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101st CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
101-344

MAKING APPROPRIATIONS FOR THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1990, AND FOR OTHER PURPOSES

NOVEMBER 11, 1989.—Ordered to be printed

**Mr. OBEY, from the committee on conference,
submitted the following**

CONFERENCE REPORT

[To accompany H.R. 2939]

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2939) "making appropriations for the Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1990, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 9, 14, 28, 29, 34, 39, 41, 50, 56, 57, 58, 59, 60, 61, 70, 71, 73, 80, 82, 88, 93, 99, 100, 101, 104, 106, 108, 109, 114, 119, 129, 130, 175, 176, 199, 242, 280, 282, 285, and 288.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 10, 16, 18, 27, 30, 32, 36, 37, 38, 45, 47, 53, 62, 68, 72, 92, 116, 118, 123, 125, 137, 138, 141, 143, 144, 145, 147, 148, 150, 151, 152, 153, 155, 157, 158, 159, 165, 166, 170, 171, 172, 173, 174, 177, 178, 181, 182, 183, 184, 186, 188, 189, 190, 191, 192, 193, 194, 195, 196, 198, 200, 202, 203, 204, 205, 206, 207, 208, 209, 210, 212, 213, 214, 217, 218, 219, 222, 223, 225, 226, 227, 228, 229, 230, 231, 232, 236, 237, 238, 239, 240, 241, 244, 249, 251, 254, 255, 256, 258, 261, 264, 265, 268, 269, and 271, and agree to the same.

Amendment numbered 7:

That the House recede from its agreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$137,948,091; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$40,000,000**; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$35,000,000**; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$31,000,000**; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$3,205,000,000**; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$20,000,000**; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$215,000,000**; and the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$163,614,000**; and the Senate agree to the same.

Amendment numbered 84:

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: : *Provided further*, That of the funds appropriated under this heading not less than \$15,000,000 shall be available for Refugee Entrant Assistance; and the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert **\$8,250,000**; and the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$4,297,404,194; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

For expenses necessary for loans to enable to the President to carry out the provisions of section 23 of the Arms Export Control Act, \$406,000,000: Provided: That any funds made available by this paragraph, except as otherwise specified, may be made available at concessional rates of interest: Provided further, That the concessional rate of interest on Foreign Military Financing Program loans shall be not less than 5 per centum per year: Provided further, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures: Provided further, That during fiscal year 1990, gross obligations for the principal amount of direct loans under this heading, exclusive of loan guarantee defaults, shall not exceed \$406,000,000.

And the Senate agree to the same.

Amendment numbered 246:

That the House recede from its disagreement to the amendment of the Senate numbered 246, and agree to the same with an amendment as follows:

In lieu of the section number stricken and inserted, insert 574; and the Senate agree to the same.

Amendment numbered 247:

That the House recede from its disagreement to the amendment of the Senate numbered 247, and agree to the same with an amendment as follows:

In lieu of the section number stricken and inserted, insert 575; and the Senate agree to the same.

Amendment numbered 248:

That the House recede from its disagreement to the amendment of the Senate numbered 248, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

IRELAND

SEC. 576. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give great weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences

of the instability of recent years shall be defined as areas that have high rates of unemployment.

And the Senate agree to the same.

Amendment numbered 272:

That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

RESCISSION

Sec. 589. Of the funds appropriated by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, under the heading "Economic Support Fund", \$50,000,000 of such funds are hereby rescinded: Provided, That such rescission may be derived only from unearmarked funds and funds earmarked under such heading for Sub-Saharan Africa and allocated for Sudan, Somalia, and Liberia.

And the Senate agree to the same.

