39
88.00 Federal sources	-25	-19	.....
88.40 Non-Federal sources	-94	-402	-528
88.90 Total, offsetting collections (cash)	-183	-467	-567
88.95 Change in receivables from program account	-18	26	18
Net financing authority and financing disbursements:			
89.00 Financing authority	207	-114	-234
90.00 Financing disbursements	303	133	124

Status of Direct Loans (in millions of dollars)

Identification code 11-4122-0-3-152	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	540	200	167
1112 Unobligated direct loan limitation	-242	.....	.....
1150 Total direct loan obligations	298	200	167
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,098	1,451	1,702
1231 Disbursements: Direct loan disbursements	376	471	543
1251 Repayments: Repayments and prepayments	-23	-220	-322

1290	Outstanding, end of year	1,451	1,702	1,923
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans for foreign military financing obligated in 1992 and beyond. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The amounts in this account are a means of financing and are not included in budget totals.

Balance Sheet (in millions of dollars)

Identification code 11-4122-0-3-152	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	160	130	.....
Investments in US securities:				
1106	Receivables, net	184	202	176 158
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	1,098	1,451	1,702 1,923
1402	Interest receivable	12	16	18 21
1405	Allowance for subsidy cost (-)	-143	-189	-235 -274
1499	Net present value of assets related to direct loans	967	1,278	1,485 1,670
1901	Other Federal assets: Other assets	1,630	1,562	1,317 959
1999	Total assets	2,941	3,172	2,978 2,787
LIABILITIES:				
Federal liabilities:				
2103	Debt	1,134	1,408	1,589 1,751
2105	Other	1,623	1,764	1,389 1,036
2999	Total liabilities	2,757	3,172	2,978 2,787
NET POSITION:				
3100	Appropriated capital	184	.....	.....
3999	Total net position	184	.....	.....
4999	Total liabilities and net position	2,941	3,172	2,978 2,787

FOREIGN MILITARY LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 11-4121-0-3-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01	Direct program	28	10 9
00.02	Direct program	20	39 37
10.00	Total obligations (object class 33.0)	48	49 46
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	48	49 46
23.95	New obligations	-48	-49 -46
New budget authority (gross), detail:			
60.05	Appropriation (indefinite)	16	28 31
Spending authority from offsetting collections:			
Offsetting collections (cash):			
68.00	Offsetting collections (cash)	236	241 233
68.00	Offsetting collections (cash)	4	18 4
68.27	Capital transfer to general fund	-9	-19 -4
68.47	Portion applied to debt reduction	-199	-219 -218
68.90	Spending authority from offsetting collections (total)	32	21 15
70.00	Total new budget authority (gross)	48	49 46
Change in unpaid obligations:			
73.10	New obligations	48	49 46
73.20	Total outlays (gross)	-48	-49 -46
Outlays (gross), detail:			
86.97	Outlays from new permanent authority	48	49 46

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
88.00	Federal sources .....	.....	.....	.....
88.00	Federal sources	-4	-18	-4
Non-Federal sources:				
88.40	Non-Federal sources	-37	-22	-15
88.40	Non-Federal sources	-199	-219	-218
88.90	Total, offsetting collections (cash)	-240	-259	-237
Net budget authority and outlays:				
89.00	Budget authority	-192	-210	-191
90.00	Outlays	-192	-210	-191

Status of Direct Loans (in millions of dollars)

Identification code 11-4121-0-3-152	1997 actual	1998 est.	1999 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	7,021	6,154 5,313
1231	Disbursements: Direct loan disbursements	14	9 8
1251	Repayments: Repayments and prepayments	-892	-812 -628
1261	Adjustments: Capitalized interest	21	.....
1264	Write-offs for default: Other adjustments, net	-10	-38 -6
1290	Outstanding, end of year	6,154	5,313 4,687

Status of Guaranteed Loans (in millions of dollars)

Identification code 11-4121-0-3-152	1997 actual	1998 est.	1999 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	6,129	5,691 5,303
2251	Repayments and prepayments	-432	-387 -379
2261	Adjustments: Terminations for default that result in loans receivable	-6	-1 -1
2290	Outstanding, end of year	5,691	5,303 4,923
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	5,122	4,772 4,430

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2331	Disbursements for guaranteed loan claims	34	10 9
2364	Other adjustments, net	-34	-10 -9

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans obligated and loan guarantees for foreign military financing committed prior to 1992. This account is shown on a cash basis and reflects the transactions resulting from loans provided to finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. All new foreign military financing credit activity in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 11-4121-0-3-152	1996 actual	1997 actual	1998 est.	1999 est.
0111	Revenue	282	322 283	252
0112	Expense	-293	-330 -283	-252
0119	Net income or loss (-)	-11	-8	.....
0199	Net income or loss	-11	-8	.....

Credit accounts—Continued**FOREIGN MILITARY LOAN LIQUIDATING ACCOUNT—Continued****Balance Sheet (in millions of dollars)**

Identification code 11-4121-0-3-152	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	7,021	6,154	5,313	4,687
1602 Interest receivable	655	729	636	563
1604 Direct loans and interest receivable, net	7,676	6,883	5,949	5,250
1699 Value of assets related to direct loans	7,676	6,883	5,949	5,250
1999 Total assets	7,676	6,883	5,949	5,250
LIABILITIES:				
Federal liabilities:				
2102 Interest payable	51	48	44	41
2103 Debt	3,247	3,048	2,829	2,611
2105 Other	3,767	3,177	2,466	1,988
2999 Total liabilities	7,065	6,273	5,339	4,640
NET POSITION:				
3100 Appropriated capital				
3300 Cumulative results of operations	611	610	610	610
3999 Total net position	611	610	610	610
4999 Total liabilities and net position	7,676	6,883	5,949	5,250

MILITARY DEBT REDUCTION FINANCING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 11-4174-0-3-152	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
09.01 Reimbursable program	4	18	4
09.02 Reimbursable program		1	1
10.00 Total obligations	4	19	5
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	4	19	5
23.95 New obligations	-4	-19	-5
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	3	16	2
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	3	3
70.00 Total new financing authority (gross)	4	19	5
Change in unpaid obligations:			
73.10 New obligations	4	19	5
73.20 Total financing disbursements (gross)	-4	-19	-5
87.00 Total financing disbursements (gross)	4	19	5
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-3	-3
Net financing authority and financing disbursements:			
89.00 Financing authority	3	16	2
90.00 Financing disbursements	3	16	2

Status of Direct Loans (in millions of dollars)

Identification code 11-4174-0-3-152	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	3	18	4

1150 Total direct loan obligations	3	18	4
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year		3	17
1233 Disbursements: Purchase of loans assets from a liquidating account	3	14	1
1290 Outstanding, end of year	3	17	18

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from restructuring foreign military loans. The amounts in this account are a means of financing and are not included in budget totals.

Balance Sheet (in millions of dollars)

Identification code 11-4174-0-3-152	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross		3	17	18
1499 Net present value of assets related to direct loans		3	17	18
1999 Total assets		3	17	18
LIABILITIES:				
2103 Federal liabilities: Debt		3	17	18
2999 Total liabilities		3	17	18
4999 Total liabilities and net position		3	17	18

Object Classification (in millions of dollars)

Identification code 11-4174-0-3-152	1997 actual	1998 est.	1999 est.
33.0 Investments and loans	4	18	4
43.0 Interest and dividends		1	1
99.9 Total obligations	4	19	5

**INTERNATIONAL DEVELOPMENT ASSISTANCE
MULTILATERAL ASSISTANCE****Federal Funds****General and special funds:****INTERNATIONAL FINANCIAL INSTITUTIONS****CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), [\$47,500,000] \$300,000,000, to remain available until [September 30, 1999] expended. (Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)

Program and Financing (in millions of dollars)

Identification code 11-0077-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 33.0)	35	48	300
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	7,663	7,663	7,663
22.00 New budget authority (gross)	35	48	300
23.90 Total budgetary resources available for obligation	7,698	7,711	7,963
23.95 New obligations	-35	-48	-300
24.40 Unobligated balance available, end of year:			
Uninvested	7,663	7,663	7,663
New budget authority (gross), detail:			
40.00 Appropriation	35	48	300

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	191	158	169
73.10	New obligations	35	48	300
73.20	Total outlays (gross)	-67	-37	-61
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	158	169	408
Outlays (gross), detail:				
86.90	Outlays from new current authority	3	4	27
86.93	Outlays from current balances	64	33	34
87.00	Total outlays (gross)	67	37	61
Net budget authority and outlays:				
89.00	Budget authority	35	48	300
90.00	Outlays	67	37	61

The International Bank for Reconstruction and Development (World Bank) finances development projects in less developed countries. By applying banking principles to the achievement of development goals, it promotes increased economic productivity and helps developing economies meet more of the basic needs of their people.

The IBRD also plays a vital role in providing policy advice to borrowing countries; assisting in donor coordination and promoting co-financing.

The IBRD made new commitments of \$14.5 billion during its 1997 fiscal year; IBRD gross disbursements were \$14.0 billion. Since its establishment in 1945, the IBRD has made loans totalling \$295 billion—\$147 for every \$1 of U.S. paid in capital.

The Global Environment Facility (GEF) provides technical assistance and partial funding for developing country investments designed to provide global environmental benefits by reducing international water pollution, and ozone depletion, and by promoting biodiversity and energy conservation. With its highly specific focus on global environmental issues—where both costs and benefits are shared across international borders—the GEF occupies a unique and increasingly important niche in the international financial institution system. Its basic mission is to support innovative and cost-effective pilot investments whose design and environmental benefits can be duplicated (and financed) elsewhere. Under strong U.S. leadership, flowing in part from our position as the largest donor on the GEF's governing Council, the GEF has been making substantial progress in leveraging its limited resources. The World Bank, the UN Development Program, the UN Environment Program and, increasingly, private investors, provide substantial cofinancing for GEF projects. Since its inception in 1994, total GEF commitments amount to about \$1.7 billion, triggering additional cofinancing of over \$4 billion.

The initial U.S. commitment to the GEF in 1995 amounted to \$430 million, of which we have delivered \$227.5 million. As of the end of 1998, U.S. arrears will amount to \$192.5 million. The Administration is negotiating a GEF-2 replenishment and intends to limit its contributions to GEF-1 levels, and will seek Congressional authorization to contribute \$430 million to GEF over four years. The 1999 request of \$300 million would clear all arrears to GEF-1 and cover one year of annual commitments to the GEF's second funding cycle.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, [\$1,034,503,100] \$800,000,000, to remain available until expended[, of which \$234,503,100 shall be available to pay for the tenth replenishment: *Provided*, That none of the funds may be obligated or made available until the Secretary of the Treasury certifies to the Committees on Appropriations that procurement restrictions applicable to United States firms under the terms of the Interim Trust Fund have been lifted from all funds which Interim Trust Fund donors proposed to set aside for review of procurement

restrictions at the conclusion of the February 1997 IDA Deputies Meeting in Paris]. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)				
Identification code 11-0073-0-1-151		1997 actual	1998 est.	1999 est.
Obligations by program activity:				
10.00	Total obligations (object class 33.0)	700	1,035	800
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	700	1,035	800
23.95	New obligations	-700	-1,035	-800
New budget authority (gross), detail:				
40.00	Appropriation	700	1,035	800
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	3,282	2,755	2,733
73.10	New obligations	700	1,035	800
73.20	Total outlays (gross)	-1,227	-1,057	-911
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	2,755	2,733	2,622
Outlays (gross), detail:				
86.90	Outlays from new current authority	64	79	61
86.93	Outlays from current balances	1,163	979	850
87.00	Total outlays (gross)	1,227	1,057	911
Net budget authority and outlays:				
89.00	Budget authority	700	1,035	800
90.00	Outlays	1,227	1,057	911

The International Development Association (IDA), a member of the World Bank Group, provides development financing on highly concessional terms to the world's poorest and least creditworthy nations. These countries are primarily in Sub-Saharan Africa and South Asia, but also in Latin America, Eastern Europe, and the former Soviet Union. IDA places special emphasis on poverty alleviation, environmental protection, and economic reform and growth. The IDA is the largest source of multilateral lending that is extended on concessional terms to developing countries. Projects have to meet the same economic, financial, and environmental standards as other World Bank projects.

During its fiscal year 1997, IDA made new commitments of \$4.6 billion, and IDA's gross disbursements were \$6.0 billion. Since its establishment, IDA has made commitments totalling \$101.6 billion (as of June 30, 1997).

The Tenth Replenishment of IDA provides donor country resources of about \$18 billion. The United States pledged \$3.75 billion (20.86 percent share of all donor contributions) to the replenishment. The eleventh replenishment of IDA will provide total resources for new loan commitments of about \$22 billion over the 1997-1999 period. The United States elected not to participate in 1997, the first year of the three-year replenishment. The United States pledged \$1.6 billion for the last two years of the replenishment (15 percent of total donor contributions). The 1999 request is \$800 million for the final United States contribution to the eleventh replenishment.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

Program and Financing (in millions of dollars)				
Identification code 11-0078-0-1-151		1997 actual	1998 est.	1999 est.
Obligations by program activity:				
10.00	Total obligations (object class 33.0)	7		
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	7		

General and special funds—Continued

INTERNATIONAL FINANCIAL INSTITUTIONS—Continued

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION—
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 11-0078-0-1-151	1997 actual	1998 est.	1999 est.
23.95 New obligations	-7		
New budget authority (gross), detail:			
40.00 Appropriation	7		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	90	36	3
73.10 New obligations	7		
73.20 Total outlays (gross)	-60	-33	-3
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	36	3	
Outlays (gross), detail:			
86.90 Outlays from new current authority	1		
86.93 Outlays from current balances	59	33	3
87.00 Total outlays (gross)	60	33	3
Net budget authority and outlays:			
89.00 Budget authority	7		
90.00 Outlays	60	33	3

The International Finance Corporation (IFC), a member of the World Bank Group, was established in 1956 to further economic development by encouraging the growth of private enterprise in developing countries. The IFC provides technical assistance, and mobilizes loans and equity investments for promising ventures. The IFC is now playing an important role in the former Soviet Union and Eastern Europe's transition to free markets and private enterprise, due to the IFC's special expertise in foreign investment, capital markets development, and privatization. The U.S. completed its contributions to the IFC in 1997. The IFC is not expected to require any additional capital in the foreseeable future.

During World Bank FY 1997 the Corporation approved 246 new investments totalling \$6.7 billion, and net investments for the IFC's own account were \$3.3 billion. IFC's committed loan and equity portfolio (for its own account) was \$10.5 billion as of June 30, 1997.

CONTRIBUTION TO MULTILATERAL INVESTMENT GUARANTEE AGENCY

Program and Financing (in millions of dollars)

Identification code 11-0084-0-1-151	1997 actual	1998 est.	1999 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	22	22	22
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	22	22	22
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

The Multilateral Investment Guarantee Agency (MIGA) is an international development institution affiliated with the World Bank Group. MIGA is designed to encourage the flow of foreign private investment to and among developing countries by: (1) issuing guarantees against noncommercial risks and (2) carrying out a wide range of investment promotion activities.

Negotiations are now underway for MIGA's first General Capital Increase (GCI), and on related policy measures. The

first U.S. contribution will not be requested before the year 2000.

During World Bank FY 1997, the MIGA issued 70 guarantees, with a maximum contingent liability of \$614 million, to facilitate aggregate direct investment of \$4.7 billion. There are no claims pending against MIGA.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, \$25,610,667, and for the United States share of the increase in the resources of the Fund for Special Operations, [\$20,835,000] \$21,152,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$1,503,718,910. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-0072-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Paid-in capital	26	25	26
00.02 Fund for special operations	10	21	21
10.00 Total obligations (object class 33.0)	36	46	47
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	3,798	3,798	3,798
22.00 New budget authority (gross)	36	46	47
23.90 Total budgetary resources available for obligation	3,834	3,844	3,845
23.95 New obligations	-36	-46	-47
24.40 Unobligated balance available, end of year:			
Uninvested	3,798	3,798	3,798
New budget authority (gross), detail:			
40.00 Appropriation	36	46	47
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	186	116	89
73.10 New obligations	36	46	47
73.20 Total outlays (gross)	-106	-73	-36
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	116	89	100
Outlays (gross), detail:			
86.90 Outlays from new current authority	6	5	6
86.93 Outlays from current balances	100	68	31
87.00 Total outlays (gross)	106	73	36
Net budget authority and outlays:			
89.00 Budget authority	36	46	47
90.00 Outlays	106	73	36

The Inter-American Development Bank (IDB) promotes sustainable economic growth and development, poverty reduction, private sector development, and good governance in Latin America and the Caribbean through loans and technical assistance. Since its inception in 1960, the Bank has lent over \$90 billion.

The Bank lends money through: (1) the Ordinary Capital window that lends at market-based rates; and, (2) the Fund for Special Operations (FSO), which makes loans on concessional terms to the region's poorest nations.

The 1999 request includes: (1) budget authority of \$25.6 million for paid-in capital subscriptions and \$1,503.7 million in program limitations for callable capital subscriptions for payments on the U.S. contribution to the IDB's eighth general

capital increase; and, (2) budget authority of \$21.2 million for the final U.S. payment to the Eighth Replenishment of the FSO.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

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

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

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

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), [\$150,000,000] \$250,000,000, of which [\$50,000,000] \$150,000,000 shall be available for contributions previously due, to remain available until expended. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-0076-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Paid-in capital	13	13	13
00.02 Asian development fund	100	150	250
10.00 Total obligations (object class 33.0)	113	163	263
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	748	748	748
22.00 New budget authority (gross)	113	163	263
23.90 Total budgetary resources available for obligation	861	911	1,011
23.95 New obligations	-113	-163	-263
24.40 Unobligated balance available, end of year:			
Uninvested	748	748	748
New budget authority (gross), detail:			
40.00 Appropriation	113	163	263
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	741	673	649
73.10 New obligations	113	163	263
73.20 Total outlays (gross)	-181	-187	-166
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	673	649	746
Outlays (gross), detail:			
86.90 Outlays from new current authority	4	18	29
86.93 Outlays from current balances	177	169	137
87.00 Total outlays (gross)	181	187	166
Net budget authority and outlays:			
89.00 Budget authority	113	163	263
90.00 Outlays	181	187	166

The Asian Development Bank (ADB) fosters broad-based sustainable economic development, poverty alleviation, and cooperation in the Asia/Pacific region. The Bank lends at market-based rates through its ordinary capital window and on highly concessional terms to the region's poorer nations through the Asian Development Fund (ADF).

The United States successfully negotiated a 41 percent reduction in U.S. contributions to the seventh replenishment of the Asian Fund.

In 1997, the Bank lent \$7.7 billion of its ordinary capital resources and extended loans and grants of \$1.6 billion from its ADF resources for development projects. Since its founding

in 1966, the ADB has loaned over \$46.9 billion, and the ADF has loaned over \$19.1 billion. The Bank has made cumulative equity investments of \$428 million.

The 1999 request includes: (1) budget authority of \$13.2 million for paid-in capital subscriptions and \$647.9 million in program limitations for callable capital subscriptions for the fourth of six installments on the U.S. subscription to the ADB's fourth general capital increase; and, (2) \$250 million in budget authority to participate in the sixth replenishment of ADF resources, and to partially clear outstanding unmet commitments on the U.S. share of the \$4.2 billion fifth replenishment of ADF resources.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, [\$45,000,000] \$155,000,000, to remain available until expended [and which shall be available for contributions previously due] of which \$88,333,334 shall be for contributions previously due. (*Foreign Operations, Export Financing, and Related Program Appropriations Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-0079-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 33.0)		45	155
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		45	155
23.95 New obligations		-45	-155
New budget authority (gross), detail:			
40.00 Appropriation		45	155
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	420	335	308
73.10 New obligations		45	155
73.20 Total outlays (gross)	-85	-72	-77
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	335	308	386
Outlays (gross), detail:			
86.93 Outlays from current balances	85	72	77
Net budget authority and outlays:			
89.00 Budget authority		45	155
90.00 Outlays	85	72	77

The African Development Bank (AFDB) lends at market-based rates for economic development in countries on the African continent. The United States joined the AFDB in 1983 when membership was open to non-regional countries. In 1997, the AFDB financed 21 new projects worth \$798 million. Since its inception in 1963, the AFDB has financed 746 projects worth over \$20.6 billion.

The African Development Fund (AFDF), the concessional lending affiliate of the African Development Bank, makes loans to the poorest African nations. The AFDF-7 replenishment negotiations, which were concluded in May 1996, brought about far-reaching and comprehensive restructuring and institutional reforms. In 1997, the AFDF loaned \$807 million for 84 projects. By the end of 1997 and since its inception in 1974, cumulative AFDF lending totaled \$11.4 billion for 1,267 development projects.

The 1999 request includes \$155 million in budget authority: \$66.7 million for the third installment plus \$88.3 million in arrears for the first two installments on the U.S. share of the seventh replenishment of AFDF resources.

General and special funds—Continued

INTERNATIONAL FINANCIAL INSTITUTIONS—Continued

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,778,717, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$123,237,803. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-0088-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 33.0)	12	36	36
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	12	36	36
23.95 New obligations	-12	-36	-36
New budget authority (gross), detail:			
40.00 Appropriation	12	36	36
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	35	16	19
73.10 New obligations	12	36	36
73.20 Total outlays (gross)	-31	-32	-25
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	16	19	30
Outlays (gross), detail:			
86.90 Outlays from new current authority	8	19	19
86.93 Outlays from current balances	23	14	6
87.00 Total outlays (gross)	31	32	25
Net budget authority and outlays:			
89.00 Budget authority	12	36	36
90.00 Outlays	31	32	25

The European Bank for Reconstruction and Development (EBRD) supports market-oriented economic reform and democratic pluralism through predominately private sector lending and investments in the nations of Central and Eastern Europe and the former Soviet Union. Over three-quarters of projects approved in 1996 were in the private sector. The United States and other shareholders signed the articles of agreement of the EBRD on May 29, 1990, and the Bank officially began operating on April 15, 1991.

In April 1996, shareholders approved a doubling of EBRD's capital base from ECU 10 billion to ECU 20 billion (approximately \$24 billion). The capital increase went into effect in April 1997, with the U.S. subscribing to its shares on December 19, 1997. Under the capital increase, paid-in contributions constitute 22.5 percent of total capital, with the remainder callable. The annual payment for the U.S.'s ten percent share dropped from \$70 million under the initial subscription to \$35.8 million under the capital increase. At the end of 1996, the EBRD had approved over 450 loans and investments totalling \$12.4 billion.

The 1999 request consists of \$35.8 million in budget authority for paid-in capital subscriptions and \$123.2 million in program limitations for callable capital subscriptions for the second of eight installments on the U.S. subscription to the general capital increase.

NORTH AMERICAN DEVELOPMENT BANK

【For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, \$56,500,000, to remain available until expended of which \$250,000 shall be available for contributions previously due: *Provided*, That none of the funds appropriated under this heading that are made available for the Community Adjustment and Investment Program shall be used for purposes other than those set out in the binational agreement establishing the Bank: *Provided further*, That of the amount appropriated under this heading, not more than \$41,250,000 may be expended for the purchase of such capital shares in fiscal year 1998.】

【LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS】

【The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed \$318,750,000.】 (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-1008-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 33.0)	56	57	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	56	57	
23.95 New obligations	-56	-57	
New budget authority (gross), detail:			
40.00 Appropriation	56	57	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested			51
73.10 New obligations	56	57	
73.20 Total outlays (gross)	-56	-6	-11
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested		51	40
Outlays (gross), detail:			
86.90 Outlays from new current authority	56	6	
86.93 Outlays from current balances			11
87.00 Total outlays (gross)	56	6	11
Net budget authority and outlays:			
89.00 Budget authority	56	57	
90.00 Outlays	56	6	11

The North American Development Bank (NADBank) provides \$2-3 billion in financing for high priority environmental infrastructure projects in the border region and, more broadly within the United States for NAFTA-related community adjustment and investment. The Bank has begun its environmental lending and guarantee operations in both the United States and Mexico. NADBank operations provide significant direct benefits to U.S. citizens, particularly those in the border states. The NADBank's capital shares (\$450 million in paid-in and \$2.55 billion in callable capital) were contributed equally by the United States and Mexico over a four-year period. The final U.S. installment was appropriated in 1998.

The NADBank will finance environmental infrastructure projects that have been certified by the U.S.-Mexican Border Environment Cooperation Commission (BECC), an institution designed to assist border states and local communities in coordinating border clean-up. Communities on both sides of the border have long been plagued by problems such as raw sewage dumped in boundary waters, unsafe drinking water, and inadequate municipal waste disposal. Based on its paid-in and callable capital, the NADBank will be able to provide partial guarantees of private sector financing and borrow in capital markets to provide loans to help finance the projects certified by the BECC. The NADBank has begun its environ-

mental lending operations and approved financing for four projects in 1997.

In addition, 10 percent of the U.S. and Mexican shares of NADBank will be available for NAFTA-related community adjustment and investment in both countries, which need not be in the border region. In 1999, the Administration proposes that \$37 million be appropriated for the Community Adjustment and Investment Program (CAIP). This appropriation is sought in the Treasury chapter as a domestic assistance program. The Secretary of Treasury would have the authority to transfer CAIP funds to the NADBank or other Federal agencies to assist in carrying out the program. The CAIP offers financing directly and through existing federal credit programs, such as those run by the Small Business Administration, to both new and existing businesses within communities that suffered job losses as a result of changing trade patterns with Canada and Mexico. The program launched its lending operations during 1997. An Advisory Committee, which includes low income community representatives and non-governmental organizations, helps ensure broad public participation in the community adjustment window of the NADBank.

CONTRIBUTION TO ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, [\$30,000,000] \$50,000,000 to remain available until expended, which shall be available for contributions previously due. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-0089-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 33.0)	28	30	50
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	28	30	50
23.95 New obligations	-28	-30	-50
New budget authority (gross), detail:			
40.00 Appropriation	28	30	50
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	240	268	253
73.10 New obligations	28	30	50
73.20 Total outlays (gross)		-45	-55
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	268	253	248
Outlays (gross), detail:			
86.90 Outlays from new current authority		1	1
86.93 Outlays from current balances		44	54
87.00 Total outlays (gross)		45	55
Net budget authority and outlays:			
89.00 Budget authority	28	30	50
90.00 Outlays		45	55

The Multilateral Investment Fund (MIF) is a component of the Enterprise for the Americas Initiative, a program to unlock the potential for domestic and foreign investment and encourage market-based capital flows. The MIF, administered by the Inter-American Development Bank, is a multilateral fund which provides grants and loans to support private-sector development and investment sector reforms. Special consideration is given to reforms that encourage private foreign direct investment and promote privatization. Grants and loans are used for technical assistance to identify and resolve

investment constraints, for investment in human capital, and for business infrastructure and development.

The 1999 request for the MIF is \$50 million for partial payment of outstanding U.S. commitments to the U.S. share of MIF resources.

DEPARTMENT OF THE TREASURY INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE PROGRAM

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 11-1045-2-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Technical assistance			5
10.00 Total obligations			5
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			5
23.95 New obligations			-5
New budget authority (gross), detail:			
40.00 Appropriation			5
Change in unpaid obligations:			
73.10 New obligations			5
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested			5
Net budget authority and outlays:			
89.00 Budget authority			5
90.00 Outlays			

This account will provide technical assistance to other countries in support of the responsibilities of the U.S. Treasury Department to formulate, conduct and coordinate the international financial policies of the United States. In addition to overseeing U.S. interests in the work of international financial institutions, including the International Monetary Fund, the World Bank and the various regional development banks, the Treasury Department frequently has the lead responsibility for implementing fiscal and financial policy aspects of U.S. foreign policy toward individual countries. Technical assistance provided through this account will facilitate key short- and medium-term reforms in the policy and management areas of budget, tax, government debt, financial institutions and financial crimes enforcement.

Using funding provided under the SEED and Freedom Support Acts, U.S. Treasury Department advisors have provided policy and management advice in the areas described above to countries in Eastern Europe and the former Soviet Union in their transition to market economies and democratic fiscal structures. Beginning in 1997, advisors have also provided assistance, using funding from USAID Development Assistance and the Economic Support Fund, to the governments of South Africa and Haiti. The flexibility provided by direct funding will permit the Department to be responsive when governments make decisions to implement key fiscal and financial reforms, and allow it to act quickly to help these governments strengthen governmental fiscal and financial institutions during crucial transition periods toward market-oriented economies.

The proposed \$5 million appropriation will fully fund approximately 10 resident advisors, including selected administrative costs and intermittent expert visits in support of the advisors. This appropriation will permit the continuation of the program in Haiti, expansion of the program in southern Africa, and implementation of programs in other emerging market economies. The Treasury Department will closely coordinate with international financial institutions and with USAID, the Department of State and other relevant U.S.

General and special funds—Continued*DEPARTMENT OF THE TREASURY INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE PROGRAM—Continued***Government agencies when determining where its technical assistance program can have the greatest positive impact.****Object Classification (in millions of dollars)**

Identification code 11-1045-2-1-151	1997 actual	1998 est.	1999 est.
41.0 Direct obligations: Grants, subsidies, and contributions			4
99.5 Below reporting threshold			1
99.9 Total obligations			5

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, **[\$192,000,000: Provided,** That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further,* That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: *Provided further,* That not more than \$25,000,000 of the funds appropriated under this heading may be made available to UNFPA: *Provided further,* That not more than one-half of this amount may be provided to UNFPA before March 1, 1998, and that no later than February 15, 1998, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1998: *Provided further,* That any amount UNFPA plans to spend in the People's Republic of China in 1998 shall be deducted from the amount of funds provided to UNFPA after March 1, 1998, pursuant to the previous provisos: *Provided further,* That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds: *Provided further,* That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA): *Provided further,* That not less than \$4,000,000 should be made available to the World Food Program] **\$314,000,000. (Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)**

Program and Financing (in millions of dollars)

Identification code 72-1005-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
01.01 UNICEF	100	100	100
01.02 UN development program	76	98	105
01.03 UN population fund	43	25	25
01.08 Various other organizations	71	71	84
10.00 Total obligations (object class 41.0)	290	294	314
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	18		
22.00 New budget authority (gross)	272	294	314
23.90 Total budgetary resources available for obligation	290	294	314
23.95 New obligations	-290	-294	-314
New budget authority (gross), detail:			
40.00 Appropriation	170	192	314
42.00 Transferred from other accounts	102	102	
43.00 Appropriation (total)	272	294	314
70.00 Total new budget authority (gross)	272	294	314
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	57	40	46
73.10 New obligations	290	294	314

73.20 Total outlays (gross)	-307	-288	-312
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	40	46	48
Outlays (gross), detail:			
86.90 Outlays from new current authority	250	265	283
86.93 Outlays from current balances	57	23	29
87.00 Total outlays (gross)	307	288	312
Net budget authority and outlays:			
89.00 Budget authority	272	294	314
90.00 Outlays	307	288	312

Status of Direct Loans (in millions of dollars)

Identification code 72-1005-0-1-151	1997 actual	1998 est.	1999 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	34	32	30
1251 Repayments: Repayments and prepayments	-2	-2	-2
1290 Outstanding, end of year	32	30	28

In addition to its assessed payments, the United States contributes to voluntary funds of over 25 international organizations and programs involved in a wide range of sustainable development, humanitarian, and scientific activities. Any funds made available for United Nations Population Fund will not be used for activities in the People's Republic of China and will be maintained in a separate account and not commingled with any other funds.

Credit accounts:**DEBT RESTRUCTURING**

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961; of modifying concessional [loans extended to] *credit agreements with* least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended; and of modifying any obligation, or portion of such obligation [for Latin American countries] of Honduras to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501); **[\$27,000,000] \$72,000,000, to remain available until expended[: Provided,** That not to exceed \$1,500,000 of such funds may be used for implementation of improvements in the foreign credit reporting system of the United States Government]. *(Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)*

Unavailable Collections (in millions of dollars)

Identification code 11-0091-0-1-151	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Balance, start of year	6	6	6
07.99 Total balance, end of year	6	6	6

Program and Financing (in millions of dollars)

Identification code 11-0091-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
01.01 Paris club debt reduction		26	48
01.02 Jordan debt reduction	21		
01.03 Africa concessional debt initiative			18

10.00	Total obligations (object class 41.0)	21	26	66
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year:			
	Uninvested	25	31	32
22.00	New budget authority (gross)	27	27	72
23.90	Total budgetary resources available for obligation	52	58	104
23.95	New obligations	-21	-26	-66
24.40	Unobligated balance available, end of year:			
	Uninvested	31	32	39
New budget authority (gross), detail:				
40.00	Appropriation	27	27	72
Change in unpaid obligations:				
73.10	New obligations	21	26	66
73.20	Total outlays (gross)	-21	-26	-66
Outlays (gross), detail:				
86.90	Outlays from new current authority	21	15	36
86.93	Outlays from current balances		11	30
87.00	Total outlays (gross)	21	26	66
Net budget authority and outlays:				
89.00	Budget authority	27	27	72
90.00	Outlays	21	26	66

Paris Club Debt Reduction. For the poorest countries, debt reduction provides an incentive to implement macroeconomic and structural reforms necessary to improve economic performance and creditworthiness. The combination of economic reform and debt reduction contribute to growth and sustained development, which can mean greater opportunities for U.S. commercial interests in these countries. For the poorest and most heavily indebted countries, debt reduction will be undertaken in concert with the Paris Club of creditor nations, including extraordinary debt reduction under the Heavily-Indebted Poor Countries (HIPC) debt initiative. The Administration anticipates that \$37 million in appropriations will fund debt reduction under Naples and HIPC terms for qualifying countries. This request level, combined with funds previously appropriated, will allow the U.S. in 1998-99 to provide approximately \$1.5 billion in face value debt reduction for the poorest countries, potentially including Cameroon, Cote d'Ivoire, Mozambique, Tanzania, Uganda, Bolivia, and Nicaragua. For agreements implemented in the remainder of FY 1998 and subsequently, the Administration intends to obligate funds for debt reduction at the date of the signing of a bilateral framework agreement, to be concluded at the time of the signing of the Paris Club Agreed Minute, rather than 30 days after the conclusion of a formal U.S. bilateral debt agreement, as is currently the practice. This change of date for budget cost obligations is appropriate because the Paris Club Agreed Minute is the date when the U.S. Government commits politically to reducing debt for a particular country.

Concessional Debt Reduction for Africa. The President announced the "Partnership for Growth and Opportunity in Africa" on June 17, 1997. The Africa Initiative will target countries undertaking the boldest economic reforms to receive the maximum benefits from the program. Such reforms will encompass governance issues, macroeconomic policy, trade and investment policy, and investment in people. The best way the United States can support Africa is by making trade and investment—not just aid—the centerpiece of our economic relations. To support African economic reform efforts, the Administration, at the discretion of the President, will offer to provide 100% debt reduction of concessional debt owed to the United States. This 100% debt reduction program will complement Administration efforts to maximize debt relief for the most heavily indebted poor countries under the HIPC debt initiative. The Administration anticipates that \$35 million in appropriations will fund 100% debt reduction for ap-

proximately \$325 million in the face value of concessional debts for qualifying African countries.

Funds allocated within the debt restructuring account are fungible between these two programs to allow sufficient flexibility in effecting international commitments. The resulting cash flows from debt reduction are recorded in the debt reduction financing and liquidating accounts for the Export-Import Bank, foreign military loans, the Department of Agriculture's G.S.M. (Honduras only) and P.L. 480 programs, and the Agency for International Development.

Debt Buyback/Swap Program. For Latin America and the Caribbean, the Administration proposes that debt reduction be effected at zero cost through buybacks and swaps of eligible concessional debt, linked to commitment of local currency payments to support environment or child survival projects. The Administration will be seeking new authority for no-cost buybacks and swaps of P.L. 480 concessional debt and the approval of the Appropriations Committee for this program.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Federal Funds

General and special funds:

SUSTAINABLE DEVELOPMENT ASSISTANCE (INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961, [title V of the International Security and Development Cooperation Act of 1980 (Public Law 96-533) and the provisions of section 401 of the Foreign Assistance Act of 1969, \$1,210,000,000] \$1,265,798,000, to remain available until [September 30, 1999] expended: *Provided*, That [of the amount appropriated under this heading, up to \$22,000,000 may be made available for the Inter-American Foundation and shall be apportioned directly to that agency: *Provided further*, That of the amount appropriated under this heading, up to \$14,000,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: *Provided further*, That] none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, not to exceed \$2,500,000 [shall] may be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Commit-

General and special funds—Continued**SUSTAINABLE DEVELOPMENT ASSISTANCE—Continued**
(INCLUDING TRANSFER OF FUNDS)—Continued

tees on Appropriations: *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed \$25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs]: *Provided further*, That none of the funds made available under this heading may be used for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna (CITES).

[CYPRUS]

[Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than \$15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicomunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.]

[BURMA]

[Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than \$5,000,000 shall be made available to support activities in Burma, along the Burma-Thailand border, and for activities of Burmese student groups and other organizations located outside Burma: *Provided*, That funds made available for Burma related activities under this heading may be made available notwithstanding any other provision of law: *Provided further*, That provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.]

[CAMBODIA]

[None of the funds appropriated in this Act may be made available for the Government of Cambodia: *Provided*, That the restrictions under this heading shall not apply to humanitarian, demining or election-related programs or activities: *Provided further*, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That 30 days after enactment of this Act, the President shall report to the Committees on Appropriations on the results of the FBI investigation into the bombing attack in Phnom Penh on March 30, 1997.]

[PRIVATE AND VOLUNTARY ORGANIZATIONS]

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

[Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.] (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

[INTERNATIONAL FUND FOR IRELAND]

[For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, \$19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided*, That such amount shall be ex-

pendent at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 1999]. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)			
Identification code 72-1021-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Functional development assistance	1,277	1,440	1,255
09.01 Reimbursable program	3		
10.00 Total obligations	1,280	1,440	1,255
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	404	271	
22.00 New budget authority (gross)	1,133	1,168	1,255
22.10 Resources available from recoveries of prior year obligations	15	1	
23.90 Total budgetary resources available for obligation	1,552	1,440	1,255
23.95 New obligations	-1,280	-1,440	-1,255
24.40 Unobligated balance available, end of year:			
Uninvested	271		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	1,182	1,210	1,265
41.00 Transferred to other accounts	-52	-42	-10
43.00 Appropriation (total)	1,130	1,168	1,255
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	3		
70.00 Total new budget authority (gross)	1,133	1,168	1,255
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	1,506	1,610	1,900
73.10 New obligations	1,280	1,440	1,255
73.20 Total outlays (gross)	-1,165	-1,149	-1,041
73.40 Adjustments in expired accounts	2		
73.45 Adjustments in unexpired accounts	-15	-1	
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	1,610	1,900	2,114
Outlays (gross), detail:			
86.90 Outlays from new current authority	25	83	89
86.93 Outlays from current balances	1,140	1,066	952
87.00 Total outlays (gross)	1,165	1,149	1,041
Offsets:			
Against gross budget authority and outlays:			
88.45 Offsetting collections (cash) from: Offsetting governmental collections	-3		
Net budget authority and outlays:			
89.00 Budget authority	1,130	1,168	1,255
90.00 Outlays	1,162	1,149	1,041

Sustainable Development Assistance Program.—The Sustainable Development Assistance account funds sustainable development assistance activities that are not related to child survival, disease prevention and basic education. While these latter activities are funded in the Child Survival and Disease Programs account, the Sustainable Development Assistance account funds programs in the areas of economic growth, democracy, family planning and global environment.

However, activities funded through both accounts are key components of AID's principle mission of supporting the people of developing and transitional countries in their efforts to achieve sustainable economic and social progress. These activities support five key USAID strategic goals:

(1) *Encouraging broad-based economic growth and agricultural development*, with the objectives of expanding and strengthening critical private markets, achieving enhanced

agricultural development and food security, and, expanding access to economic opportunity for the rural and urban poor.

(2) *Strengthening democracy and good governance*, with the objectives of strengthening the rule of law and respect for human rights of both men and women, encouraging credible and competitive political processes, promoting the development of a politically active civil society, and encouraging more transparent and accountable government institutions.

(3) *Building human capacity through education and training*, with the objectives of expanding access to quality basic education, especially for girls and women, and, increasing the contributions of institutions of higher education to sustainable development.

(4) *Stabilizing the world population and protecting human health*, with the objectives of reducing unintended pregnancies, improving infant and child health and nutrition and reducing infant and child mortality, reducing deaths, nutrition insecurity and adverse health outcomes to women as a result of pregnancy and child birth, reducing HIV transmission and the impact of the HIV/AIDS pandemic in developing countries, and, reducing the threat of infectious diseases of major public health importance.

(5) *Protecting the world's environment*, with the objectives of preparing national environmental management strategies, improving conservation of biologically significant habitats, reducing the rate of growth of net emissions of greenhouse gases, increasing the access of urban populations to adequate environmental services, conserving energy through increased efficiency and reliance on renewable sources, and reducing the loss of forest area.

The 1999 Request for Sustainable Development Assistance includes funding for two Presidential Initiatives:

(1) *African Trade and Investment* which includes a \$30 million request for USAID to provide assistance to countries that are attempting to implement critical economic policy reforms. The purpose of this assistance is to expand the number of African countries that can attract U.S. and other foreign trade and investment. By doing so, these countries should be able to increase economic growth and employment and reduce poverty. The initiative will provide a combination of program and technical assistance to African nations that have demonstrated a clear commitment to economic reform to help them design and implement trade and investment-related legal and institutional reforms. By increasing the access of these countries to trade and investment, this initiative will support the broader Africa initiative that was proposed by the President and has been supported by the Congress.

(2) *Summit of the Americas* which includes a \$20 million request for USAID to provide assistance in support of the key summit goals of increased access to basic education, reduced levels of poverty and achievement of hemispheric free trade. Specific AID activities to be funded will include expansion of basic education in remote areas, support for increased access to micro-finance, and technical assistance to improve legal and institutional reforms necessary to reduce barriers to trade and investment.

While exact allocations of Child Survival and Sustainable Development Assistance funds will not be determined until funds are actually appropriated, notional allocations by region and by strategic goal are shown below (amounts are in millions of dollars):

Regional Allocations:	
Africa	\$730
Asia/Near East	298
Latin America/Caribbean	297
Global	363
Other	81
Total	1,769
Strategic Goal Allocations:	
Economic Growth	464
Human Capacity Development	98

Population, Health, & Nutrition	780
Environment	290
Democracy	137
Total	1,769

The above figures include the amounts for which permissive transfers for the Development Credit Authority and the International Fund for Agricultural Development were requested.

Object Classification (in millions of dollars)

Identification code 72-1021-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
22.0 Transportation of things	4	2	2
23.2 Rental payments to others		5	5
25.1 Advisory and assistance services	16	15	15
25.2 Other services	50	54	50
26.0 Supplies and materials	9		
41.0 Grants, subsidies, and contributions	1,198	1,364	1,183
99.0 Subtotal, direct obligations	1,277	1,440	1,255
99.0 Reimbursable obligations	3		
99.9 Total obligations	1,280	1,440	1,255

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other diseases, and related activities, in addition to funds otherwise available for such purposes, **[\$650,000,000] \$502,836,000**, to remain available until expended: *Provided*, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health and nutrition programs, and related education programs, which address the needs of mothers and children; (4) water and sanitation programs; (5) assistance for displaced and orphaned children; (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria and other diseases; and (7) [up to \$98,000,000 for] basic education programs for children; and (8) a contribution on a grant basis to the United Nations Children's Fund (UNICEF) pursuant to section 301 of the Foreign Assistance Act of 1961]. (*Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 72-1095-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	463	587	504
10.00 Total obligations	463	587	504
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested		37	
22.00 New budget authority (gross)	500	550	504
23.90 Total budgetary resources available for obligation	500	587	504
23.95 New obligations	-463	-587	-504
24.40 Unobligated balance available, end of year:			
Uninvested	37		
New budget authority (gross), detail:			
40.00 Appropriation	600	650	504
41.00 Transferred to other accounts	-100	-100	
43.00 Appropriation (total)	500	550	504
70.00 Total new budget authority (gross)	500	550	504
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested		458	831
73.10 New obligations	463	587	504
73.20 Total outlays (gross)	-5	-214	-469
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	458	831	866

General and special funds—Continued

CHILD SURVIVAL AND DISEASE PROGRAMS FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 72-1095-0-1-151	1997 actual	1998 est.	1999 est.
Outlays (gross), detail:			
86.90 Outlays from new current authority	5	39	36
86.93 Outlays from current balances		175	433
87.00 Total outlays (gross)	5	214	469
Net budget authority and outlays:			
89.00 Budget authority	500	550	504
90.00 Outlays	5	214	469

This program provides economic resources to developing countries to support programs to: (1) improve infant and child health nutrition with the aim of reducing infant and child mortality rates; (2) reduce HIV transmission and the impact of the HIV/AIDS pandemic in developing countries; (3) reduce the threat of infectious diseases of major public health importance such as polio and malaria; and (4), expand access to quality basic education, especially for girls and women.

Object Classification (in millions of dollars)

Identification code 72-1095-0-1-151	1997 actual	1998 est.	1999 est.
21.0 Travel and transportation of persons	4		
25.2 Other services	25		
41.0 Grants, subsidies, and contributions	434	587	504
99.9 Total obligations	463	587	504

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, **[\$485,000,000]** \$464,500,000, to remain available until September 30, **[1999]** 2000, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States.

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

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

[(d) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.]

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

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

(2) the provisions of section 532 of this Act shall apply.]

[(f) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization pro-

grams in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has not been terminated.]

[(g) Not to exceed \$200,000,000 of the funds appropriated under this heading may be made available for Bosnia and Herzegovina exclusive of assistance for police training.]

[(h) Not to exceed \$7,000,000 of the funds made available for Bosnia and Herzegovina may be made available for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees for said country.] (Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)

Program and Financing (in millions of dollars)

Identification code 72-1010-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations	367	652	463
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	119	169	
22.00 New budget authority (gross)	406	483	463
22.10 Resources available from recoveries of prior year obligations	12		
22.21 Unobligated balance transferred to other accounts	-1		
23.90 Total budgetary resources available for obligation	536	652	463
23.95 New obligations	-367	-652	-463
24.40 Unobligated balance available, end of year:			
Uninvested	169		
New budget authority (gross), detail:			
40.00 Appropriation	475	485	465
41.00 Transferred to other accounts	-69	-2	-2
43.00 Appropriation (total)	406	483	463
70.00 Total new budget authority (gross)	406	483	463
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	839	655	830
73.10 New obligations	367	652	463
73.20 Total outlays (gross)	-539	-479	-304
73.45 Adjustments in unexpired accounts	-12		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	655	830	991
Outlays (gross), detail:			
86.90 Outlays from new current authority	101	24	23
86.93 Outlays from current balances	438	455	280
87.00 Total outlays (gross)	539	479	304
Net budget authority and outlays:			
89.00 Budget authority	406	483	463
90.00 Outlays	539	479	304

This account provides funds to promote country-specific strategies that build on common, region-wide strategic goals, including economic restructuring, democratic transition, and social stabilization. Authorized Support for Eastern European Democracy (SEED) programs concentrate on: (a) the development of market economies and a strong private sector; (b) the development and strengthening of institutions necessary for sustainable democracy; and, (c) the improvement of the basic quality of life in selected areas. This interagency program is coordinated out of the State Department's Bureau of European and Canadian Affairs.

The single largest SEED program funded in this account is Bosnia, which remains a major Administration priority. Reconstruction needs and support for local police continue to be significant in this country as it moves towards stability

and normalcy. The request for 1999 also includes \$12.5 million for the first of four tranches to capitalize a \$100 million trust fund, on a 50-50 basis, in a public-private partnership with a number of U.S. foundations. This trust is designed to help sustain support for democracy and economic reform through support for non-governmental organizations in countries where U.S. direct assistance has been phased out.

Object Classification (in millions of dollars)

Identification code 72-1010-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
11.8 Personnel compensation: Special personal services payments	2	3	3
21.0 Travel and transportation of persons	1	1	1
25.1 Advisory and assistance services	15	36	36
25.2 Other services	55	107	52
41.0 Grants, subsidies, and contributions	291	505	371
99.0 Subtotal, direct obligations	364	652	463
41.0 Allocation Account: Grants, subsidies, and contributions	3		
99.9 Total obligations	367	652	463

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, [\$770,000,000] \$925,000,000, to remain available until September 30, [1999] 2000. *Provided*, That the provisions of such chapter shall apply to funds appropriated by this paragraph.

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

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

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures; and

(3) funds may be furnished without regard to this subsection if the President determines that to do so is in the national interest.]

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

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

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

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

[(g) (b) Funds appropriated under title II of this Act, including funds appropriated under this heading, may be made available for assistance for Mongolia: *Provided*, That funds made available for assistance for Mongolia may be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

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

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

[(j)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of Russia, 50 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.

(2) Notwithstanding paragraph (1) assistance may be provided for the Government of Russia if the President determines and certifies to the Committees on Appropriations that making such funds available: (A) is vital to the national security interest of the United States; and (B) that the Government of Russia is taking meaningful steps to limit major supply contracts and to curtail the transfer of technology and technological expertise related to activities referred to in paragraph (1).]

[(k) Of the funds appropriated under this heading, not less than \$225,000,000 shall be made available for Ukraine, which sum shall be provided with the understanding that Ukraine will undertake significant economic reforms which are additional to those which were undertaken in the previous fiscal year: *Provided*, That 50 percent of the amount made available in this subsection, exclusive of funds made available for election related initiatives and nuclear reactor safety activities, shall be withheld from obligation and expenditure until the Secretary of State determines and certifies no later than April 30, 1998, that the Government of Ukraine has made significant progress toward resolving complaints made by United States investors to the United States embassy prior to April 30, 1997: *Provided further*, That funds made available under this subsection, and funds appropriated for Ukraine in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 as contained in Public Law 104-208 shall be made available to complete the preparation of safety analysis reports at each nuclear reactor in Ukraine over the next three years.]

[(l) Of the funds appropriated under this heading, not less than \$250,000,000 shall be made available for assistance for the Southern Caucasus region: *Provided*, That of the funds provided under this subsection 37 percent shall be made available for Georgia and 35 percent shall be made available for Armenia: *Provided further*, That of the funds made available for the Southern Caucasus region, 28 percent should be used for reconstruction and remedial activities relating to the consequences of conflicts within the region, especially those in the vicinity of Abkhazia and Nagorno-Karabakh: *Provided further*, That if the Secretary of State after May 30, 1998, determines and reports to the relevant committees of Congress that the full amount of reconstruction and remedial funds that may be made available under the previous proviso cannot be effectively utilized, up to 62.5 percent of the amount provided under the previous proviso for reconstruction and remediation may be used for other purposes under this heading.]

[(m) (d) Funds provided under [the previous subsection] *this heading* [shall] *may* be made available for humanitarian assistance for refugees, displaced persons, and needy civilians affected by the conflicts in the Southern Caucasus region, including those in the vicinity of Abkhazia and Nagorno-Karabakh, notwithstanding any other provision of this or any other Act.

[(n) (e) Funds made available under this Act or any other Act may not be provided for assistance to the Government of Azerbaijan

General and special funds—Continued**ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER
SOVIET UNION—Continued**

until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades against Armenia and Nagorno-Karabakh: *Provided*, That the restriction of this subsection and section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104-201;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421); and

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

[(o) None of the funds appropriated under this heading or in prior appropriations legislation may be made available to establish a joint public-private entity or organization engaged in the management of activities or projects supported by the Defense Enterprise Fund.] (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 72-1093-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations	518	990	922
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	262	223	3
22.00 New budget authority (gross)	470	769	922
22.10 Resources available from recoveries of prior year obligations	4		
22.21 Unobligated balance transferred to other accounts	-8		
22.22 Unobligated balance transferred from other accounts	14	1	
22.30 Unobligated balance expiring	-1		
23.90 Total budgetary resources available for obligation	741	993	925
23.95 New obligations	-518	-990	-922
24.40 Unobligated balance available, end of year:			
Uninvested	223	3	3
New budget authority (gross), detail:			
40.00 Appropriation	625	770	925
41.00 Transferred to other accounts	-155	-2	-3
42.00 Transferred from other accounts		1	
43.00 Appropriation (total)	470	769	922
70.00 Total new budget authority (gross)	470	769	922
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	1,097	906	1,178
73.10 New obligations	518	990	922
73.20 Total outlays (gross)	-705	-718	-514
73.45 Adjustments in unexpired accounts	-4		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	906	1,178	1,586
Outlays (gross), detail:			
86.90 Outlays from new current authority	34	59	61
86.93 Outlays from current balances	671	658	453
87.00 Total outlays (gross)	705	718	514
Net budget authority and outlays:			
89.00 Budget authority	470	769	922
90.00 Outlays	705	718	514

This account provides funds for a program of assistance to the independent states that emerged from the former Soviet Union. These programs for the New Independent States (NIS) have been envisioned since the outset as short-term in nature. They are designed to jump-start the process of political and economic transition to market democracies, and

to help address major socioeconomic dislocations where they occur during these transitions. Funds will support economic restructuring through helping to create conditions that encourage: trade and investment and private sector growth; improved government fiscal policy, revenue collection, and financial management; a market-oriented financial sector; and a more efficient energy sector and a cleaner environment. Funds will support democratic transitions through promoting citizen participation, establishing the rule of law, and strengthening local governments.

Program resources requested in 1999 will be increasingly focused on the Partnership for Freedom (PFF) approach begun in 1998. This approach is designed to achieve the mutual economic and political goals of the United States and countries in the region. Building on traditional government-to-government technical assistance and tailoring the overall U.S. assistance program to unique NIS circumstances, the PFF supports broader economic and social ties between the United States and the NIS. It includes the development and expansion of sustainable partnerships, professional linkages, and citizen exchanges. Programs will be increasingly aimed at enhancing local public and private institutional capacity as part of the comprehensive strategy to expand trade and investment, develop and strengthen small and medium enterprises, mobilize capital, reduce crime and corruption, and build viable civil societies.

Object Classification (in millions of dollars)

Identification code 72-1093-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
11.8 Personnel compensation: Special personal services payments	2	5	5
21.0 Travel and transportation of persons	1	5	5
25.1 Advisory and assistance services	15	35	35
25.2 Other services	60	110	110
26.0 Supplies and materials	33	30	30
41.0 Grants, subsidies, and contributions	381	805	737
99.0 Subtotal, direct obligations	492	990	922
41.0 Allocation Account: Grants, subsidies, and contributions	26		
99.9 Total obligations	518	990	922

DEVELOPMENT FUND FOR AFRICA**Program and Financing (in millions of dollars)**

Identification code 72-1014-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	53	51	
10.00 Total obligations	53	51	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	70	51	
22.10 Resources available from recoveries of prior year obligations	34		
23.90 Total budgetary resources available for obligation	104	51	
23.95 New obligations	-53	-51	
24.40 Unobligated balance available, end of year:			
Uninvested	51		
New budget authority (gross), detail:			
42.00 Transferred from other accounts		1	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	1,316	770	534
73.10 New obligations	53	51	
73.20 Total outlays (gross)	-565	-287	-196
73.45 Adjustments in unexpired accounts	-34		

74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	770	534	338
Outlays (gross), detail:				
86.93	Outlays from current balances	565	287	196
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	565	287	196

The Development Fund for Africa account provided development assistance to sub-Saharan African countries. The account was designed to enhance the U.S. Agency for International Development's (USAID's) effectiveness in meeting Africa's development requirements. Beginning in 1996, development assistance for Africa has been appropriated under the Sustainable Development Assistance and Child Survival and Disease Programs accounts.

Object Classification (in millions of dollars)

Identification code 72-1014-0-1-151		1997 actual	1998 est.	1999 est.
Direct obligations:				
25.2	Other services	3	3	
41.0	Grants, subsidies, and contributions	49	48	
99.0	Subtotal, direct obligations	52	51	
41.0	Allocation Account: Grants, subsidies, and contributions	1		
99.9	Total obligations	53	51	

SAHEL DEVELOPMENT PROGRAM

Program and Financing (in millions of dollars)

Identification code 72-1012-0-1-151		1997 actual	1998 est.	1999 est.
Obligations by program activity:				
10.00	Total obligations (object class 41.0)	1		
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year:			
	Uninvested	1		
23.95	New obligations	-1		
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	3	2	1
73.10	New obligations	1		
73.20	Total outlays (gross)	-1	-1	
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	2	1	
Outlays (gross), detail:				
86.93	Outlays from current balances	1	1	
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	1	1	

The goal of the Sahel Regional Program was to increase food security and ecological balance in Sahel, West Africa. Within that goal, the program promoted trade and investment in the West Africa Region, encouraged regional dialogue, and provided decision-makers with ready access to relevant information on development issues.

Since 1988 these activities have been funded from the Development Fund for Africa and Development Assistance accounts.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

Program and Financing (in millions of dollars)

Identification code 11-1013-0-1-151		1997 actual	1998 est.	1999 est.
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	13	6	3
73.20	Total outlays (gross)	-7	-3	-3
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	6	3	
Outlays (gross), detail:				
86.93	Outlays from current balances	7	3	3
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	7	3	3

Separate funding for American Schools and Hospitals Abroad ceased in 1994. This account contains remaining balances from prior activity. Financing of key institutions that meet important foreign policy and developmental criteria will be done within the regular economic and development assistance accounts.

SUB-SAHARAN AFRICA DISASTER ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 72-1040-0-1-151		1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year:			
	Uninvested	2	3	3
22.10	Resources available from recoveries of prior year obligations	1		
23.90	Total budgetary resources available for obligation	3	3	3
24.40	Unobligated balance available, end of year:			
	Uninvested	3	3	3
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance:			
	Uninvested	8	6	4
73.20	Total outlays (gross)	-1	-2	-2
73.45	Adjustments in unexpired accounts	-1		
74.40	Unpaid obligations, end of year: Obligated balance:			
	Uninvested	6	4	2
Outlays (gross), detail:				
86.93	Outlays from current balances	1	2	2
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	1	2	2

In 1993, this account provided funding for timely relief, rehabilitation and reconstruction for disasters in Africa. Since 1994, these activities have been funded under the International Disaster Assistance Program.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, [\$190,000,000] \$205,000,000, to remain available until expended. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 72-1035-0-1-151		1997 actual	1998 est.	1999 est.
Obligations by program activity:				
10.00	Total obligations	203	227	205

General and special funds—Continued

INTERNATIONAL DISASTER ASSISTANCE—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 72-1035-0-1-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	45	37	
22.00 New budget authority (gross)	190	190	205
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	240	227	205
23.95 New obligations	-203	-227	-205
24.40 Unobligated balance available, end of year:			
Uninvested	37		
New budget authority (gross), detail:			
40.00 Appropriation	190	190	205
Change in unpaid obligations:			
74.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	226	254	303
73.10 New obligations	203	227	205
73.20 Total outlays (gross)	-170	-178	-172
73.45 Adjustments in unexpired accounts	-5		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	254	303	336
Outlays (gross), detail:			
86.90 Outlays from new current authority	34	48	51
86.93 Outlays from current balances	136	130	121
87.00 Total outlays (gross)	170	178	172
Net budget authority and outlays:			
89.00 Budget authority	190	190	205
90.00 Outlays	170	178	172

The International Disaster Assistance (IDA) account provides funds for two separate Offices. The Office of U.S. Foreign Disaster Assistance (OFDA) manages relief, rehabilitation, and reconstruction assistance to foreign countries struck by natural and man-made disasters and supports disaster prevention, mitigation and preparedness. OFDA's program has been placing increasing emphasis on complex emergencies; a product of ethnic and national tensions leading to civil strife and the displacement of large numbers of people. The \$160 million request for OFDA for 1999 will be used to provide temporary shelter, blankets, supplementary food, potable water, medical supplies and agricultural rehabilitation aid, including seeds and hand tools.

The Office of Transition Initiatives (OTI) promotes the successful transition of countries from the initial crisis stage of a complex emergency (frequently addressed by OFDA) to the path of sustainable development. OTI seeks to promote peace and stability which can include: support for demobilization and re-integration of ex-combatants into civil society; landmine awareness; community self-help projects that reduce tension and promote democratic processes; and conflict resolution. The 1999 request for OTI includes an increase of \$15 million to \$45 million. Since its inception in 1994, OTI has established a successful track record and requires additional funding to respond to the significant number of opportunities for peaceful transitions from complex emergencies.

Object Classification (in millions of dollars)

Identification code 72-1035-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
11.8 Personnel compensation: Special personal services payments	4	5	5
21.0 Travel and transportation of persons	2	1	1
25.2 Other services	20	18	17
26.0 Supplies and materials	6	6	6
41.0 Grants, subsidies, and contributions	170	197	176

99.0 Subtotal, direct obligations	202	227	205
41.0 Allocation Account: Grants, subsidies, and contributions	1		
99.9 Total obligations	203	227	205

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, [S\$473,000,000: *Provided*, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of \$25,000 without the approval of the Administrator of the Agency or the Administrator's designee] S\$483,858,000, to remain available until September 30, 2000. (Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)

Program and Financing (in millions of dollars)

Identification code 72-1000-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
Direct program:			
00.01 Direct program	505	504	497
00.02 Foreign national separation fund	2	2	2
09.00 Reimbursable program	6	5	5
10.00 Total obligations	513	511	504
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	40	32	16
22.00 New budget authority (gross)	494	484	489
22.10 Resources available from recoveries of prior year obligations	12	10	10
22.30 Unobligated balance expiring	-1		
23.90 Total budgetary resources available for obligation	545	526	515
23.95 New obligations	-513	-511	-504
24.40 Unobligated balance available, end of year:			
Uninvested	32	16	11
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	471	473	484
42.00 Transferred from other accounts	17	6	
43.00 Appropriation (total)	488	479	484
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	6	5	5
70.00 Total new budget authority (gross)	494	484	489
Change in unpaid obligations:			
74.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	168	209	226
73.10 New obligations	513	511	504
73.20 Total outlays (gross)	-460	-484	-479
73.45 Adjustments in unexpired accounts	-12	-10	-10
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	209	226	241
Outlays (gross), detail:			
86.90 Outlays from new current authority	361	354	358
86.93 Outlays from current balances	93	125	116
86.97 Outlays from new permanent authority	6	5	5
87.00 Total outlays (gross)	460	484	479
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-6	-5	-5
Net budget authority and outlays:			
89.00 Budget authority	488	479	484
90.00 Outlays	455	479	474

These funds cover the appropriated dollar costs of managing U.S. Agency for International Development (USAID) pro-

grams, including salaries and other expenses of direct hire personnel. USAID currently maintains resident staff in more than 70 foreign countries as well as a headquarters in Washington, which supports field programs and manages regional and worldwide activities.

Object Classification (in millions of dollars)

Identification code 72-1000-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	162	163	167
11.3 Other than full-time permanent	4	4	4
11.5 Other personnel compensation	10	9	10
11.8 Special personal services payments	41	37	38
11.9 Total personnel compensation	217	213	219
12.1 Civilian personnel benefits	48	54	55
13.0 Benefits for former personnel	3	1	1
21.0 Travel and transportation of persons	21	25	24
22.0 Transportation of things	9	8	8
23.1 Rental payments to GSA	11	25	26
23.2 Rental payments to others	35	24	24
23.3 Communications, utilities, and miscellaneous charges	12	12	13
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	5	2	3
25.2 Other services	47	62	53
25.3 Purchases of goods and services from Government accounts	37	31	31
25.4 Operation and maintenance of facilities	3	5	5
25.7 Operation and maintenance of equipment	12	15	15
25.8 Subsistence and support of persons			1
26.0 Supplies and materials	7	6	6
31.0 Equipment	32	16	13
32.0 Land and structures	3	5	
41.0 Grants, subsidies, and contributions	2		
42.0 Insurance claims and indemnities	1	1	1
99.0 Subtotal, direct obligations	506	506	499
99.0 Reimbursable obligations	6	5	5
99.5 Below reporting threshold	1		
99.9 Total obligations	513	511	504

Personnel Summary

Identification code 72-1000-0-1-151	1997 actual	1998 est.	1999 est.
Direct:			
Total compensable workyears:			
1001 Full-time equivalent employment	2,608	2,588	2,573
1011 Exempt Full-time equivalent employment	13	10	10
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5	5	5

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, [\$44,208,000] \$44,552,000. (Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)

Program and Financing (in millions of dollars)

Identification code 72-1036-0-1-153	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 13.0)	44	44	45
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	44	44	45
23.95 New obligations	-44	-44	-45
New budget authority (gross), detail:			
40.00 Appropriation	44	44	45
Change in unpaid obligations:			
73.10 New obligations	44	44	45
73.20 Total outlays (gross)	-44	-44	-45

Outlays (gross), detail:			
86.90 Outlays from new current authority	44	44	45
Net budget authority and outlays:			
89.00 Budget authority	44	44	45
90.00 Outlays	44	44	45

The 1999 request will finance the 1999 installment of the unfunded liability created by the addition of the U.S. Agency for International Development (USAID) Foreign Service personnel to the foreign service retirement system and by subsequent salary increases and changes in legislation affecting benefits.

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

For necessary expenses to carry out the provisions of section 667, [\$29,047,000] \$33,000,000, to remain available until September 30, [1999] 2000, which sum shall be available for the Office of the Inspector General of the Agency for International Development. (Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998.)

Program and Financing (in millions of dollars)

Identification code 72-1007-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	30	35	36
10.00 Total obligations	30	35	36
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	9	10	4
22.00 New budget authority (gross)	30	29	33
23.90 Total budgetary resources available for obligation	39	39	37
23.95 New obligations	-30	-35	-36
24.40 Unobligated balance available, end of year:			
Uninvested	10	4	1
New budget authority (gross), detail:			
40.00 Appropriation	30	29	33
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	7	12	19
73.10 New obligations	30	35	36
73.20 Total outlays (gross)	-25	-28	-32
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	12	19	23
Outlays (gross), detail:			
86.90 Outlays from new current authority	23	20	23
86.93 Outlays from current balances	2	8	9
87.00 Total outlays (gross)	25	28	32
Net budget authority and outlays:			
89.00 Budget authority	30	29	33
90.00 Outlays	25	28	32

The funds cover the costs of operations of the Office of the Inspector General, Agency for International Development, and include salaries, expenses, and support costs of the Inspector General's personnel as well as costs associated with providing for the physical security of Agency personnel at overseas missions.

Object Classification (in millions of dollars)

Identification code 72-1007-0-1-151	1997 actual	1998 est.	1999 est.
Personnel compensation:			
11.1 Full-time permanent	13	14	14
11.5 Other personnel compensation	1		1
11.8 Special personal services payments	1	1	1
11.9 Total personnel compensation	15	15	16

General and special funds—Continued**OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL—Continued****Object Classification (in millions of dollars)—Continued**

Identification code 72-1007-0-1-151	1997 actual	1998 est.	1999 est.
12.1 Civilian personnel benefits	4	4	4
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	.....
23.1 Rental payments to GSA	1	2	2
23.2 Rental payments to others	1	1	1
25.2 Other services	1	4	4
25.3 Purchases of goods and services from Government accounts	2	2	3
31.0 Equipment	1	1	1
32.0 Land and structures	1	1	2
99.0 Subtotal, direct obligations	29	33	35
99.5 Below reporting threshold	1	2	1
99.9 Total obligations	30	35	36

Personnel Summary

Identification code 72-1007-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	197	229	229

Public enterprise funds:**PROPERTY MANAGEMENT FUND****Program and Financing (in millions of dollars)**

Identification code 72-4175-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 32.0)		3	3
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested	3	5	3
22.00 New budget authority (gross)	2	1	.....
23.90 Total budgetary resources available for obligation	5	6	3
23.95 New obligations		-3	-3
24.40 Unobligated balance available, end of year: Uninvested	5	3	.....
New budget authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	2	1	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Uninvested			3
73.10 New obligations		3	3
74.40 Unpaid obligations, end of year: Obligated balance: Uninvested		3	6
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-2	-1	.....
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-2	-1	.....

This Fund, as authorized by Public Law 101-513, is maintained for the deposit of proceeds from the sale of overseas property acquired by the Agency for International Development (USAID). The proceeds are available to construct or otherwise acquire outside the United States: (1) essential living quarters, office space, and necessary supporting facilities for use of USAID personnel; and, (2) schools (including dormitories and boarding facilities) and hospitals for use of

USAID personnel, U.S. Government personnel, and their dependents. In addition, the proceeds may be used to equip, staff, operate, and maintain such schools and hospitals.

Intragovernmental funds:**ADVANCE ACQUISITION OF PROPERTY—REVOLVING FUND****Program and Financing (in millions of dollars)**

Identification code 72-4590-0-4-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested	1	1	1
24.40 Unobligated balance available, end of year: Uninvested	1	1	1

This revolving fund finances the acquisition and rehabilitation of U.S. Government-owned excess property, at minimal cost, for purchase by friendly countries and eligible organizations, for use in conjunction with economic development programs. Excess property, most of it obtained from the Department of Defense, includes heavy construction equipment, vehicles, heavy machinery, electrical generating equipment, and medical equipment and supplies. The program is self-financed from service fees and reimbursements by equipment purchasers ultimately funded from development assistance appropriations to the Agency for International Development.

Balance Sheet (in millions of dollars)

Identification code 72-4590-0-4-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	2	1	1	1
1999 Total assets	2	1	1	1
NET POSITION:				
3300 Cumulative results of operations	2	1	1	1
3999 Total net position	2	1	1	1
4999 Total liabilities and net position	2	1	1	1

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION: UKRAINE EXPORT CREDIT INSURANCE PROGRAM ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 72-0402-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	8	.....	.....
10.00 Total obligations (object class 41.0)	8	.....	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested	13	1	.....
22.21 Unobligated balance transferred to other accounts	-4	-1	.....
23.90 Total budgetary resources available for obligation	9	.....	.....
23.95 New obligations	-8	.....	.....
24.40 Unobligated balance available, end of year: Uninvested	1	.....	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: Uninvested			11
73.10 New obligations		8	.....
73.20 Total outlays (gross)		-19	.....
Outlays (gross), detail:			
86.93 Outlays from current balances	19	.....	.....

Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays	19	

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-0402-0-1-151	1997 actual	1998 est.	1999 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150	Loan guarantee levels	32	
2159	Total loan guarantee levels	32	
Guaranteed loan subsidy (in percent):			
2320	Subsidy rate	13.20	
2329	Weighted average subsidy rate	13.20	
Guaranteed loan subsidy budget authority:			
2330	Subsidy budget authority		
2339	Total subsidy budget authority		
Guaranteed loan subsidy outlays:			
2340	Subsidy outlays	19	
2349	Total subsidy outlays	19	

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) as well as for the administrative expenses of this program. The subsidy amounts are estimated on a net present value basis. The administrative expenses are eliminated on a cash basis.

The Ukraine Export Credit Guarantee Program, which terminated in 1997, insured U.S. exporters against the risk of non-payment for their goods on the part of Ukrainian entities. The program had multiple objectives, including: (a) helping to feed the needy by pump-priming the Ukrainian agricultural sector; (b) paving the way for the resumption of U.S. Eximbank activity within the country; and, (c) encouraging the requisite shift in orientation of the Ukrainian economy from statist to private-sector led.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION: UKRAINE EXPORT CREDIT INSURANCE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4345-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year: Uninvested	1	26
22.00	New financing authority (gross)	25	1
23.90	Total budgetary resources available for obligation	26	27
24.40	Unobligated balance available, end of year: Uninvested	26	27
New financing authority (gross), detail:			
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)	25	1

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	-19	
88.25	Interest on uninvested funds	-1	-1
88.40	Non-Federal sources	-5	
88.90	Total, offsetting collections (cash)	-25	-1

Net financing authority and financing disbursements:			
89.00	Financing authority		

90.00	Financing disbursements	-25	-1	-1
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Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4345-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation		
2150	Total guaranteed loan commitments		
2199	Guaranteed amount of guaranteed loan commitments		
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	81	142
2231	Disbursements of new guaranteed loans	61	
2251	Repayments and prepayments		-81
2261	Adjustments: Terminations for default that result in loans receivable		
2290	Outstanding, end of year	142	61
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	142	61
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2331	Disbursements for guaranteed loan claims		
2361	Write-offs of loans receivable		
2390	Outstanding, end of year		

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4345-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101	Federal assets: Fund balances with Treasury	1	26	27
	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross			
1505	Allowance for subsidy cost (-)			
1599	Net present value of assets related to defaulted guaranteed loans			
1999	Total assets	1	26	27
LIABILITIES:				
2204	Non-Federal liabilities: Liabilities for loan guarantees	1	26	27
2999	Total liabilities	1	26	27
4999	Total liabilities and net position	1	26	27

DEBT REDUCTION, FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4137-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01	Payment to liquidating accounts	27	14
00.02	Interest on Treasury borrowing (Paris club debt reduction)		1
00.03	Interest on Treasury borrowing-EAI debt	15	16

Intragovernmental funds—Continued

DEBT REDUCTION, FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 72-4137-0-3-151	1997 actual	1998 est.	1999 est.
10.00 Total obligations	15	44	25
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	1	49	
22.00 New financing authority (gross)	63	44	25
22.60 Redemption of debt		-49	
23.90 Total budgetary resources available for obligation	64	44	25
23.95 New obligations	-15	-44	-25
24.40 Unobligated balance available, end of year:			
Uninvested	49		
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	6	20	8
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	57	69	67
68.47 Portion applied to debt reduction		-45	-50
68.90 Spending authority from offsetting collections (total)	57	24	17
70.00 Total new financing authority (gross)	63	44	25
Change in unpaid obligations:			
73.10 New obligations	15	44	25
73.20 Total financing disbursements (gross)	-15	-44	-25
87.00 Total financing disbursements (gross)	15	44	25
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
Federal sources:			
88.00 Federal Sources-EAI reestimate			
88.00 Federal sources—Paris club debt reduction		-8	-8
88.25 Interest on uninvested funds		-4	-2
88.40 Repayment of principal—EAI debt	-57	-57	-57
88.90 Total, offsetting collections (cash)	-57	-69	-67
Net financing authority and financing disbursements:			
89.00 Financing authority	6	-25	-42
90.00 Financing disbursements	-42	-25	-42

Status of Direct Loans (in millions of dollars)

Identification code 72-4137-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1150 Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	396	339	351
1233 Disbursements: Purchase of loans assets from a liquidating account		69	89
1251 Repayments: Repayments and prepayments	-57	-57	-57
1290 Outstanding, end of year	339	351	383

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from restructuring loans administered by the Agency for International Development.

Balance Sheet (in millions of dollars)

Identification code 72-4137-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	1	49		
Investments in US securities:				
1106 Receivables, net				

Identification code 72-4137-0-3-151	1997 actual	1998 est.	1999 est.
Net value of assets related to post-1991 direct loans receivable:			
1401 Direct loans receivable, gross	396	339	383
1405 Allowance for subsidy cost (-)	-169	-154	-192
1499 Net present value of assets related to direct loans	227	185	159
1999 Total assets	228	234	159
LIABILITIES:			
Federal liabilities:			
Debt:			
2103 Debt (EAI)	228	234	140
2103 Debt (Paris Club debt reduction)			19
2999 Total liabilities	228	234	159
4999 Total liabilities and net position	228	234	159

LOAN GUARANTEES TO ISRAEL FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4119-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	341	397	485
22.00 New financing authority (gross)	56	88	31
23.90 Total budgetary resources available for obligation	397	485	516
24.40 Unobligated balance available, end of year:			
Uninvested	397	485	516
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	56	88	31
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
Federal sources:			
88.25 Interest on uninvested funds		-25	-31
88.40 Non-Federal sources	-56	-63	
88.90 Total, offsetting collections (cash)	-56	-88	-31
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-56	-88	-31

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4119-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	2,000		
2150 Total guaranteed loan commitments	2,000		
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	6,564	7,814	9,226
2231 Disbursements of new guaranteed loans	1,250	1,412	
2290 Outstanding, end of year	7,814	9,226	9,226
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	7,814	9,226	9,226

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4119-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	341	463	551	582
1999 Total assets	341	463	551	582
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	341	397	551	582
2999 Total liabilities	341	397	551	582

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, including the cost of guaranteed loans designed to promote the urban and environmental policies and objectives of part I of such Act, [\$3,000,000] \$6,000,000, to remain available until [September 30, 1999] expended: *Provided*, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, [\$6,000,000] \$6,053,000 to remain available until September 30, 2000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for Central and Eastern Europe and programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Unavailable Collections (in millions of dollars)

Identification code 72-0401-0-1-151	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Balance, start of year	9	9	9
07.99 Total balance, end of year	9	9	9

Program and Financing (in millions of dollars)

Identification code 72-0401-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.02 Direct program	3	3	6
00.09 Direct program	6	6	6
10.00 Total obligations	9	9	12
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	4	9	7
22.00 New budget authority (gross)	10	9	12
22.10 Resources available from recoveries of prior year obligations	8		
22.30 Unobligated balance expiring	-4	-2	-2
23.90 Total budgetary resources available for obligation	18	16	17
23.95 New obligations	-9	-9	-12
24.40 Unobligated balance available, end of year:			
Uninvested	9	7	5
New budget authority (gross), detail:			
40.00 Appropriation	10	9	12
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	38	34	26
73.10 New obligations	9	9	12
73.20 Total outlays (gross)	-5	-17	-14
73.45 Adjustments in unexpired accounts	-8		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	34	26	24
Outlays (gross), detail:			
86.90 Outlays from new current authority	3	5	5

86.93 Outlays from current balances	2	12	9
87.00 Total outlays (gross)	5	17	14
Net budget authority and outlays:			
89.00 Budget authority	10	9	12
90.00 Outlays	5	17	14

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-0401-0-1-151	1997 actual	1998 est.	1999 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	50	31	68
2159 Total loan guarantee levels	50	31	68
Guaranteed loan subsidy (in percent):			
2320 Subsidy rate	7.97	9.70	8.82
2329 Weighted average subsidy rate	7.97	9.70	8.82
Guaranteed loan subsidy budget authority:			
2330 Subsidy budget authority	4	3	6
2339 Total subsidy budget authority	4	3	6
Guaranteed loan subsidy outlays:			
2340 Subsidy outlays	2	3	6
2349 Total subsidy outlays	2	3	6

The Urban and Environmental Credit Program (formerly the Housing Guaranty Program) provides long-term financing to developing countries for innovative urban investment programs in areas such as shelter, potable water, wastewater treatment, solid waste disposal, environmental improvement of poor urban neighborhoods, and energy distribution. These investments focus on improving the quality of life for the urban poor through the development of infrastructure and the encouragement of reforms in urban policy. The Urban and Environmental Credit Program operates by guaranteeing loans from U.S. private investors to borrowers in developing countries who are implementing urban programs which have been approved by U.S.A.I.D.

As required by the Federal Credit Reform Act of 1990, this account records, for the Urban and Environmental Credit Program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 72-0401-0-1-151	1997 actual	1998 est.	1999 est.
Personnel compensation:			
11.1 Full-time permanent	1	2	2
11.8 Special personal services payments	1		
11.9 Total personnel compensation	2	2	2
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1		1
25.3 Purchases of goods and services from Government accounts	1	1	1
41.0 Grants, subsidies, and contributions	3	3	6
99.0 Subtotal, direct obligations	7	8	11
99.5 Below reporting threshold	2	1	1
99.9 Total obligations	9	9	12

Personnel Summary

Identification code 72-0401-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	20	30	30

Intragovernmental funds—Continued

URBAN AND ENVIRONMENTAL CREDIT PROGRAM GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4344-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	34	37	62
22.00 New financing authority (gross)	3	25	12
23.90 Total budgetary resources available for obligation	37	62	74
24.40 Unobligated balance available, end of year:			
Uninvested	37	62	74
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
(cash)	3	25	12
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-19	-5	
88.25 Interest on uninvested funds	-2	-3	-4
88.40 Non-Federal sources	-1	-3	-3
88.90 Total, offsetting collections (cash)	-3	-25	-12
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-2	-25	-12

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4344-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	43	31	68
2150 Total guaranteed loan commitments	43	31	68
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	239	343	493
2231 Disbursements of new guaranteed loans	104	150	65
2290 Outstanding, end of year	343	493	558
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	343	493	558

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees under the Agency for International Development (USAID) Urban and Environmental Credit Program committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4344-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	35	37	62	74
Investments in US securities:				
1106 Receivables, net	36	36	18	16
1999 Total assets	71	73	80	90
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	35	53	62	74
2999 Total liabilities	35	53	62	74
NET POSITION:				
3100 Appropriated capital	36	20	18	16

3999 Total net position	36	20	18	16
4999 Total liabilities and net position	71	73	80	90

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4340-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Claims payments	48	27	15
00.02 Interest on borrowing	10	8	6
10.00 Total obligations	58	35	21
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested		63	
22.00 New budget authority (gross)	121	57	59
22.40 Capital transfer to general fund		-47	-14
22.60 Redemption of debt		-38	-24
23.90 Total budgetary resources available for obligation	121	35	21
23.95 New obligations	-58	-35	-21
24.40 Unobligated balance available, end of year:			
Uninvested	63		
New budget authority (gross), detail:			
60.05 Appropriation (indefinite)	38		25
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	83	57	34
70.00 Total new budget authority (gross)	121	57	59
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	5	5	5
73.10 New obligations	58	35	21
73.20 Total outlays (gross)	-58	-35	-21
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	5	5	5
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	58	30	21
86.98 Outlays from permanent balances		5	
87.00 Total outlays (gross)	58	35	21
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—Payments from debt reduction financing account		-27	-14
Non-Federal sources:			
88.40 Receipts of principal resulting from rescheduled claims		-13	-11
88.40 Recoveries resulting from rescheduled claims	-56	-8	-1
88.40 Fees	-9	-5	-5
88.40 Interest & late pmt. collection	-18	-4	-3
88.90 Total, offsetting collections (cash)	-83	-57	-34
Net budget authority and outlays:			
89.00 Budget authority	38		25
90.00 Outlays	-25	-22	-13

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4340-0-3-151	1997 actual	1998 est.	1999 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,950	1,884	1,786
2231 Disbursements of new guaranteed loans	41	29	
2251 Repayments and prepayments	-107	-100	-101
2261 Adjustments: Terminations for default that result in loans receivable		-27	-15
2290 Outstanding, end of year	1,884	1,786	1,670
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	1,884	1,786	1,670

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	476	467	385
2331	Disbursements for guaranteed loan claims	43	27	15
Repayments of loans receivable:				
2351	Repayments of loans receivable		-11	-10
2351	Repayments of loans receivable (EAI)		-52	-5
2351	Repayments of loans receivable (Paris Club debt reduction)		-27	-14
Write-offs of loans receivable:				
2361	Write-offs of loans receivable		-28	-10
2361	Write-offs of loans receivable		-42	-74
2390	Outstanding, end of year	467	385	287

As required by the Federal Credit Reform Act of 1990, this account records, for the Urban and Environmental Credit Program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 72-4340-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
0111 Revenue	20	35	9	8
0112 Expense	-21	-9	-8	-6
0119 Net income or loss (-)	-1	26	1	2
0199 Net income or loss	-1	26	1	2

Balance Sheet (in millions of dollars)

Identification code 72-4340-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	4	5	5	5
Investments in US securities:				
1104 Agency securities, par				
1206 Non-Federal assets: Receivables, net				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1701 Defaulted guaranteed loans, gross	476	506	385	287
1703 Allowance for estimated uncollectible loans and interest (-)	-453	-224	-215	-214
1704 Defaulted guaranteed loans and interest receivable, net	23	282	170	73
1799 Value of assets related to loan guarantees	23	282	170	73
1803 Other Federal assets: Property, plant and equipment, net				
1999 Total assets	27	287	175	78
LIABILITIES:				
Federal liabilities:				
2102 Interest payable	5	4	14	6
2103 Debt	110	85	72	48
2105 Other	5	3	3	3
Non-Federal liabilities:				
2201 Accounts payable				
2204 Liabilities for loan guarantees	654	385	358	333
2999 Total liabilities	774	477	447	390
NET POSITION:				
3100 Appropriated capital	182	183	151	155
3300 Cumulative results of operations	-929	12	-65	-134
3500 Future funding requirements		-385	-358	-333
3999 Total net position	-747	-190	-272	-312
4999 Total liabilities and net position	27	287	175	78

Object Classification (in millions of dollars)

Identification code 72-4340-0-3-151	1997 actual	1998 est.	1999 est.
42.0 Insurance claims and indemnities	48	27	15
43.0 Interest and dividends	10	8	6

99.9	Total obligations	58	35	21
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MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, \$1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That guarantees of loans made under this heading in support of micro-enterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, \$500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds made available under this heading shall remain available until September 30, [1999] 2000. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 72-0400-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.02 Guaranty loan subsidy—Microenterprise credits	1	3	1
00.09 Administrative expenses		1	1
10.00 Total obligations	1	4	2
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	1	2	
22.00 New budget authority (gross)	2	2	2
23.90 Total budgetary resources available for obligation	3	4	2
23.95 New obligations	-1	-4	-2
24.40 Unobligated balance available, end of year:			
Uninvested	2		
New budget authority (gross), detail:			
40.00 Appropriation	2	2	2
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	3	3	5
73.10 New obligations	1	4	2
73.20 Total outlays (gross)	-1	-2	-2
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	3	5	4
Outlays (gross), detail:			
86.90 Outlays from new current authority		1	1
86.93 Outlays from current balances	1	1	1
87.00 Total outlays (gross)	1	2	2
Net budget authority and outlays:			
89.00 Budget authority	2	2	2
90.00 Outlays	1	2	2

The Micro and Small Enterprise Development Program account supports private sector activities in developing countries by providing direct loans and loan guarantees to support local micro and small enterprises.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on present value basis. Administrative expenses are estimated on a cash basis.

The MSED program works with financial institutions to increase the flow of credit to small businesses in developing nations worldwide; poverty reduction requires thriving micro and small businesses whose success depends, in turn, on the ability to secure credit. The MSED program: (a) stimulates the growth and expansion of private sector activity by enhancing access to credit for micro and small businesses; (b) develops innovative financing mechanisms that address imperfec-

Intragovernmental funds—Continued

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT—Continued

tions in the credit market that make it difficult for small enterprises to get credit; and, (c) strengthens the capacity of indigenous financial institutions to engage in micro and small business lending through targeted training programs.

The primary tool is the Loan Portfolio Guaranty (LPG) program which provides loan guarantees. The MSED program also uses direct loans and guarantees to provide capital for private voluntary organizations (PVOs) and non-governmental organizations (NGOs) engaged in microenterprise lending activities and to create sustainable relationships between these PVOs/NGOs and formal financial institutions. Guarantees are combined with training and technical assistance to improve the capacity of banks to assess small and micro business credits and to assist borrowers to present credible proposals to lending institutions.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-0400-0-1-151	1997 actual	1998 est.	1999 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	45	53	61
2159 Total loan guarantee levels	45	53	61
Guaranteed loan subsidy (in percent):			
2320 Subsidy rate	4.40	3.76	3.29
2329 Weighted average subsidy rate	4.40	3.76	3.29
Guaranteed loan subsidy budget authority:			
2330 Subsidy budget authority	2	2	2
2339 Total subsidy budget authority	2	2	2
Guaranteed loan subsidy outlays:			
2340 Subsidy outlays	1	1	2
2349 Total subsidy outlays	1	1	2
Administrative expense data:			
3510 Budget authority	2	1	1

Object Classification (in millions of dollars)

Identification code 72-0400-0-1-151	1997 actual	1998 est.	1999 est.
41.0 Direct obligations: Grants, subsidies, and contributions		3	1
99.5 Below reporting threshold	1	1	1
99.9 Total obligations	1	4	2

MICROENTERPRISE AND SMALL ENTERPRISE DEVELOPMENT CREDIT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4342-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct loans		1	
10.00 Total obligations		1	
Budgetary resources available for obligation:			
22.00 New financing authority (gross)		1	
23.95 New obligations		-1	
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)		1	
.....		1	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested		1	

73.10 New obligations		1	
73.20 Total financing disbursements (gross)	-1	-1	
87.00 Total financing disbursements (gross)	1	1	

Offsets:

Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Non-Federal sources		-1	

Net financing authority and financing disbursements:

89.00 Financing authority			
90.00 Financing disbursements	1		

Status of Direct Loans (in millions of dollars)

Identification code 72-4342-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation			
1150 Total direct loan obligations			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2	2	2
1231 Disbursements: Direct loan disbursements		1	
1251 Repayments: Repayments and prepayments		-1	
1290 Outstanding, end of year	2	2	2

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated under the Agency for International Development (USAID) Microenterprise and Small Enterprise Development Credit Direct Loan program in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4342-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	2	2	2	2
1499 Net present value of assets related to direct loans	2	2	2	2
1999 Total assets	2	2	2	2
LIABILITIES:				
2201 Non-Federal liabilities: Accounts payable	2	2	2	2
2999 Total liabilities	2	2	2	2

MICROENTERPRISE AND SMALL ENTERPRISE DEVELOPMENT GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4343-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Default claims		1	1
10.00 Total obligations		1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	1	2	4
22.00 New financing authority (gross)	1	2	3
23.90 Total budgetary resources available for obligation	2	4	7
23.95 New obligations		-1	-1
24.40 Unobligated balance available, end of year:			
Uninvested	2	4	7

New financing authority (gross), detail:			
68.00	Spending authority from offsetting collections (gross):		
	Offsetting collections (cash)	1	2
			3
Change in unpaid obligations:			
73.10	New obligations		1
73.20	Total financing disbursements (gross)		-1
87.00	Total financing disbursements (gross)	1	1
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	-1	-2
88.40	Non-Federal sources	-1	-1
88.90	Total, offsetting collections (cash)	-1	-2
			-3
Net financing authority and financing disbursements:			
89.00	Financing authority		
90.00	Financing disbursements	-1	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4343-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation	96	69
2150	Total guaranteed loan commitments	96	69
			46
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	26	32
2231	Disbursements of new guaranteed loans	6	33
2251	Repayments and prepayments		-1
2261	Adjustments: Terminations for default that result in loans receivable		-1
2290	Outstanding, end of year	32	63
			78
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	16	32
			39
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2331	Disbursements for guaranteed loan claims		1
2351	Repayments of loans receivable		
2361	Write-offs of loans receivable		
2390	Outstanding, end of year		1
			2

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees under the Agency for International Development (USAID) Microenterprise and Small Enterprise Development Guarantee program committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4343-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	2	2	3
1106	Investments in US securities: Receivables, net			
1999	Total assets	2	2	3
				5
LIABILITIES:				
2204	Non-Federal liabilities: Liabilities for loan guarantees	1	1	2
2999	Total liabilities	1	1	2
				4

NET POSITION:				
3100	Appropriated capital	1	1	1
3999	Total net position	1	1	1
4999	Total liabilities and net position	2	2	3
				5

PRIVATE SECTOR REVOLVING FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4341-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year: Uninvested	4	4
22.40	Capital transfer to general fund		-4
23.90	Total budgetary resources available for obligation	4	
24.40	Unobligated balance available, end of year: Uninvested	4	
New budget authority (gross), detail:			
68.00	Spending authority from offsetting collections (gross):		
	Offsetting collections (cash)	1	
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources	-1	
Net budget authority and outlays:			
89.00	Budget authority	-1	
90.00	Outlays	-1	

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4341-0-3-151	1997 actual	1998 est.	1999 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	16	8
2264	Adjustments: Other adjustments, net	-8	-8
2290	Outstanding, end of year	8	
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	4	

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed under the Private Sector Loan Fund prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 72-4341-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101	Federal assets: Fund balances with Treasury	3		
1599	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Net present value of assets related to defaulted guaranteed loans	2	1	
1999	Total assets	3		
LIABILITIES:				
2101	Federal liabilities: Accounts payable			
2204	Non-Federal liabilities: Liabilities for loan guarantees	1	1	
2999	Total liabilities	1	1	
4999	Total liabilities and net position	1	1	

Intragovernmental funds—Continued

DEVELOPMENT CREDIT AUTHORITY PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, up to \$15,000,000, to be derived by transfer from funds appropriated by this Act to carry out Part I of the Foreign Assistance Act of 1961, as amended, and funds appropriated by this Act under the heading, "Assistance for Eastern Europe and the Baltic States," to remain available until expended, as authorized by section 635 of the Foreign Assistance Act of 1961: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That for administrative expenses to carry out the direct and guaranteed loan programs, up to \$2,000,000 of this amount may be transferred to and merged with the appropriation for "Operating Expenses of the Agency for International Development": Provided further, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading.

Program and Financing (in millions of dollars)

Identification code 72-1264-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy		3	18
10.00 Total obligations (object class 41.0)		3	18
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested			5
22.00 New budget authority (gross)		8	15
23.90 Total budgetary resources available for obligation		8	20
23.95 New obligations		-3	-18
24.40 Unobligated balance available, end of year:			
Uninvested		5	2
New budget authority (gross), detail:			
42.00 Transferred from other accounts		8	15
43.00 Appropriation (total)		8	15
70.00 Total new budget authority (gross)		8	15
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested			3
73.10 New obligations		3	18
73.20 Total outlays (gross)			-6
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested		3	15
Outlays (gross), detail:			
86.90 Outlays from new current authority			4
86.93 Outlays from current balances			2
87.00 Total outlays (gross)			6
Net budget authority and outlays:			
89.00 Budget authority		8	15
90.00 Outlays			6

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 72-1264-0-1-151	1997 actual	1998 est.	1999 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels		36	155
2159 Total loan guarantee levels		36	155
Guaranteed loan subsidy (in percent):			
2320 Subsidy rate		8.44	8.39
2329 Weighted average subsidy rate		8.44	8.39
Guaranteed loan subsidy budget authority:			
2330 Subsidy budget authority		3	13
2339 Total subsidy budget authority		3	13

Guaranteed loan subsidy outlays:			
2340 Subsidy outlays			6
2349 Total subsidy outlays			6
Administrative expense data:			
3510 Budget authority			
3580 Outlays from balances			
3590 Outlays from new authority			

The Development Credit Authority (DCA) will permit USAID to utilize direct loans and loan guarantees that have market-based rates and other market-based terms and conditions to achieve sustainable development objectives where these objectives can be achieved more effectively through the use of credit mechanisms, as opposed to through grants or other financing mechanisms. The DCA will only be used in cases where credit risks can be accurately assessed, where the specific sovereign or non-sovereign developing country obligor can responsibly undertake the credit servicing obligation, and where the use of USAID credit mechanisms will assist in the development of private sector mechanisms that can sustain the development impact. Therefore, while DCA will offer USAID an additional financing mechanism, it will not alter the Agency's programmatic priorities. The Agency will continue to provide the majority of its assistance on a grant basis and will utilize the DCA to finance sovereign and non-sovereign development projects that are both developmentally sound and creditworthy.

The DCA is requested as a permitted transfer from funds appropriated to carry out Part I of the Foreign Assistance Act so that the actual amount of funds transferred for the subsidy cost of DCA credits can be commensurate with USAID's credit management capabilities. USAID has undertaken an ambitious Credit Management Improvement Action Plan and is implementing this plan with the cooperation of the Office of Management and Budget. The Agency is currently putting a number of far-reaching credit management reforms into effect and expects to have capabilities in place by the end of 1998 that will allow the transfer of the entire \$15 million requested for the DCA.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond, (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) as well as for the administrative expenses of this program. The subsidy amounts are estimated on a net present value basis.

DEVELOPMENT CREDIT AUTHORITY GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 72-4266-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			7
24.40 Unobligated balance available, end of year:			
Uninvested			7
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)			7
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Subsidy payments from program account			-6
88.25 Interest on uninvested funds			
88.40 Non-Federal sources: Fees			-1

88.90	Total, offsetting collections (cash)	-7
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Net financing authority and financing disbursements:

89.00	Financing authority	
90.00	Financing disbursements	-7

Status of Guaranteed Loans (in millions of dollars)

Identification code 72-4266-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders		
2131	Guaranteed loan commitments exempt from limitation	36	214
2150	Total guaranteed loan commitments	36	214
2199	Guaranteed amount of guaranteed loan commitments		
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year		
2231	Disbursements of new guaranteed loans		94
2251	Repayments and prepayments		
2261	Adjustments: Terminations for default that result in loans receivable		
2290	Outstanding, end of year		94
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year		47
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2331	Disbursements for guaranteed loan claims		
2351	Repayments of loans receivable		
2361	Write-offs of loans receivable		
2390	Outstanding, end of year		

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 72-4266-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury			7
Investments in US securities:				
1106	Receivables, net		3	18
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501	Defaulted guaranteed loans receivable, gross			
1502	Interest receivable			
1504	Foreclosed property			
1505	Allowance for subsidy cost (-)			
1599	Net present value of assets related to defaulted guaranteed loans			
1999	Total assets		3	25
LIABILITIES:				
2204	Non-Federal liabilities: Liabilities for loan guarantees			7
2999	Total liabilities			7
NET POSITION:				
3100	Appropriated capital		3	18
3999	Total net position		3	18
4999	Total liabilities and net position		3	25

ECONOMIC ASSISTANCE LOANS—LIQUIDATING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 72-4103-0-3-151	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year:		
	Uninvested	128	
22.00	New budget authority (gross)	921	890
22.40	Capital transfer to general fund	-793	-1,072
23.90	Total budgetary resources available for obligation	128	
24.40	Unobligated balance available, end of year:		
	Uninvested	128	
New budget authority (gross), detail:			
68.00	Spending authority from offsetting collections (gross):		
	Offsetting collections (cash)	921	944
		921	890
Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance:		
	Uninvested	10	
73.20	Total outlays (gross)	-10	
Outlays (gross), detail:			
86.97	Outlays from new permanent authority	10	
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40	Non-Federal sources-Principal	-593	-671
88.40	Non-Federal sources-Interest	-328	-273
88.90	Total, offsetting collections (cash)	-921	-944
89.00	Budget authority		
90.00	Outlays	-911	-944
			-890

Status of Direct Loans (in millions of dollars)

Identification code 72-4103-0-3-151	1997 actual	1998 est.	1999 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	12,649	12,164
1231	Disbursements: Direct loan disbursements	10	
1251	Repayments: Repayments and prepayments	-593	-671
1261	Adjustments: Capitalized interest	46	
1264	Write-offs for default: Other adjustments, net	52	
1290	Outstanding, end of year	12,164	11,493
			10,856

The Economic Assistance Loans liquidating account consolidates liquidating credit activity from three previous accounts: Economic Support Fund, Functional Development Assistance Program, and the Development Loans Revolving Fund. This was done to simplify presentation. As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans prior to 1992. This account is shown on a cash basis.

Trust Funds**FOREIGN SERVICE NATIONAL SEPARATION LIABILITY TRUST FUND****Program and Financing (in millions of dollars)**

Identification code 72-8342-0-7-602	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00	Total obligations (object class 12.1)	3	2
			2
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	2	2
23.95	New obligations	-3	-2
			-2
New budget authority (gross), detail:			
60.27	Appropriation (trust fund, indefinite)	3	2
			2

Intragovernmental funds—Continued

FOREIGN SERVICE NATIONAL SEPARATION LIABILITY TRUST FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 72-8342-0-7-602	1997 actual	1998 est.	1999 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	6	8	9
73.10 New obligations	3	2	2
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	8	9	10
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	2	2	2
90.00 Outlays	1	1	1

This Fund is maintained to pay separation costs for Foreign Service National employees of the U.S. Agency for International Development in those countries in which such pay is legally required. The Fund, as authorized by Public Law 102-138, is maintained by annual Government contributions which are appropriated in several Agency accounts.

MISCELLANEOUS TRUST FUNDS, AID

Unavailable Collections (in millions of dollars)

Identification code 72-9971-0-7-151	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Gifts and donations	51		
Appropriation:			
05.01 Miscellaneous trust funds	-51		
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 72-9971-0-7-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 41.0)	52	1	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	2	1	
22.00 New budget authority (gross)	51		
23.90 Total budgetary resources available for obligation	53	1	
23.95 New obligations	-52	-1	
24.40 Unobligated balance available, end of year:			
Uninvested	1		
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	51		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	1	1	
73.10 New obligations	52	1	
73.20 Total outlays (gross)	-52	-1	
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	1		
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	51		
86.98 Outlays from permanent balances	1	1	
87.00 Total outlays (gross)	52	1	
Net budget authority and outlays:			
89.00 Budget authority	51		

90.00 Outlays	52	1	
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The Miscellaneous Trust Funds account includes gifts and donations that AID receives from other governments, non-governmental organizations, or private citizens. AID has authority to spend these gifts and donations for development purposes under Section 635(d) of the Foreign Assistance Act. In 1997, this account received \$50 million from Israel that was used to finance part of the Mideast Peace and Stability Fund.

Balance Sheet (in millions of dollars)

Identification code 72-9971-0-7-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	3	3	3	3
1999 Total assets	3	3	3	3
LIABILITIES:				
2202 Non-Federal liabilities: Interest payable	1		1	1
2999 Total liabilities	1		1	1
NET POSITION:				
3300 Cumulative results of operations	3	3	3	3
3999 Total net position	3	3	3	3
4999 Total liabilities and net position	4	3	4	4

OVERSEAS PRIVATE INVESTMENT CORPORATION

Federal Funds

Public enterprise funds:

OVERSEAS PRIVATE INVESTMENT CORPORATION NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed **[\$32,000,000] \$34,000,000**: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Unavailable Collections (in millions of dollars)

Identification code 71-4184-0-3-151	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Balance, start of year	2,192	2,381	2,556
03.00 Offsetting collections	189	175	176
04.00 Total: Balances and collections	2,381	2,556	2,732
07.99 Total balance, end of year	2,381	2,556	2,732

These balances are reserves held for potential claims and are not expected to be obligated.

Program and Financing (in millions of dollars)

Identification code 71-4184-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
09.01 Noncredit administrative expenses	13	13	14
09.02 Insurance claim payments/provisions	32	21	30
09.03 Credit administrative expenses	19	19	20
10.00 Total obligations	64	53	64

Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year:		
	Uninvested	20	21
22.00	New budget authority (gross)	65	53
22.10	Resources available from recoveries of prior year obligations		1
			1
23.90	Total budgetary resources available for obligation	85	75
23.95	New obligations	-64	-53
24.40	Unobligated balance available, end of year:		
	Uninvested	21	22
			23
New budget authority (gross), detail:			
Current:			
41.00	Transferred to other accounts	-19	-79
Permanent:			
Spending authority from offsetting collections:			
68.00	Offsetting collections (cash)	270	309
68.10	Change in orders on hand from Federal sources	3	-2
68.45	Portion not expected to be obligated	-189	-175
68.90	Spending authority from offsetting collections (total)	84	132
			134
70.00	Total new budget authority (gross)	65	53
			64
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40	Obligated balance: Uninvested	38	65
72.95	Orders on hand from Federal sources	44	47
72.99	Total unpaid obligations, start of year	82	112
73.10	New obligations	64	53
73.20	Total outlays (gross)	-34	-43
73.45	Adjustments in unexpired accounts		-1
Unpaid obligations, end of year:			
74.40	Obligated balance: Uninvested	65	76
74.95	Orders on hand from Federal sources	47	45
74.99	Total unpaid obligations, end of year	112	121
			128
Outlays (gross), detail:			
86.97	Outlays from new permanent authority	29	34
86.98	Outlays from permanent balances	5	9
87.00	Total outlays (gross)	34	43
			56
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	Federal sources	-16	-38
88.20	Interest on U.S. securities	-167	-192
88.40	Non-Federal sources	-87	-79
88.90	Total, offsetting collections (cash)	-270	-309
88.95	Change in orders on hand from Federal sources	-3	2
Net budget authority and outlays:			
89.00	Budget authority	-208	-254
90.00	Outlays	-236	-266

The Overseas Private Investment Corporation encourages the participation of United States private sector capital and skills in the economic and social development of developing countries and emerging market economies. Its primary non-credit program is political risk insurance against losses due to expropriation, inconvertibility, and damage due to political violence.

Status of Funds (in millions of dollars)

Identification code 71-4184-0-3-151	1997 actual	1998 est.	1999 est.
Unexpended balance, start of year:			
0100	Treasury balance	20	21
	U.S. Securities:		
0101	Par value	2,252	2,470
0102	Unrealized discounts	-22	-24
0199	Total balance, start of year	2,250	2,467
Cash income during the year:			
Offsetting collections:			
0280	Offsetting collections	270	309
Cash outgo during year:			
0500	Overseas private investment corporation noncredit account	-34	-43
			-56

0645	Balance transferred, net	-19	-79	-70
Unexpended balance, end of year:				
0700	Treasury balance	21	22	23
U.S. Securities:				
0701	Par value	2,470	2,654	2,837
0702	Unrealized discounts	-24	-20	-20
0799	Total balance, end of year	2,467	2,656	2,840

INSURANCE PROGRAM ACTIVITY

	[In millions of dollars]			
	1996 actual	1997 actual	1998 est.	1999 est.
Aggregate insurance outstanding, start of year ..	21,297	31,395	26,579	28,198
Aggregate insurance issued during year	16,584	3,732	8,000	9,000
Aggregate insurance reductions and cancellations	-6,486	-8,548	6,382	-6,770
Aggregate insurance outstanding, end of year	31,395	26,579	28,197	30,428
Net growth/(decline) of portfolio	10,098	-4,816	1,618	2,230
Net growth rate of insurance portfolio (in percent)	47.41	-15.34	6.09	7.91

STATUS OF INSURANCE AUTHORITY

	[In millions of dollars]			
	1996 actual	1997 actual	1998 est.	1999 est.
Statutory authority limitation	13,500	123,000	129,000	129,000
Maximum contingent liability, end of year	13,386	12,137	13,986	15,092
Estimated potential exposure to claims, end of year	6,413	7,172	8,177	8,824

¹ This is a combined insurance and finance limitation created under OPIC's FY97 appropriation. OPIC will monitor issuance and runoff to stay within the limitation.

Balance Sheet (in millions of dollars)

Identification code 71-4184-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	36	20	21
Investments in US securities:				
1102	Treasury securities, par	2,396	2,649	2,720
1106	Receivables, net	44	47	45
1206	Non-Federal assets: Receivables, net	9	11	15
1803	Other Federal assets: Property, plant and equipment, net	12	14	15
1999	Total assets	2,497	2,741	2,816
LIABILITIES:				
Federal liabilities: Accounts payable				
Non-Federal liabilities:				
2201	Accounts payable	56	5	5
2207	Other	108	188	200
2999	Total liabilities	164	193	205
NET POSITION:				
3300	Cumulative results of operations	2,333	2,548	2,611
3999	Total net position	2,333	2,548	2,611
4999	Total liabilities and net position	2,497	2,741	2,816

Object Classification (in millions of dollars)

Identification code 71-4184-0-3-151	1997 actual	1998 est.	1999 est.
11.1	Personnel compensation: Full-time permanent	5	6
12.1	Civilian personnel benefits	2	2
21.0	Travel and transportation of persons	1	1
23.2	Rental payments to others	2	2
25.2	Other services	3	2
25.3	Purchases of goods and services from Government accounts	19	19
42.0	Insurance claims and indemnities	32	21
99.9	Total obligations	64	53

Personnel Summary

Identification code 71-4184-0-3-151	1997 actual	1998 est.	1999 est.
2001	Total compensable workyears: Full-time equivalent employment	73	80
			88

Credit accounts:

OVERSEAS PRIVATE INVESTMENT CORPORATION PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, **[\$60,000,000]** \$50,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years [1998 and 1999] 1999 and 2000: *Provided further*, That such sums shall remain available through fiscal year [2006] 2007 for the disbursement of direct and guaranteed loans obligated in fiscal year [1998] 1999, and through fiscal year [2007] 2008 for the disbursement of direct and guaranteed loans obligated in fiscal year [1999] 2000: *Provided further*, That in addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 71-0100-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct loan subsidy	1	4	4
00.02 Guaranteed loan subsidy	12	68	46
00.09 Credit administrative expenses	19	19	20
10.00 Total obligations	32	91	70
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	37	87	63
22.00 New budget authority (gross)	96	79	70
22.10 Resources available from recoveries of prior year obligations	41	3	
22.21 Unobligated balance transferred to other accounts	-10		
22.30 Unobligated balance expiring	-45	-15	
23.90 Total budgetary resources available for obligation	119	154	133
23.95 New obligations	-32	-91	-70
24.40 Unobligated balance available, end of year:			
Uninvested	87	63	63
New budget authority (gross), detail:			
40.00 Appropriation	72		
42.00 Transferred from other accounts	24	79	70
43.00 Appropriation (total)	96	79	70
70.00 Total new budget authority (gross)	96	79	70
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	176	127	161
73.10 New obligations	32	91	70
73.20 Total outlays (gross)	-39	-54	-57
73.45 Adjustments in unexpired accounts	-41	-3	
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	127	161	174
Outlays (gross), detail:			
86.90 Outlays from new current authority	21	22	
86.93 Outlays from current balances	39	33	35
87.00 Total outlays (gross)	39	54	57
Net budget authority and outlays:			
89.00 Budget authority	96	79	70
90.00 Outlays	39	54	57

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 71-0100-0-1-151	1997 actual	1998 est.	1999 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	133	133	200

1159 Total direct loan levels	133	133	200
Direct loan subsidy (in percent):			
1320 Subsidy rate	3.00	3.00	2.00
1329 Weighted average subsidy rate	3.00	3.00	2.00
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	4	4	4
1339 Total subsidy budget authority	4	4	4
Direct loan subsidy outlays:			
1340 Subsidy outlays	1	2	4
1349 Total subsidy outlays	1	2	4
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	2,433	1,800	2,600
2159 Total loan guarantee levels	2,433	1,800	2,600
Guaranteed loan subsidy (in percent):			
2320 Subsidy rate	3.00	3.00	2.00
2329 Weighted average subsidy rate	3.00	3.00	2.00
Guaranteed loan subsidy budget authority:			
2330 Subsidy budget authority	73	56	46
2339 Total subsidy budget authority	73	56	46
Guaranteed loan subsidy outlays:			
2340 Subsidy outlays	22	33	34
2349 Total subsidy outlays	22	33	34
Administrative expense data:			
3510 Budget authority	19	19	20
3590 Outlays from new authority	16	19	19

The Overseas Private Investment Corporation encourages the participation of United States private sector capital and skills in the economic and social development of developing countries and emerging market economies. Its primary credit program is investment financing through loans and guaranteed loans.

As required by the Federal Credit Reform Act of 1990, the Program Account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 71-0100-0-1-151	1997 actual	1998 est.	1999 est.
11.1 Personnel compensation: Full-time permanent	7	7	7
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons		1	1
23.2 Rental payments to others	3	3	3
25.2 Other services (contracts)	6	4	5
26.0 Supplies and materials	1		
41.0 Grants, subsidies, and contributions	13	72	50
99.0 Subtotal, direct obligations	32	89	68
99.5 Below reporting threshold		2	2
99.9 Total obligations	32	91	70

Personnel Summary

Identification code 71-0100-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	109	120	132

OVERSEAS PRIVATE INVESTMENT CORPORATION DIRECT LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 71-4074-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program	17	100	133
00.02 Direct program	5	9	9
10.00 Total obligations	22	109	142
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	6	14	23
22.00 New financing authority (gross)	30	118	148
23.90 Total budgetary resources available for obligation	36	132	171
23.95 New obligations	-22	-109	-142
24.40 Unobligated balance available, end of year:			
Uninvested	14	23	29
New financing authority (gross), detail:			
67.15 Authority to borrow (indefinite)	17	100	129
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	13	18	19
70.00 Total new financing authority (gross)	30	118	148
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance: Uninvested	65	64	123
72.95 Receivables from program account	4	4	4
72.99 Total unpaid obligations, start of year	69	68	127
73.10 New obligations	22	109	142
73.20 Total financing disbursements (gross)	-25	-50	-70
Unpaid obligations, end of year:			
74.40 Obligated balance: Uninvested	64	123	195
74.95 Receivables from program account	4	4	4
74.99 Total unpaid obligations, end of year	68	127	199
87.00 Total financing disbursements (gross)	25	50	70

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-2	-3	-3
Non-Federal sources:			
88.40 Repayments of Principal	-4	-5	-6
88.40 Interest received on loans	-7	-8	-8
88.40 Fees	-2	-2	-2
88.90 Total, offsetting collections (cash)	-13	-18	-19
88.95 Change in receivables from program accounts			
Net financing authority and financing disbursements:			
89.00 Financing authority	17	100	129
90.00 Financing disbursements	11	32	51

Status of Direct Loans (in millions of dollars)

Identification code 71-4074-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	133	133	133
1150 Total direct loan obligations	133	133	133
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	72	83	119
1231 Disbursements: Direct loan disbursements	15	41	61
1251 Repayments: Repayments and prepayments	-4	-5	-6
1290 Outstanding, end of year	83	119	174

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that re-

sulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 71-4074-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	11	14	10	10
Investments in US securities:				
1106 Receivables, net	4	4	8	8
1206 Non-Federal assets: Receivables, net			2	2
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	72	83	119	174
1402 Interest receivable	1	1		
1404 Foreclosed property				
1405 Allowance for subsidy cost (-)	-10	-13	-20	-20
1499 Net present value of assets related to direct loans	63	71	99	154
1999 Total assets	78	89	119	174
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	4		4	4
2102 Interest payable	4			
2103 Debt	69	84	110	165
2105 Other Federal liabilities		3	4	4
2207 Non-Federal liabilities: Other	1	2	1	1
2999 Total liabilities	78	89	119	174
NET POSITION:				
3300 Cumulative results of operations				
3999 Total net position				
4999 Total liabilities and net position	78	89	119	174

OVERSEAS PRIVATE INVESTMENT CORPORATION GUARANTEED LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 71-4075-0-3-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Default claims	7	20	50
00.02 Capitalized costs	2	2	3
10.00 Total obligations	9	22	53
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	106	181	268
22.00 New financing authority (gross)	83	109	123
23.90 Total budgetary resources available for obligation	189	290	391
23.95 New obligations	-9	-22	-53
24.40 Unobligated balance available, end of year:			
Uninvested	181	268	338
New financing authority (gross), detail:			
68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	83	109	123
Change in unpaid obligations:			
Unpaid obligations, start of year: Obligated balance:			
72.40 Uninvested	4	4	4
73.10 New obligations	9	22	53
73.20 Total financing disbursements (gross)	-10	-22	-53
Unpaid obligations, end of year: Obligated balance:			
74.40 Uninvested	4	4	4
87.00 Total financing disbursements (gross)	10	22	53
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Payments from program account	-23	-33	-35
88.25 Interest on uninvested funds	-9	-11	-13
Non-Federal sources:			
88.40 Claim recoveries	-4	-5	-5

Credit accounts—Continued

OVERSEAS PRIVATE INVESTMENT CORPORATION GUARANTEED LOAN FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 71-4075-0-3-151	1997 actual	1998 est.	1999 est.
88.40 Fees	-47	-60	-70
88.90 Total, offsetting collections (cash)	-83	-109	-123
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-75	-87	-70

Status of Guaranteed Loans (in millions of dollars)

Identification code 71-4075-0-3-151	1997 actual	1998 est.	1999 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2131 Guaranteed loan commitments exempt from limitation	2,143	1,800	2,000
2150 Total guaranteed loan commitments	2,143	1,800	2,000
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,335	1,981	2,681
2231 Disbursements of new guaranteed loans	857	1,100	1,300
2251 Repayments and prepayments	-204	-400	-500
Adjustments:			
2262 Terminations for default that result in acquisition of property	-5		
2263 Terminations for default that result in claim payments	-2		
2290 Outstanding, end of year	1,981	2,681	3,481
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	1,981	2,681	3,481
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	15	18	27
2331 Disbursements for guaranteed loan claims	7	20	50
2351 Repayments of loans receivable	-4	-11	-15
2390 Outstanding, end of year	18	27	62

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 71-4075-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	112	188	268	338
1206 Non-Federal assets: Receivables, net	6	9	17	17
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross	15	16	27	62
1599 Net present value of assets related to defaulted guaranteed loans	15	16	27	62
1999 Total assets	133	213	312	417
LIABILITIES:				
2103 Federal liabilities: Debt	4	4		
Non-Federal liabilities:				
2204 Liabilities for loan guarantees	97	170	275	380
2207 Other non-fed	26	25	25	25

2999 Total liabilities	127	199	300	405
NET POSITION:				
3300 Cumulative results of operations	6	14	12	12
3999 Total net position	6	14	12	12
4999 Total liabilities and net position	133	213	312	417

OVERSEAS PRIVATE INVESTMENT CORPORATION LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 71-4030-0-3-151	1997 actual	1998 est.	1999 est.
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Obligations by program activity:

00.01 Direct program	6	25	15
10.00 Total obligations (object class 43.0)	6	25	15

Budgetary resources available for obligation:

Unobligated balance available, start of year:			
21.40 Uninvested	100	81	
21.41 U.S. Securities: Par value	35	35	
21.99 Total unobligated balance, start of year	135	116	
22.00 New budget authority (gross)	31	25	21
22.40 Capital transfer to general fund	-43	-116	-6
23.90 Total budgetary resources available for obligation	123	25	15
23.95 New obligations	-6	-25	-15
Unobligated balance available, end of year:			
24.40 Uninvested	81		
24.41 U.S. Securities: Par value	35		
24.99 Total unobligated balance, end of year	116		

New budget authority (gross), detail:

68.00 Spending authority from offsetting collections (gross):			
Offsetting collections (cash)	31	25	21

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	6	6	5
73.10 New obligations	6	25	15
73.20 Total outlays (gross)	-6	-25	-15
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	6	5	4

Outlays (gross), detail:

86.97 Outlays from new permanent authority		25	15
86.98 Outlays from permanent balances	6		
87.00 Total outlays (gross)	6	25	15

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.20 Interest on U.S. securities	-3	-3	-3
88.40 Non-Federal sources	-28	-22	-18
88.90 Total, offsetting collections (cash)	-31	-25	-21

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-23		-6

Status of Direct Loans (in millions of dollars)

Identification code 71-4030-0-3-151	1997 actual	1998 est.	1999 est.
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Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	53	37	24
1231 Disbursements: Direct loan disbursements	3		
1251 Repayments: Repayments and prepayments	-16	-10	-6
1264 Write-offs for default: Other adjustments, net	-3	-3	-2
1290 Outstanding, end of year	37	24	16

Status of Guaranteed Loans (in millions of dollars)

Identification code 71-4030-0-3-151	1997 actual	1998 est.	1999 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	216	141	66
2231 Disbursements of new guaranteed loans	20		
2251 Repayments and prepayments	-95	-75	-56
2264 Adjustments: Other adjustments, net			
2290 Outstanding, end of year	141	66	10
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	141	66	10

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program, financing, and noncredit accounts.

Statement of Operations (in millions of dollars)

Identification code 71-4030-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
0101 Revenue	12	12	12	12
0102 Expense	9	-2	-2	-2
0109 Net income or loss (-)	21	10	10	10

Balance Sheet (in millions of dollars)

Identification code 71-4030-0-3-151	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	106	86	59	59
Investments in US securities:				
1102 Treasury securities, par	35	35	35	35
1106 Receivables, net	1	1	1	1
1206 Non-Federal assets: Receivables, net	1		1	1
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	53	37	24	16
1603 Allowance for estimated uncollectible loans and interest (-)	-18	-14	-22	-14
1604 Direct loans and interest receivable, net	35	23	2	2
1699 Value of assets related to direct loans	35	23	2	2
1706 Foreclosed property	3	2	3	3
1999 Total assets	181	147	101	101
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	43		40	40
2207 Non-Federal liabilities: Other	15	11	10	10
2999 Total liabilities	58	11	50	50
NET POSITION:				
3200 Invested capital	50	50	50	50
3300 Cumulative results of operations	73	86	1	1
3999 Total net position	123	136	51	51
4999 Total liabilities and net position	181	147	101	101

TRADE AND DEVELOPMENT AGENCY

Federal Funds

General and special funds:

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, [S41,500,000] \$50,000,000,

to remain available until September 30, [1999] 2000: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, [1999] 2000, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

Program and Financing (in millions of dollars)

Identification code 11-1001-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Feasibility studies, and other activities	45	50	44
00.02 Operating expenses	6	6	6
10.00 Total obligations	51	56	50
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	11	14	
22.00 New budget authority (gross)	54	42	50
23.90 Total budgetary resources available for obligation	65	56	50
23.95 New obligations	-51	-56	-50
24.40 Unobligated balance available, end of year:			
Uninvested	14		
New budget authority (gross), detail:			
Appropriation:			
40.00 Appropriation	34	42	50
40.00 Appropriation	6		
42.00 Transferred from other accounts	14		
43.00 Appropriation (total)	54	42	50
70.00 Total new budget authority (gross)	54	42	50
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	78	80	76
73.10 New obligations	51	56	50
73.20 Total outlays (gross)	-51	-60	-46
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	80	76	80
Outlays (gross), detail:			
86.90 Outlays from new current authority	15	12	13
86.93 Outlays from current balances	36	48	34
87.00 Total outlays (gross)	51	60	46
Net budget authority and outlays:			
89.00 Budget authority	54	42	50
90.00 Outlays	51	60	46

Appropriated funds provide for the costs of the U.S. Trade and Development Agency (TDA), which include: program costs of grants for feasibility studies and other project planning activities; and, the cost of managing the TDA programs such as salaries and expenses of direct hire personnel, and obtaining the services of consultants. TDA finances these activities for major projects in the developing world to foster economic development and to encourage the use of U.S. technology, goods, and services in project implementation.

Object Classification (in millions of dollars)

Identification code 11-1001-0-1-151	1997 actual	1998 est.	1999 est.
11.1 Personnel compensation: Full-time permanent	3	3	3
12.1 Civilian personnel benefits	1	1	1
25.1 Advisory and assistance services	1	1	1
41.0 Grants, subsidies, and contributions	46	50	44
99.0 Subtotal, direct obligations	51	55	49
99.5 Below reporting threshold		1	1
99.9 Total obligations	51	56	50

General and special funds—Continued

TRADE AND DEVELOPMENT AGENCY—Continued

Personnel Summary

Identification code 11-1001-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	35	41	41

PEACE CORPS

Federal Funds

General and special funds:

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), [S222,000,000] \$270,335,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That [none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That]¹ funds appropriated under this heading shall remain available until September 30, [1999] 2000. (*Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.*)

¹The Administration proposes to delete this provision and will work with Congress to address the issue of abortion funding.

Program and Financing (in millions of dollars)

Identification code 11-0100-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
Direct program:			
00.01 Millennium initiative			33
00.02 Africa region	54	54	55
00.03 Europe, Mediterranean & Asia region	36	37	39
00.04 Inter-America & Pacific region	39	39	39
00.05 Other volunteer support	92	102	105
00.91 Total direct program	221	232	271
09.01 Reimbursable program	7	8	8
10.00 Total obligations	228	240	279
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	8	7	2
22.00 New budget authority (gross)	227	235	279
22.22 Unobligated balance transferred from other accounts	1		
22.30 Unobligated balance expiring	-1		
23.90 Total budgetary resources available for obligation	235	242	281
23.95 New obligations	-228	-240	-279
24.40 Unobligated balance available, end of year:			
Uninvested	7	2	2
New budget authority (gross), detail:			
Current:			
40.00 Appropriation	208	222	270
42.00 Transferred from other accounts	12	4	
43.00 Appropriation (total)	220	226	270
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	7	9	9
70.00 Total new budget authority (gross)	227	235	279
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	68	61	55
73.10 New obligations	228	240	279
73.20 Total outlays (gross)	-233	-246	-274
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	61	55	60
Outlays (gross), detail:			
86.90 Outlays from new current authority	172	181	216
86.93 Outlays from current balances	54	56	49
86.97 Outlays from new permanent authority	7	9	9

87.00 Total outlays (gross)	233	246	274
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-7	-9	-9
Net budget authority and outlays:			
89.00 Budget authority	220	226	270
90.00 Outlays	226	237	265

Peace Corps' operating expenses will provide direct and indirect support for an average of 6,000 Americans engaged in voluntary services in 84 countries worldwide in 1998. The Volunteers help fill the trained manpower needs of developing countries and encourage self-sustaining development of skilled manpower. The Peace Corps promotes mutual understanding between the peoples of the developing world and the United States and focuses the attention of the American people on the benefits of volunteerism. Peace Corps Volunteers work primarily in the areas of agriculture, education, economic development, health, and environment.

Millennium Initiative.—This presidential initiative will support the Peace Corps' efforts to place a total of 5,712 new trainees in the field in 1999 and will put the Peace Corps on a path to a volunteer corps of 10,000 in the new century. The World Wise Schools Program, which connects Peace Corps volunteers with American teachers and students to promote international understanding, will be expanded to 10,000 teachers. The Initiative also includes an increase of 100 in the number of Crisis Corps volunteers, who provide assistance to the international relief community during humanitarian crises and natural disasters.

Africa Region.—The Africa Region will support 1,272 new trainees and an average of 2,227 Volunteers during 1998. These Volunteers and trainees will work in 28 sub-Saharan countries.

Europe, Mediterranean, and Asia Region.—In 1998 an average of 1,815 volunteers will work in 26 countries in Eastern and Central Europe, the former Soviet Union, North Africa, and Asia. The region will support 1,140 new trainees.

Inter-America and Pacific Region.—An average of 1,947 volunteers will work in 30 countries in the Caribbean, Central America, South America, and the Pacific. This office will also fund 1,166 new trainees in 1998.

Other Volunteer Support.—These activities fund a wide range of volunteer- and program-related costs, including medical support for Volunteers, recruitment and placement, technical resources, domestic programs, policy and direction, and related administration and oversight.

Object Classification (in millions of dollars)

Identification code 11-0100-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	45	46	52
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	2	2	2
Special personal services payments:			
11.8 Special personal services payments			
11.8 Trainees and volunteers	20	20	23
11.9 Total personnel compensation	69	70	79
12.1 Civilian personnel benefits	41	43	47
13.0 Benefits for former personnel		1	1
21.0 Travel and transportation of persons	25	27	34
22.0 Transportation of things	3	3	4
23.1 Rental payments to GSA	6	6	6
23.2 Rental payments to others	7	7	9
23.3 Communications, utilities, and miscellaneous charges	5	7	7
24.0 Printing and reproduction	1	1	1
25.2 Other services	31	35	42
25.3 Purchases of goods and services from Government accounts	5	8	6
25.4 Operation and maintenance of facilities	1	1	1

25.6	Medical care	11	8	13
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	9	8	10
31.0	Equipment	5	6	9
99.0	Subtotal, direct obligations	220	232	270
99.0	Reimbursable obligations	6	7	7
99.5	Below reporting threshold	2	1	2
99.9	Total obligations	228	240	279

Personnel Summary

Identification code 11-0100-0-1-151	1997 actual	1998 est.	1999 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1,071	1,130	1,270
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	6	6	6

PEACE CORPS MISCELLANEOUS TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 11-9972-0-7-151	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Miscellaneous trust funds, Peace Corps		1	1
Appropriation:			
05.01 Peace Corps miscellaneous trust fund		-1	-1
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 11-9972-0-7-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
10.00 Total obligations (object class 26.0)	1	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	2	1	1
22.00 New budget authority (gross)	1	1	1
23.90 Total budgetary resources available for obligation	2	2	2
23.95 New obligations	-1	-1	-1
24.40 Unobligated balance available, end of year:			
Uninvested	1	1	1
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)		1	1
Change in unpaid obligations:			
73.10 New obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
Outlays (gross), detail:			
86.98 Outlays from permanent balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority		1	1
90.00 Outlays	1	1	1

Miscellaneous contributions received by gift, devise, bequest, or from foreign governments are used for the furtherance of the program, as authorized by 22 U.S.C. 2509(a)(3) (75 Stat. 612, as amended). Trust funds also include a fund to pay separation costs for Foreign Service National employees of the Peace Corps in those countries in which such pay is legally authorized. The fund, as authorized by Public Law 102-138, is maintained by annual Government contributions which are appropriated in the Peace Corps salaries and expenses account.

Personnel Summary

Identification code 11-9972-0-7-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	3	4	4

INTER-AMERICAN FOUNDATION

Federal Funds

General and special funds:

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104(b)(3), \$22,000,000.

Program and Financing (in millions of dollars)

Identification code 11-3100-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Development grants	15	19	19
00.02 Development research and dissemination	1	1	1
00.03 In-country support	3	3	3
00.04 Program management and operations	6	7	7
10.00 Total obligations	25	30	30
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	16	18	18
22.00 New budget authority (gross)	22	30	30
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	42	48	48
23.95 New obligations	-25	-30	-30
24.40 Unobligated balance available, end of year:			
Uninvested	18	18	18
New budget authority (gross), detail:			
Current:			
40.00 Appropriation			22
42.00 Transferred from other accounts	20	22	
43.00 Appropriation (total)	20	22	22
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	2	8	8
70.00 Total new budget authority (gross)	22	30	30
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	21	18	20
73.10 New obligations	25	30	30
73.20 Total outlays (gross)	-22	-28	-29
73.45 Adjustments in unexpired accounts	-4		
74.40 Unpaid obligations, end of year: Obligated balance:			
Appropriation	18	20	20
Outlays (gross), detail:			
86.90 Outlays from new current authority	9	11	11
86.93 Outlays from current balances	8	12	11
86.97 Outlays from new permanent authority	2	3	3
86.98 Outlays from permanent balances	3	2	4
87.00 Total outlays (gross)	22	28	29
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-8	-8
Net budget authority and outlays:			
89.00 Budget authority	20	22	22
90.00 Outlays	20	20	21

Established by the 1969 Foreign Assistance Act, the Inter-American Foundation supports grassroots development initia-

General and special funds—Continued

INTER-AMERICAN FOUNDATION—Continued

tives in Latin America and the Caribbean with a direct impact on the lives and the capacity for self reliance of people at the lowest economic levels. In addition to appropriations and private gifts, the Foundation is funded by annual transfers from the Social Progress Trust Fund administered by the Inter-American Development Bank. In 1999, the IAF will continue its new strategic programming approach which emphasizes: (1) building partnerships among grassroots organizations, Non-Governmental Organizations, local governments, and private enterprises to foster social and economic development at the local level; and, (2) expanding access to private business sector resources for grassroots development. The IAF will continue to refine its system of measuring the results of its grants for the purposes of identifying and disseminating best practices and lessons for the benefit of the major development funders, new private sector contributors and development practitioners. Using information derived from the results system that is based on the grassroots development framework from a set of learning practices focused on grants, the Foundation will systematically incorporate lessons learned back into the Foundation's strategic planning and grant decision-making processes. It will also disseminate the results assessment system and development information to partner organizations in the region, to other donors and enterprises supporting development activities, and to grassroots practitioners.

Development Grants.—This activity includes the cost of all grants made directly to grassroots membership and service organizations to carry out development projects in Latin America and the Caribbean. In 1999, the Foundation plans to award approximately 100 grants and 20 grant supplements in 17 countries.

Development Research and Evaluation.—This activity funds grants and fellowships for grassroots development research and for the evaluation of the Foundation's projects.

In-country Support.—Resources associated with this activity are used by local development professionals in Latin America and the Caribbean to provide grantees with technical assistance and training when necessary to conduct and assess the results of their projects.

Program Management and Operation.—This activity includes Foundation expenses for salaries and benefits, travel, rent, service contracts, and other support costs.

Object Classification (in millions of dollars)

Identification code 11-3100-0-1-151	1997 actual	1998 est.	1999 est.
11.1 Personnel compensation: Full-time permanent	3	4	4
12.1 Civilian personnel benefits	1	1	1
23.2 Rental payments to others	1	1	1
25.1 Advisory and assistance services	3	4	4
41.0 Grants, subsidies, and contributions	16	20	20
99.0 Subtotal, direct obligations	24	30	30
99.5 Below reporting threshold	1		
99.9 Total obligations	25	30	30

Personnel Summary

Identification code 11-3100-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	55	68	68

AFRICAN DEVELOPMENT FOUNDATION

Federal Funds

General and special funds:

AFRICAN DEVELOPMENT FOUNDATION

To carry out Title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make commitments without regard to fiscal year limitations (31 U.S.C. 9104(b)(3)), \$14,000,000: Provided, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the President of the Foundation: Provided further, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That this authority applies to interest earned both prior to and following enactment of this provision: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the \$250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

Program and Financing (in millions of dollars)

Identification code 11-0700-0-1-151	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
Direct program:			
00.01 Advance sustainable development and empowerment of the poor in Africa	6	14	10
00.02 Enhance US assistance and relations with Africa		1	1
00.03 Expand use of participatory development policies and practices	1	2	2
00.04 Internal agency objectives	1	1	1
09.00 Reimbursable program		1	1
10.00 Total obligations	8	19	15
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year: Uninvested		4	
22.00 New budget authority (gross)	12	15	15
23.90 Total budgetary resources available for obligation	12	19	15
23.95 New obligations	-8	-19	-15
24.40 Unobligated balance available, end of year: Uninvested	4		
New budget authority (gross), detail:			
Current:			
40.00 Appropriation			14
42.00 Transferred from other accounts	12	14	
43.00 Appropriation (total)	12	14	14
Permanent:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)		1	1
70.00 Total new budget authority (gross)	12	15	15
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance: start of year	17	15	21
73.10 New obligations	8	19	15
73.20 Total outlays (gross)	-10	-13	-15
74.40 Unpaid obligations, end of year: Obligated balance: end of year	15	21	21
Outlays (gross), detail:			
86.90 Outlays from new current authority	6	6	6
86.93 Outlays from current balances	4	6	8
86.97 Outlays from new permanent authority		1	1
87.00 Total outlays (gross)	10	13	15
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources		-1	-1
Net budget authority and outlays:			
89.00 Budget authority	12	14	14
90.00 Outlays	10	12	14

The African Development Foundation (ADF), a public corporation, is a unique agency of the U.S. Government that supports community-based, self-help initiatives to alleviate poverty and to promote sustainable development in Africa. Through its grant program, ADF has pioneered participatory development in Africa. Foundation grants are made directly to private grassroots African groups and are premised on self-help to foster self-reliance through the promotion of African leadership and ownership of the development process.

The Foundation has recently completed a 15-month comprehensive, reengineering process in which ADF has: (a) developed new strategic goals and objectives, at the corporate level and for all country programs, to focus and concentrate financial resources for greater impact; (b) completed an organizational restructuring to focus more human resources on field operations; (c) streamlined all programming and support systems to increase operational efficiency and effectiveness; and (d) implemented a plan designed to increase the decision making, program monitoring and evaluation capacity of field staff. In addition, ADF has installed a new grants accounting system and procured computer hardware and software to permit Internet access and connectivity with field staff. Finally, the Foundation is pursuing strategic partnerships with the private sector and other donors to leverage resources and to develop new modes of assistance for Africa.

In 1999, ADF will provide assistance to fifteen countries in Africa, but resources will be concentrated in eight: Benin, Ghana, Guinea, Mali, Senegal, Tanzania, Uganda, and Zimbabwe. This budget request will fund the Foundation's operating costs and more than 50 small grants to African non-governmental organizations, community-based groups and researchers, in pursuit of ADF's three strategic goals.

Program Components:

(1) *Advance sustainable development and empowerment of the poor in Africa.*—ADF will promote micro and small enterprise development which will generate employment and enhance income. ADF will also seek to improve community-based natural resource management for sustainable rural development. Increasing participation of African grassroots enterprises and producer groups in trade and investment relationships with the U.S. and within Africa is another primary focus of ADF. Finally, ADF will work to strengthen civil society and local governance and to encourage African governments to expand grassroots participation in policy-making and resource allocation processes. Examples of projects which will be funded are: micro-finance capital; business development services, training and technical assistance; soil and water reclamation; civil education; and advocacy training.

(2) *Enhance U.S. assistance and relations with Africa.*—ADF will share its experience and encourage expanded U.S. funding for participatory grassroots development, improve program and policy coordination on grassroots development among U.S. foreign assistance and foreign policy agencies, and leverage public and private resources through strategic partnerships.

(3) *Expand use of participatory development policies and practices.*—ADF will intensify its efforts to develop, evaluate and disseminate new interventions and methodologies for participatory development, and encourage African governments to increase utilization of participatory development "best practices."

Object Classification (in millions of dollars)

Identification code 11-0700-0-1-151	1997 actual	1998 est.	1999 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	2	2	2
41.0 Grants, subsidies, and contributions	4	14	10
99.0 Subtotal, direct obligations	6	16	12
99.0 Reimbursable obligations		1	1

99.5 Below reporting threshold	2	2	2
99.9 Total obligations	8	19	15

Personnel Summary

Identification code 11-0700-0-1-151	1997 actual	1998 est.	1999 est.
1001 Total compensable workyears: Full-time equivalent employment	27	32	32

INTERNATIONAL MONETARY PROGRAMS

Federal Funds

General and special funds:

UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND

Program and Financing (in millions of dollars)

Identification code 11-0003-0-1-155	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.02 Direct program	160		
10.00 Total obligations (object class 33.0)	160		
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	15,598	14,054	14,054
22.10 Resources available from recoveries of prior year obligations	-13		
22.30 Unobligated balance expiring	-1,370		
23.90 Total budgetary resources available for obligation	14,215	14,054	14,054
23.95 New obligations	-160		
24.40 Unobligated balance available, end of year:			
Uninvested	14,054	14,054	14,054
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	22,666	22,078	22,078
73.10 New obligations	160		
73.20 Total outlays (gross)	-761		
73.45 Adjustments in unexpired accounts	13		
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	22,078	22,078	22,078
Outlays (gross), detail:			
86.98 Outlays from permanent balances	761		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	761		

Recent financial developments in Asia have required an urgent response from the international community. The United States, independently and through the multilateral mechanism of the International Monetary Fund (IMF), has taken a strong lead in shaping the international response to the threat of more widespread financial instability. The IMF has acted quickly to provide financial support in conjunction with strong policy direction to the affected countries in the region, mitigating the spillover effects from their financial crises on the global economy, and consequently on U.S. output and employment. It is imperative that the United States continue to provide strong leadership in the IMF and to support the IMF's efforts to bring about fundamental economic and financial sector reforms in these countries that establish the foundation for renewed growth. In consultation with Congress, the Administration expects to request a supplemental appropriation for 1998 for an increase in the U.S. quota of the IMF and for U.S. participation in the New Arrangements to Borrow (NAB) so that the IMF remains an effective promoter of international financial stability, which is essential to continued U.S. economic growth.

General and special funds—Continued*UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND—
Continued*

Quota Increase.—The International Monetary Fund, established in 1945, is a multilateral organization of 182 member nations. Its functions include: promoting international monetary cooperation and exchange rate stability; facilitating the development of the productive resources of its members; and, consistent with these objectives, providing financial assistance with adequate safeguards to allow members to correct prolonged payments imbalances without resort to measures harmful to the international monetary system. The IMF is a subscription-based institution. Members' quota subscriptions are the primary source of the IMF's funding for members seeking to redress the underlying causes of severe and prolonged external payments problems. IMF quotas have not been increased since 1992.

The IMF membership completed the Eleventh Review of Quotas in September of 1997 and agreed on the need for a 45% overall increase in quotas to maintain the IMF's relative influence in relation to the growing international capital markets and its ability to respond effectively to financial crises. Recent IMF programs to provide crisis assistance in Asia have drawn heavily on the Fund's existing quota resources, reducing them to relatively low levels. The United States urgently needs to provide its share of the IMF's proposed \$87 billion increase in regular resources so that the IMF can continue to meet members' anticipated demands while coping with additional exceptional calls under current crisis conditions should they arise.

In consultation with Congress, the Administration expects to request a supplemental appropriation for 1998 amounting to the U.S. dollar equivalent of 10,622.5 million Special Drawing Rights, \$14.5 billion, for an increase in the U.S. quota for the IMF. In accordance with the budgetary treatment recommended by the Presidential Commission on Budgetary Concepts in 1968 and modified by the Congress in 1980, U.S. transactions with the IMF under the quota subscription are monetary exchanges which will not be scored as outlays and thus will not increase the deficit. This is because the United States receives a liquid, interest-bearing claim on the IMF, corresponding to any transfer under the U.S. quota subscription to the IMF, and that claim would be backed by the IMF's substantial reserves, including its holdings of gold. The authority for the discretionary cap adjustment to accommodate the budget authority for an appropriation for the quota was obtained in P.L. 105-33.

LOANS TO INTERNATIONAL MONETARY FUND**Program and Financing (in millions of dollars)**

Identification code 11-0074-0-1-155	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	6,260	6,260	6,260
24.40 Unobligated balance available, end of year:			
Uninvested	6,260	6,260	6,260
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

New Arrangements to Borrow.—The New Arrangements to Borrow (NAB), proposed by the IMF in 1997, is modeled on the General Arrangements to Borrow (GAB), which was established in 1962 by 10 industrial countries including the United States. The GAB is a set of individual credit lines extended to the IMF by participating countries; these credit lines are intended to supplement the IMF's resources when responding

to financial crises that threaten the stability of the international monetary system. The NAB would provide additional resources for such emergencies beyond those available under the GAB. IMF lending programs financed from credits extended to the IMF under both the GAB and the NAB typically require borrowing countries to implement comprehensive market-based structural reforms to support the immediate stabilization efforts and long-term market opening and transparency.

In consultation with the Congress, the Administration expects to request a 1998 supplemental appropriation amounting to the dollar equivalent of 2,462 million Special Drawing Rights, \$3.4 billion, to cover the United States' share of the proposed NAB. This supplemental request would allow the United States to provide its fair share of contingent supplementary resources for the IMF for dealing with international financial crises of systemic import.

In accordance with the budgetary treatment recommended by the Presidential Commission on Budgetary Concepts in 1968 and modified by the Congress in 1980, United States' transactions with the IMF under the NAB, as under the GAB, will not be scored as outlays and thus will not increase the deficit. This is because the United States would receive a liquid, interest-bearing claim on the IMF corresponding to any transfer under the NAB to the IMF, and that claim would be backed by the IMF's substantial reserves, including its holdings of gold. The authority for a discretionary cap adjustment to accommodate the budget authority for an appropriation for the NAB was obtained in P.L. 105-33.

**CONTRIBUTION TO THE ENHANCED STRUCTURAL ADJUSTMENT
FACILITY OF THE INTERNATIONAL MONETARY FUND**

For payment to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the International Monetary Fund, \$7,000,000, to remain available until expended. (Additional authorizing legislation required.)

Program and Financing (in millions of dollars)

Identification code 11-0005-0-1-155	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
00.01 Direct program			7
10.00 Total obligations (object class 41.0)			7
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			7
23.95 New obligations			-7
New budget authority (gross), detail:			
40.00 Appropriation			7
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	97	71	47
73.10 New obligations			7
73.20 Total outlays (gross)	-26	-24	-22
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	71	47	32
Outlays (gross), detail:			
86.93 Outlays from current balances	26	24	22
Net budget authority and outlays:			
89.00 Budget authority			7
90.00 Outlays	26	24	22

The Enhanced Structural Adjustment Facility (ESAF) is an important feature of United States' foreign economic policy in the developing world. The relatively modest U.S. contribution to the facility helps to leverage \$15 billion in total concessional lending to developing and transitional economies. ESAF promotes strong market-based economic and financial

reforms, catalyzes other sources of assistance, supports the multilateral program for sustainable debt for the most heavily indebted poor countries (HIPC), and advances the objectives of the Administration's Partnership for Growth and Opportunity in Africa. Countries that borrow from ESAF are usually required to adopt strong multi-year economic and structural reform programs that foster a transition to open, transparent, market-based economic activity. ESAF programs advance critical U.S. interests in promoting economic growth, financial stability, and the conditions essential to foster open and accountable democratic institutions.

Created by the International Monetary Fund (IMF) in 1987, ESAF provides financing on concessional terms to poor countries with protracted balance of payments problems. These poor countries, most of which are in Africa or were part of the former Soviet Union, generally do not have access to private capital flows and are otherwise dependent principally upon direct aid flows from official bilateral sources to meet their external financing needs. ESAF obtains its resources from members of the IMF through loans to the ESAF Trust or through contributions to its interest subsidy account. In the late 1980's, Congress authorized and appropriated \$150 million for the U.S. contributions to the initial ESAF interest subsidy account. In 1994 the IMF membership agreed to an expanded and enlarged successor ESAF, bringing the total amount available for loans to roughly \$15 billion. The Administration offered to contribute an additional \$100 million to the interest subsidy account to help support the enlarged loan capacity under this expanded ESAF. This \$100 million would outlay over a 15-year period. The Congress authorized and appropriated \$25 million of this amount in 1995. There is still \$75 million outstanding from this commitment.

The Administration is seeking an appropriation of \$7 million for 1999 to meet part of the remaining \$75 million commitment to the enlarged ESAF. It is also seeking authorization for this \$75 million.

MILITARY SALES PROGRAMS

Federal Funds

Public enterprise funds:

SPECIAL DEFENSE ACQUISITION FUND

Program and Financing (in millions of dollars)

Identification code 11-4116-0-3-155	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
09.00 Reimbursable program	1	3	6
10.00 Total obligations (object class 25.2)	1	3	6
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	194	134	135
22.00 New budget authority (gross)	1	3	6
22.10 Resources available from recoveries of prior year obligations	17	1	1
22.40 Capital transfer to general fund	-77		
23.90 Total budgetary resources available for obligation	135	138	142
23.95 New obligations	-1	-3	-6
24.40 Unobligated balance available, end of year:			
Uninvested	134	135	136
New budget authority (gross), detail:			
Current:			
40.29 Appropriation available in prior year	1	3	6
Permanent:			
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	89	80	56
68.27 Capital transfer to general fund	-89	-80	-56
68.90 Spending authority from offsetting collections (total)			

70.00 Total new budget authority (gross)	1	3	6
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	75	44	20
73.10 New obligations	1	3	6
73.20 Total outlays (gross)	-14	-26	-20
73.45 Adjustments in unexpired accounts	-17	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	44	20	6
Outlays (gross), detail:			
86.90 Outlays from new current authority		3	6
86.98 Outlays from permanent balances	14	24	14
87.00 Total outlays (gross)	14	26	20
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-89	-80	-56
Net budget authority and outlays:			
89.00 Budget authority	-88	-77	-50
90.00 Outlays	-75	-54	-36

This fund shows the financing transactions related to the transfer of defense articles and services to foreign countries and international organizations. This program is being phased out.

Balance Sheet (in millions of dollars)

Identification code 11-4116-0-3-155	1996 actual	1997 actual	1998 est.	1999 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	269	178	152	158
Investments in US securities:				
1106 Receivables, net	34	25	25	25
1802 Other Federal assets: Inventories and related properties	138	99	20	9
1999 Total assets	441	302	197	192
LIABILITIES:				
Federal liabilities: Accounts payable				
2101	1			
Non-Federal liabilities:				
2201 Accounts payable	1			
2207 Other	239	268	197	192
2999 Total liabilities	241	268	197	192
NET POSITION:				
3200 Invested capital	200	34		
3999 Total net position	200	34		
4999 Total liabilities and net position	441	302	197	192

Trust Funds

FOREIGN MILITARY SALES TRUST FUND

Unavailable Collections (in millions of dollars)

Identification code 11-8242-0-7-155	1997 actual	1998 est.	1999 est.
Balance, start of year:			
01.99 Encumbered future receipts, start of year	-19,340	-18,111	-17,711
Receipts:			
02.01 Deposits, advances, foreign military sales	15,128	13,750	12,550
04.00 Total: Balances and collections	-4,212	-4,361	-5,161
Appropriation:			
05.01 Foreign military sales trust fund	-13,899	-13,350	-11,320
07.99 Total balance, end of year	-18,111	-17,711	-16,481

Program and Financing (in millions of dollars)

Identification code 11-8242-0-7-155	1997 actual	1998 est.	1999 est.
Obligations by program activity:			
09.01 Military personnel	87	83	71
09.02 Operations and maintenance	265	255	216

FOREIGN MILITARY SALES TRUST FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 11-8242-0-7-155	1997 actual	1998 est.	1999 est.
09.03 Procurement	11,788	11,393	9,628
09.04 Research, development, test and evaluation	21	20	17
09.05 Special defense acquisition fund	166	80	56
09.06 Revolving and management funds	1,091	1,048	889
09.07 Construction	126	121	103
09.08 Other	355	350	340
09.99 Total reimbursable program	13,899	13,350	11,320
10.00 Total obligations (object class 25.3)	13,899	13,350	11,320
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	13,899	13,350	11,320
23.95 New obligations	-13,899	-13,350	-11,320
New budget authority (gross), detail:			
60.27 Appropriation (trust fund, indefinite)	15,128	13,750	12,550
60.49 Portion applied to liquidate contract authority	-15,128	-13,750	-12,550
63.00 Appropriation (total)			
66.15 Contract authority (indefinite)	13,899	13,350	11,320
70.00 Total new budget authority (gross)	13,899	13,350	11,320
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance:			
72.40 Uninvested	5,887	5,919	5,909
72.49 Contract authority	19,340	18,111	17,711
72.99 Total unpaid obligations, start of year	25,227	24,030	23,620
73.10 New obligations	13,899	13,350	11,320
73.20 Total outlays (gross)	-15,096	-13,760	-12,550
Unpaid obligations, end of year:			
Obligated balance:			
74.40 Uninvested	5,919	5,909	5,909
74.49 Contract authority	18,111	17,711	16,481
74.99 Total unpaid obligations, end of year	24,030	23,620	22,390
Outlays (gross), detail:			
86.97 Outlays from new permanent authority	1,736	1,582	1,443
86.98 Outlays from permanent balances	13,360	12,178	11,107
87.00 Total outlays (gross)	15,096	13,760	12,550
Net budget authority and outlays:			
89.00 Budget authority	13,899	13,350	11,320
90.00 Outlays	15,096	13,760	12,550

Status of Contract Authority (in millions of dollars)

Identification code 11-8242-0-7-155	1997 actual	1998 est.	1999 est.
0100 Balance, start of year	19,340	18,111	17,711
Contract authority:			
0200 Contract authority	13,899	13,350	11,320
0400 Appropriation to liquidate contract authority	-15,128	-13,750	-12,550
0700 Balance, end of year	18,111	17,711	16,481

This trust fund facilitates government-to-government sales of defense articles, defense services, and design and construction services. Estimates of sales used in this budget are (in millions of dollars):

ESTIMATES OF NEW SALES

	1997 actual	1998 est.	1999 est.
Estimates of new orders (sales)	8,808	10,300	10,700

Orders placed through this trust fund can be combined with procurement for U.S. military departments. The savings are shared by the United States and foreign governments. The net impact of foreign military sales on the budget is (in millions of dollars):

FMS TRUST FUND TRANSACTIONS

	1997 actual	1998 est.	1999 est.
Obligations of the fund	13,899	13,350	11,320
Receipts from foreign governments (appropriation)	-15,128	-13,750	-12,550
Net budget authority	-1,279	-400	-1,230
Payments from the fund (outlays)	15,096	13,760	12,550
Receipts from foreign governments (appropriation)	-15,128	-13,750	-12,550
Net outlays	-32	10	

KUWAIT CIVIL RECONSTRUCTION TRUST FUND

Unavailable Collections (in millions of dollars)

Identification code 11-8238-0-7-155	1997 actual	1998 est.	1999 est.
06.10 Unobligated balance returned to receipts		3	

Program and Financing (in millions of dollars)

Identification code 11-8238-0-7-155	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	3	3	
22.30 Unobligated balance expiring		-3	
23.90 Total budgetary resources available for obligation	3		
24.40 Unobligated balance available, end of year:			
Uninvested	3		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

This trust fund was established to show the U.S. costs in helping the Government of Kuwait survey and assess the cost of repairing its civil infrastructure. The Government of Kuwait reimburses the United States with its own funds for all incurred expenses. Any unused funds will be returned to the Government of Kuwait.

SPECIAL ASSISTANCE FOR CENTRAL AMERICA

Federal Funds

General and special funds:

DEMOBILIZATION AND TRANSITION FUND

Program and Financing (in millions of dollars)

Identification code 72-1500-0-1-152	1997 actual	1998 est.	1999 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	5	3	
73.20 Total outlays (gross)	-2	-3	
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	3		
Outlays (gross), detail:			
86.93 Outlays from current balances	2	3	
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	2	3	

Funds for this account were transferred from Foreign Military Financing pursuant to P.L. 101-513, to support costs of demobilization, retraining, relocation, and reemployment in civilian pursuits of former combatants in the conflict in El Salvador.

CENTRAL AMERICAN RECONCILIATION ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 11-1038-0-1-152	1997 actual	1998 est.	1999 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year:			
Uninvested	1	1	
24.40 Unobligated balance available, end of year:			
Uninvested	1		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance:			
Uninvested	1	1	1
74.40 Unpaid obligations, end of year: Obligated balance:			
Uninvested	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

Funds for this account were transferred from the Department of Defense in accordance with Public Law 101-14 in order to provide humanitarian assistance to the Nicaraguan democratic resistance. Adjustments to the account were made in Public Law 101-119 and Public Law 101-215.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	1997 actual	1998 est.	1999 est.
Offsetting receipts from the public:			
11-146800 Interest on foreign military credit sales	208	172	137
11-296800 Repayment of loans, foreign military credit sales	653	553	391
72-294100 Dollar repayments of loans, Agency for International Development	-1		
General Fund Offsetting receipts from the public	860	725	528

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

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

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. Notwithstanding section 614 of the Foreign Assistance Act of 1961, as amended, none of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

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

LIMITATION ON EXPENSES

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

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$95,000 shall be available for representation allowances for the Agency for International Development during the

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

PROHIBITION ON FINANCING NUCLEAR GOODS

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

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria, *unless the President determines that to do so is in the national interest of the United States: Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

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

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations].

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, [1998] 1999, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified 15 days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations

DEOBLIGATION/REOBLIGATION AUTHORITY—Continued

under this Act: *Provided*, That the authority of this subsection may not be used in fiscal year [1998] 1999.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

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

【COMMERCE AND TRADE】

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

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

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

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

【SURPLUS COMMODITIES】

【SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association,

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

NOTIFICATION REQUIREMENTS

SEC. [515] 513. (a) For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Disease Programs Fund", "Development Assistance", "*Development Credit Authority*", "International organizations and programs", "Trade and Development Agency", "International narcotics control", "Narcotics Interdiction", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", "Economic Support Fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation, anti-terrorism, demining and related programs", "Foreign Military Financing Program", "International military education and training", "Peace Corps", "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified 15 days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare, or that *waiving such requirement is in the national interest of the United States*: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

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

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. [516] 514. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided*, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs

because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, [1999] 2000.

[ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL]

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

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. [518] 515. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided*, That none of the funds made available under this Act may be used to lobby for or against abortion.

[REPORTING REQUIREMENT]

[SEC. 519. Section 25 of the Arms Export Control Act is amended—
(1) in subsection (a), by striking “Congress” and inserting in lieu thereof “appropriate congressional committees”;
(2) in subsection (b), by striking “the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives” and inserting in lieu thereof “any of the congressional committees described in subsection (e)”; and
(3) by adding the following subsection:
“(e) As used in this section, the term ‘appropriate congressional committees’ means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.”.]

[SPECIAL NOTIFICATION REQUIREMENTS]

[SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Haiti, Liberia, Pakistan, Panama, Peru, Serbia, Sudan, or the Democratic Republic of Congo except as provided through the regular notification procedures of the Committees on Appropriations.]

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. [521] 516. For the purpose of this Act, “program, project, and activity” shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development “program, project, and activity” shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the execu-

tive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL, AIDS, AND OTHER ACTIVITIES

SEC. [522] 517. Up to \$10,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, basic education, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival, and basic education activities, and activities relating to research on, and the treatment and control of acquired immune deficiency syndrome in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. [523] 518. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People’s Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. [524] 519. Section 61(a) of the Arms Export Control Act is amended by striking out [“1997”] “1998” and inserting in lieu thereof [“1998”] “1999”.

[NOTIFICATION ON EXCESS DEFENSE EQUIPMENT]

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

EXCESS DEFENSE EQUIPMENT FOR CENTRAL EUROPEAN COUNTRIES

SEC. 520. Section 105 of P.L. 104–164 (110 Stat 1427) is amended by striking “1996 and 1997” and inserting, “1999 and 2000”.

[AUTHORIZATION REQUIREMENT]

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

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. [527. (a) Notwithstanding any other provision of law, funds] 521. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

- (1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or
- (2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. [528] 522. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

[COMPETITIVE INSURANCE]

[SEC. 529. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.]

[STINGERS IN THE PERSIAN GULF REGION]

[SEC. 530. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.]

DEBT-FOR-DEVELOPMENT

SEC. [531] 523. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

[SEPARATE ACCOUNTS]

[SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

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

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

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

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

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

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

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

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

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

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

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of

funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

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

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

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

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

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.]

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. [533] 524. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

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

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. [534] 525. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

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

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

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

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. [535] 526. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

[EXTENSION OF AUTHORITY TO OBLIGATE FUNDS TO CLOSE THE SPECIAL DEFENSE ACQUISITION FUND]

[SEC. 536. Title III of Public Law 103-306 is amended under the heading "Special Defense Acquisition Fund" by striking "1998" and inserting "2000".]

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

SEC. [537] 527. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. [538] 528. None of the funds appropriated by this Act may be obligated or expended to provide—

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

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

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

SPECIAL AUTHORITIES

SEC. [539] 529. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, *programs to support democratization*, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia and Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law.

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

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

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the

President pro tempore of the Senate that it is important to the national security interests of the United States.

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

(e) *During fiscal year 1999, the President may use up to \$50,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.*

[POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL]

[SEC. 540. It is the sense of the Congress that—

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

(2) the decision by the Arab League in 1997 to reinstate the boycott against Israel was deeply troubling and disappointing;

(3) the Arab League should immediately rescind its decision on the boycott and its members should develop normal relations with their neighbor Israel; and

(4) the President should—

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

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

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

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.]

ANTI-NARCOTICS ACTIVITIES

SEC. [541] 530. (a) Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

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

ELIGIBILITY FOR ASSISTANCE

SEC. [542] 531. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, and 11 of part I, and chapter 4 of part II, of the Foreign Assistance Act of 1961, and the *Support for East European Democracy Act of 1989*: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall

ELIGIBILITY FOR ASSISTANCE—Continued

be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year [1998] 1999, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

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

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or (2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to [countries that violate] *the government of a country that violates* internationally recognized human rights.

EARMARKS

SEC. [543] 532. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. [544] 533. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. [545] 534. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: *Provided*, That not to exceed \$500,000 may be made available to carry out the provisions of section 316 of Public Law 96-533.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. [546] 535. [(a)] To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

[(b) It is the Sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.]

[(c) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall

provide to such entity a notice describing the statement made in subsection (b) by the Congress.]

[PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS]

[SEC. 547. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.]

[CONSULTING SERVICES]

[SEC. 548. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.]

[PRIVATE VOLUNTARY ORGANIZATIONS-DOCUMENTATION]

[SEC. 549. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.]

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

[SEC. 550. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.]

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

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

[WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES]

[SEC. 551. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.]

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

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

[SEC. 552. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104-107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this

Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.]

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. [553] 536. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to \$25,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

LANDMINES

SEC. [554] 537. Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: *Provided*, That not later than 90 days after the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall submit a report to the Committees on Appropriations describing potential alternative technologies or tactics and a plan for the development of such alternatives to protect anti-tank mines from tampering in a manner consistent with the "Convention on the Prohibition, Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on Their Destruction".

[RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY]

[SEC. 555. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.]

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. [556] 538. None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military Financing Program" for Informational Program activities may be obligated or expended to pay for—

- (1) alcoholic beverages;
- (2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or
- (3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

[EQUITABLE ALLOCATION OF FUNDS]

[SEC. 557. Not more than 18 percent of the funds appropriated by this Act to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act of 1961,

that are made available for Latin America and the Caribbean region may be made available, through bilateral and Latin America and the Caribbean regional programs, to provide assistance for any country in such region.]

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. [558] 539. (a) **AUTHORITY TO REDUCE DEBT.**—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

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

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

(3) any obligation or portion of such obligation for a Latin American country, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89–808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95–501).

(b) **LIMITATIONS.**—

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

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

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

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

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

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

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

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

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

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

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

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. [559] 540. (a) **Loans Eligible for Sale, Reduction, or Cancellation.**—

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

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

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child develop-

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES—Continued

ment, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

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

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

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

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

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

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

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

[[INTERNATIONAL FINANCIAL INSTITUTIONS]]

【SEC. 560. (a) AUTHORIZATIONS.—The Secretary of the Treasury may, to fulfill commitments of the United States: (1) effect the United States participation in the first general capital increase of the European Bank for Reconstruction and Development, subscribe to and make payment for 100,000 additional shares of the capital stock of the Bank on behalf of the United States; and (2) contribute on behalf of the United States to the eleventh replenishment of the resources of the International Development Association, to the sixth replenishment of the resources of the Asian Development Fund, a special fund of the Asian Development Bank. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: (1) \$285,772,500 for paid-in capital, and \$984,327,500 for callable capital of the European Bank for Reconstruction and Development; (2) \$1,600,000,000 for the International Development Association; (3) \$400,000,000 for the Asian Development Fund; and (4) \$76,832,001 for paid-in capital, and \$4,511,156,729 for callable capital of the Inter-American Development Bank in connection with the eighth general increase in the resources of that Bank. Each such subscription or contribution shall be subject to obtaining the necessary appropriations.】

【(b) CONSIDERATION OF ENVIRONMENTAL IMPACT OF INTERNATIONAL FINANCE CORPORATION LOANS.—Section 1307 of the International Financial Institutions Act (Public Law 95–118) is amended as follows:

(1) in subsection (a)(1)(A) strike “borrowing country” and insert in lieu thereof “borrower”;

(2) in subsection (a)(2)(A) strike “country”; and

(3) at the end of section 1307, add a new subsection as follows:

“(g) For purposes of this section, the term ‘multilateral development bank’ means any of the institutions named in section 1303(b) of this Act, and the International Finance Corporation.”】

【(c) The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development and the International Development Association to use the voice and vote of the United States to strongly encourage their respective institutions to—

(1) provide timely public information on procurement opportunities available to United States suppliers, with a special emphasis on small business; and

(2) systematically consult with local communities on the potential impact of loans as part of the normal lending process, and expand the participation of affected peoples and nongovernmental organizations in decisions on the selection, design and implementation of policies and projects.】

SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS

SEC. 【561】 541. (a) BILATERAL ASSISTANCE.—The President is authorized to withhold funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

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

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

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

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

(A) the Nazi government of Germany;

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

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

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

[[LIMITATION ON ASSISTANCE FOR HAITI]]

【SEC. 562. (a) LIMITATION.—None of the funds appropriated or otherwise made available by this Act may be provided to the Government of Haiti unless the President reports to Congress that the Government of Haiti—

(1) is conducting thorough investigations of extrajudicial and political killings;

(2) is cooperating with United States authorities in the investigations of political and extrajudicial killings;

(3) has substantially completed privatization of (or placed under long-term private management or concession) at least three major public enterprises; and

(4) has taken action to remove from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights.】

【(b) EXCEPTIONS.—The limitation in subsection (a) does not apply to the provision of humanitarian, electoral, counter-narcotics, or law enforcement assistance.】

【(c) WAIVER.—The President may waive the requirements of this section on a semiannual basis if the President determines and certifies to the appropriate committees of Congress that such waiver is in the national interest of the United States.】

【(d) PARASTATALS DEFINED.—As used in this section, the term “parastatal” means a government-owned enterprise.】

[[REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE]]

【SEC. 563. (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries’ overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 1997.】 【(b) United States Assistance.—For purposes of this section, the term “United States assistance” has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).】

[RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES]

[SEC. 564. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.]

[(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.]

[(c) DEFINITIONS.—As used in this section the term “United States person” refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.]

[ASSISTANCE TO TURKEY]

[SEC. 565. (a) Not more than \$40,000,000 of the funds appropriated in this Act under the heading “Economic Support Fund” may be made available for Turkey.]

[(b) Of the funds made available under the heading “Economic Support Fund” for Turkey, not less than 50 percent of these funds shall be made available for the purpose of supporting private nongovernmental organizations engaged in strengthening democratic institutions in Turkey, providing economic assistance for individuals and communities affected by civil unrest, and supporting and promoting peaceful solutions and economic development which will contribute to the settlement of regional problems in Turkey.]

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY OR THE PALESTINIAN LIBERATION ORGANIZATION

SEC. [566] 542. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority or the Palestinian Liberation Organization.

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

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

[LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF CROATIA]

[SEC. 567. None of the funds appropriated or otherwise made available by title II of this Act may be made available to the Government of Croatia to relocate the remains of Croatian Ustashe soldiers, at the site of the World War II concentration camp at Jasenovac, Croatia.]

[BURMA LABOR REPORT]

[SEC. 568. Not later than 120 days after enactment of this Act, the Secretary of Labor in consultation with the Secretary of State shall provide to the Committees on Appropriations a report addressing labor practices in Burma.]

HAITI

SEC. [569] 543. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard: *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

[LIMITATION ON ASSISTANCE TO SECURITY FORCES]

[SEC. 570. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.]

[LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO EAST TIMOR]

[SEC. 571. In any agreement for the sale, transfer, or licensing of any lethal equipment or helicopter for Indonesia entered into by the United States pursuant to the authority of this Act or any other Act, the agreement shall state that the United States expects that the items will not be used in East Timor: *Provided*, That nothing in this section shall be construed to limit Indonesia's inherent right to legitimate national self-defense as recognized under the United Nations Charter and international law.]

[TRANSPARENCY OF BUDGETS]

[SEC. 572. (a) Section 576(a)(1) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as contained in Public Law 104–208, is amended to read as follows:

“(1) does not have in place a functioning system for reporting to civilian authorities audits of receipts and expenditures that fund activities of the armed forces and security forces;”. (b) Section 576(a)(2) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as contained in Public Law 104–208, is amended to read as follows:

“(2) has not provided to the institution information about the audit process requested by the institution.”.]

[RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING SANCTUARY TO INDICTED WAR CRIMINALS]

[SEC. 573. (a) BILATERAL ASSISTANCE.—None of the funds made available by this or any prior Act making appropriations for foreign operations, export financing and related programs, may be provided for any country, entity or canton described in subsection (d).]

[(b) MULTILATERAL ASSISTANCE.—

(1) **PROHIBITION.—**The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country or entity described in subsection (d).

(2) **NOTIFICATION.—**Not less than 15 days before any vote in an international financial institution regarding the extension of financial or technical assistance or grants to any country or entity described in subsection (d), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Banking and Financial Services of the House of Representatives a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(3) **DEFINITION.—**The term “international financial institution” includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.]

[(c) EXCEPTIONS.—

(1) **IN GENERAL.—**Subject to paragraph (2), subsections (a) and (b) shall not apply to the provision of—

(A) humanitarian assistance;

[RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING SANCTUARY TO INDICTED WAR CRIMINALS]—Continued

(B) democratization assistance;

(C) assistance for cross border physical infrastructure projects involving activities in both a sanctioned country, entity, or canton and a nonsanctioned contiguous country, entity, or canton, if the project is primarily located in and primarily benefits the nonsanctioned country, entity, or canton and if the portion of the project located in the sanctioned country, entity, or canton is necessary only to complete the project;

(D) small-scale assistance projects or activities requested by United States Armed Forces that promote good relations between such forces and the officials and citizens of the areas in the United States SFOR sector of Bosnia;

(E) implementation of the Brcko Arbitral Decision;

(F) lending by the international financial institutions to a country or entity to support common monetary and fiscal policies at the national level as contemplated by the Dayton Agreement; or

(G) direct lending to a non-sanctioned entity, or lending passed on by the national government to a non-sanctioned entity.

(2) FURTHER LIMITATIONS.—Notwithstanding paragraph (1)—

(A) no assistance may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs, in any country, entity, or canton described in subsection (d), for a program, project, or activity in which a publicly indicted war criminal is known to have any financial or material interest; and

(B) no assistance (other than emergency foods or medical assistance or demining assistance) may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs for any program, project, or activity in a community within any country, entity or canton described in subsection (d) if competent authorities within that community are not complying with the provisions of Article IX and Annex 4, Article II, paragraph 8 of the Dayton Agreement relating to war crimes and the Tribunal.]

[(d) SANCTIONED COUNTRY, ENTITY, OR CANTON.—A sanctioned country, entity, or canton described in this section is one whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to apprehend and transfer to the Tribunal all persons who have been publicly indicted by the Tribunal.]

[(e) WAIVER.—

(1) IN GENERAL.—The Secretary of State may waive the application of subsection (a) or subsection (b) with respect to specified bilateral programs or international financial institution projects or programs in a sanctioned country, entity, or canton upon providing a written determination to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives that such assistance directly supports the implementation of the Dayton Agreement and its Annexes, which include the obligation to apprehend and transfer indicted war criminals to the Tribunal.

(2) REPORT.—Not later than 15 days after the date of any written determination under paragraph (e)(1), the Secretary of State shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives regarding the status of efforts to secure the voluntary surrender or apprehension and transfer of persons indicted by the Tribunal, in accordance with the Dayton Agreement, and outlining obstacles to achieving this goal.

(3) ASSISTANCE PROGRAMS AND PROJECTS AFFECTED.—Any waiver made pursuant to this subsection shall be effective only with respect to a specified bilateral program or multilateral assistance project or program identified in the determination of the Secretary of State to Congress.]

[(f) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to subsections (a) and (b) with respect to a country or entity shall cease to apply only if the Secretary of State determines and certifies to Congress that the authorities of that country, entity, or canton have apprehended and transferred to the Tribunal all persons who have been publicly indicted by the Tribunal.]

[(g) DEFINITIONS.—As used in this section—

(1) COUNTRY.—The term “country” means Bosnia-Herzegovina, Croatia, and Serbia-Montenegro (Federal Republic of Yugoslavia).

(2) ENTITY.—The term “entity” refers to the Federation of Bosnia and Herzegovina and the Republika Srpska.

(3) CANTON.—The term “canton” means the administrative units in Bosnia and Herzegovina.

(4) DAYTON AGREEMENT.—The term “Dayton Agreement” means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(5) TRIBUNAL.—The term “Tribunal” means the International Criminal Tribunal for the Former Yugoslavia.]

[(h) ROLE OF HUMAN RIGHTS ORGANIZATIONS AND GOVERNMENT AGENCIES.—In carrying out this subsection, the Secretary of State, the Administrator of the Agency for International Development, and the executive directors of the international financial institutions shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefitting from any financial or technical assistance or grants provided to any country or entity described in subsection (d).]

[EXTENSION OF CERTAIN ADJUDICATION PROVISIONS]

[SEC. 574. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking “and 1997” and inserting “1997, and 1998”; and

(B) in subsection (e), by striking “October 1, 1997” each place it appears and inserting “October 1, 1998”; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking “September 30, 1997” and inserting “September 30, 1998”.]

ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. [575] 544. (a) VALUE OF ADDITIONS TO STOCKPILES.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by inserting before the period at the end the following: “and [\$60,000,000 for fiscal year 1998”] \$340,000,000 for fiscal year 1999”.

(b) REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act (22 U.S.C. 2321h(b)(2)(B)) is amended by adding at the end the following: “Of the amount specified in subparagraph (A) for fiscal year [1998, not more than \$40,000,000] 1999, not more than \$320,000,000 may be made available for stockpiles in the Republic of Korea and not more than \$20,000,000 may be made available for stockpiles in Thailand.”.

[DELIVERY OF DRAWDOWN BY COMMERCIAL TRANSPORTATION SERVICES]

[SEC. 576. Section 506 of the Foreign Assistance Act of 1961 (22 U.S.C. 2318) is amended—

(1) in subsection (b)(2), by striking the period and inserting the following: “, including providing the Congress with a report detailing all defense articles, defense services, and military education and training delivered to the recipient country or international organization upon delivery of such articles or upon completion of such services or education and training. Such report shall also include whether any savings were realized by utilizing commercial transport services rather than acquiring those services from United States Government transport assets.”;

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

“(c) For the purposes of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services that are acquired by contract for the purposes of the drawdown in question if the cost to acquire such commercial transportation and related services is less than the cost to the United States Government of providing such services from existing agency assets.”.]

[TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF RUSSIA SHOULD IT IMPLEMENT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION]

[SEC. 577. (a) None of the funds appropriated under this Act may be made available for the Government of the Russian Federation

unless within 30 days of the date this section becomes effective the President determines and certifies in writing to the Committees on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.】

【(b) This section shall become effective 150 days after the enactment of this Act.】

【UNITED STATES POLICY REGARDING SUPPORT FOR COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA】

【SEC. 578. (a) FINDINGS.—Congress makes the following findings:

(1) The ancient Silk Road, once the economic lifeline of Central Asia and the South Caucasus, traversed much of the territory now within the countries of Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

(2) Economic interdependence spurred mutual cooperation among the peoples along the Silk Road and restoration of the historic relationships and economic ties between those peoples is an important element of ensuring their sovereignty as well as the success of democratic and market reforms.

(3) The development of strong political and economic ties between countries of the South Caucasus and Central Asia and the West will foster stability in the region.

(4) The development of open market economies and open democratic systems in the countries of the South Caucasus and Central Asia will provide positive incentives for international private investment, increased trade, and other forms of commercial interactions with the rest of the world.

(5) The Caspian Sea Basin, overlapping the territory of the countries of the South Caucasus and Central Asia, contains proven oil and gas reserves that may exceed \$4,000,000,000,000 in value.

(6) The region of the South Caucasus and Central Asia will produce oil and gas in sufficient quantities to reduce the dependence of the United States on energy from the volatile Persian Gulf region.

(7) United States foreign policy and international assistance should be narrowly targeted to support the economic and political independence of the countries of the South Caucasus and Central Asia.】

【(b) GENERAL.—The policy of the United States in the countries of the South Caucasus and Central Asia should be—

(1) to promote sovereignty and independence with democratic government;

(2) to assist actively in the resolution of regional conflicts;

(3) to promote friendly relations and economic cooperation;

(4) to help promote market-oriented principles and practices;

(5) to assist in the development of infrastructure necessary for communications, transportation, and energy and trade on an East-West axis in order to build strong international relations and commerce between those countries and the stable, democratic, and market-oriented countries of the Euro-Atlantic Community; and

(6) to support United States business interests and investments in the region.】

【(c) DEFINITION.—In this section, the term “countries of the South Caucasus and Central Asia” means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.】

PAKISTAN

【SEC. 579. (a) OPIC.—Section 239(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2199(f)) is amended by inserting “, or Pakistan” after “China”.】

【(b) TRADE AND DEVELOPMENT.—It is the sense of Congress that the Director of the Trade and Development Agency should use funds made available to carry out the provisions of section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421) to promote United States exports to Pakistan.】

SEC. 545. Section 638(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2398(b)) is amended (1) by inserting “or any activity to promote the development of democratic institutions” after “activity”; and (2) by inserting “, Pakistan,” after “Brazil”.

【REQUIREMENTS FOR THE REPORTING TO CONGRESS OF THE COSTS TO THE FEDERAL GOVERNMENT ASSOCIATED WITH THE PROPOSED AGREEMENT TO REDUCE GREENHOUSE GAS EMISSIONS】

【SEC. 580. The President shall provide to the Congress a detailed account of all Federal agency obligations and expenditures for climate change programs and activities, domestic and international, for fiscal year 1997, planned obligations for such activities in fiscal year 1998, and any plan for programs thereafter in the context of negotiations to amend the Framework Convention on Climate Change (FCCC) to be provided to the appropriate congressional committees no later than November 15, 1997.】

【AUTHORITY TO ISSUE INSURANCE AND EXTEND FINANCING】

【SEC. 581. (a) IN GENERAL.—Section 235(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)) is amended—

(1) by striking paragraphs (1) and (2)(A) and inserting the following:

“(1) INSURANCE AND FINANCING.—(A) The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 234(a), and the amount of financing issued under sections 234(b) and (c), shall not exceed in the aggregate \$29,000,000,000.”;

(2) by redesignating paragraph (3) as paragraph (2); and

(3) by amending paragraph (2) (as so redesignated) by striking “September 30, 1997” and inserting “September 30, 1999”.】

【(b) CONFORMING AMENDMENT.—Paragraph (2) of section 235(a) of that Act (22 U.S.C. 2195(a)), as redesignated by subsection (a), is further amended by striking “(a) and (b)” and inserting “(a), (b), and (c)”.”】

WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING UNITED NATIONS SANCTIONS AGAINST LIBYA

SEC. 【582. (a)】 546. WITHHOLDING OF ASSISTANCE.—Except as provided in subsection (b), whenever the President determines and certifies to Congress that the government of any country is violating any sanction against Libya imposed pursuant to United Nations Security Council Resolution 731, 748, or 883, then not less than 5 percent of the funds allocated for the country under section 653(a) of the Foreign Assistance Act of 1961 out of appropriations in this Act shall be withheld from obligation and expenditure for that country.

(b) EXCEPTION.—The requirement to withhold funds under subsection (a) shall not apply to funds appropriated in this Act for allocation under section 653(a) of the Foreign Assistance Act of 1961 for development assistance or for humanitarian assistance.

(c) WAIVER.—Funds may be provided for a country without regard to subsection (a) if the President determines that to do so is in the national security interest of the United States.

【WAR CRIMES PROSECUTION】

【SEC. 583. Section 2401 of title 18, United States Code (Public Law 104–192; the War Crimes Act of 1996) is amended as follows—

(1) in subsection (a), by striking “grave breach of the Geneva Conventions” and inserting “war crime”;

(2) in subsection (b), by striking “breach” each place it appears and inserting “war crime”; and

(3) so that subsection (c) reads as follows:

“(c) DEFINITION.—As used in this section the term ‘war crime’ means any conduct—

“(1) defined as a grave breach in any of the international conventions signed at Geneva 12 August 1949, or any protocol to such convention to which the United States is a party;

“(2) prohibited by Article 23, 25, 27, or 28 of the Annex to the Hague Convention IV, Respecting the Laws and Customs of War on Land, signed 18 October 1907;

“(3) which constitutes a violation of common Article 3 of the international conventions signed at Geneva, 12 August 1949, or any protocol to such convention to which the United States is a party and which deals with non-international armed conflict; or

“(4) of a person who, in relation to an armed conflict and contrary to the provisions of the Protocol on Prohibitions or Restrictions on the Use of Mines, Booby-Traps and Other Devices as amended at Geneva on 3 May 1996 (Protocol II as amended on 3 May 1996), when the United States is a party to such Protocol, willfully kills or causes serious injury to civilians.”.】

【INTERNATIONAL MILITARY EDUCATION AND TRAINING PROGRAMS
FOR LATIN AMERICA】

【SEC. 584. (a) EXPANDED IMET.—The Secretary of Defense, in consultation with the Secretary of State, should make every effort to ensure that approximately 30 percent of the funds appropriated in this Act for “International Military Education and Training” for the cost of Latin American participants in IMET programs will be disbursed for the purpose of supporting enrollment of such participants in expanded IMET courses.】

【(b) CIVILIAN PARTICIPATION.—The Secretary of State, in consultation with the Secretary of Defense, should identify sufficient numbers of qualified, non-military personnel from countries in Latin America so that approximately 25 percent of the total number of individuals from Latin American countries attending United States supported IMET programs and the Center for Hemispheric Defense Studies at the National Defense University are civilians.】

【(c) REPORT.—Not later than twelve months after the date of enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall report in writing to the appropriate committees of the Congress on the progress made to improve military training of Latin American participants in the areas of human rights and civilian control of the military. The Secretary shall include in the report plans for implementing additional expanded IMET programs for Latin America during the next three fiscal years.】

【AID TO THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF
CONGO】

【SEC. 585. None of the funds appropriated or otherwise made available by this Act may be provided to the central Government of the Democratic Republic of Congo until such time as the President reports in writing to the Congress that the central Government of the Democratic Republic of Congo is cooperating fully with investigators from the United Nations in accounting for human rights violations committed in the Democratic Republic of Congo or adjacent countries.】

【ASSISTANCE FOR THE MIDDLE EAST】

【SEC. 586. Of the funds appropriated by this Act under the headings “Economic Support Fund”, “Foreign Military Financing”, “International Military Education and Training”, “Peacekeeping Operations”, for refugees resettling in Israel under the heading “Migration and Refugee Assistance”, and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading “Nonproliferation, Anti-Terrorism, Demining, and Related Programs”, not more than a total of \$5,402,850,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and Middle East Multilateral Working Groups: *Provided*, That any funds that were appropriated under such headings in prior fiscal years and that were at the time of enactment of this Act obligated or allocated for other recipients may not during fiscal year 1998 be made available for activities that, if funded under this Act, would be required to count against this ceiling: *Provided further*, That funds may be made available notwithstanding the requirements of this section if the President determines and certifies to the Committees on Appropriations that it is important to the national security interest of the United States to do so and any such additional funds shall only be provided through the regular notification procedures of the Committees on Appropriations.】

【AGRICULTURE】

【SEC. 587. The first proviso of subsection (k) under the heading “Assistance for the New Independent States of the Former Soviet Union” in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as contained in Public Law 104–208, is amended by striking “not less than” and inserting in lieu thereof “up to”.】

【ENTERPRISE FUND RESTRICTIONS】

【SEC. 588. Section 201(l) of the Support for East European Democracy Act (22 U.S.C. 5421(l)) is amended to read as follows:

“(l) Limitation on Payments to Enterprise Fund Personnel.—

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

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

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

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

“(3) Nothing in paragraph (2) shall preclude payment for services performed before the date of enactment of this subsection nor for arrangements approved by the grantor and notified in writing to the Committees on Appropriations.”】

【CAMBODIA】

【SEC. 589. The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Government of Cambodia, except loans to support basic human needs.】

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 【590】 547. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 【1998】 1999 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

【DEVELOPMENT CREDIT AUTHORITY】

【SEC. 591. For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans and loan guarantees in support of the development objectives of the Foreign Assistance Act of 1961, up to \$7,500,000, which amount may be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961 and funds appropriated by this Act under the heading “Assistance for Eastern Europe and the Baltic States”, to remain available until expended: *Provided*, That up to \$500,000 of the funds appropriated by this Act under the heading “Operating Expenses of the Agency for International Development” may be made available for administrative expenses to carry out such programs: *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to development credit authority) of the Foreign Assistance Act of 1961, as added by section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this paragraph: *Provided further*, That direct loans or loan guarantees under this paragraph may not be provided until the Director of the Office of Management and Budget has certified to the Committees on Appropriations that the Agency for International Development has established a credit management system capable of effectively managing the credit programs funded under this heading, including that such system: (1) can provide accurate and timely provision of loan and loan guarantee data; (2) contains information control systems for loan and loan guarantee data; (3) is adequately staffed; and (4) contains appropriate review and monitoring procedures.】

【AUTHORIZATION FOR POPULATION PLANNING】

【SEC. 592. (a) Not to exceed \$385,000,000 of the funds appropriated in title II of this Act may be available for population planning activities or other population assistance.】

【(b) Such funds may be apportioned only on a monthly basis, and such monthly apportionments may not exceed 8.34 percent of the total available for such activities.】

(Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998.)