Amendment numbered 273:

That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert 590; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 6, 8, 12, 13, 15, 17, 19, 20, 21, 22, 23, 24, 25, 26, 31, 33, 35, 42, 44, 48, 49, 51, 52, 54, 55, 63, 64, 65, 66, 67, 69, 74, 75, 76, 79, 83, 85, 86, 87, 89, 91, 95, 97, 98, 102, 103, 105, 107, 110, 111, 112, 113, 115, 117, 120, 121, 122, 124, 126, 127, 128, 131, 132, 133, 134, 135, 136, 139, 140, 142, 146, 149, 154, 156, 160, 161, 162, 163, 164, 167, 168, 169, 179, 180, 185, 187, 197, 201, 211, 215, 216, 220, 221, 224, 233, 234, 235, 245, 250, 252, 253, 257, 260, 262, 263, 266, 267, 270, 274, 275, 276, 277, 278, 279, 281, 283, 284, 286, 287, 289, 290, 291, 292, 293, 294, and 295.

DAVID R. OBEY,
RODNEY R. YATES

(except amendment 292 and all military assistance to El Salvador),

MATTHEW F. MCHUGH

(except on amendment 292 regarding police training in El Salvador),

WILLIAM LEHMAN,
CHARLES WILSON,
WILLIAM H. GRAY III,
R.J. MRAZEK

(except amendment 292 and military assistance to El Salvador),

RONALD COLEMAN,
 JAMIE WHITTEN,
 MICKEY EDWARDS,
 JERRY LEWIS,
 JOHN PORTER,
 DEAN GALLO,

Managers on the Part of the House.

PAT LEAHY,
 DANIEL K. INOUE,
 J. BENNETT JOHNSTON,
 DENNIS DECONCINI,
 FRANK LAUTENBERG,
 TOM HARKIN,
 BARBARA A. MIKULSKI,
 ROBERT C. BYRD,
 ROBERT W. KASTEN, JR.,
 MARK O. HATFIELD,
 ALFONSE D'AMATO,
 WARREN B. RUDMAN,
 ARLEN SPECTER,
 DON NICKLES,
 TED STEVENS,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2939) making appropriations for Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1990, and for other purposes submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

Amendment No. 1: Inserts \$75,000,000 for the International Finance Corporation contributions for arrearages as proposed by the Senate, instead of \$79,904,472 as proposed by the House.

Amendment No. 2: Deletes language proposed by the House and stricken by the Senate relating to annual contributions to the International Finance Corporation. The Senate excluded annual contributions from its limitation on stock purchases.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: \$24,544,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to a lower level for fiscal year 1990 stock purchases for the International Finance Corporation due to the tight budgetary outlay situation.

INTER-AMERICAN DEVELOPMENT BANK

INTER-REGIONAL PAID-IN CAPITAL

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides \$31,617,983 for the United States paid-in share portion of the increase in capital stock for the Inter-American Development Bank.

INTER-AMERICAN DEVELOPMENT BANK

FUND FOR SPECIAL OPERATIONS

Amendment No. 5: Provides \$63,724,629 as proposed by the House, instead of \$53,724,629 as proposed by the Senate.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided, That the funds made available under this heading shall be withheld from obligation until the Secretary of the Treasury certifies that the Board of Executive Directors of the Inter-American Development Bank has adopted policies to ensure that all recipients of assistance must agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: Provided further, That the Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to use the voice and vote of the United States to oppose any assistance by the Bank to any recipient of assistance who refuses to agree in writing that in general any procurement of goods or services utilizing Bank funds shall be conducted in a manner that does not discriminate on the basis of nationality against any member country, firm or person interested in providing such goods or services: Provided further,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are concerned about the procurement practices of the Inter-American Development Bank. The conferees have included language withholding funding until the Secretary of the Treasury certifies that the Bank has adopted policies requiring all assistance recipients to agree generally not to discriminate in procurement practices on the basis of nationality. The conferees have also included language requiring the Secretary of the Treasury to instruct the U.S. Executive Director to the Bank to vote against assistance recipients who fail to agree to generally unbiased procurement practices.

ASIAN DEVELOPMENT FUND

Amendment No. 7: Appropriates \$137,948,091 for the Asian Development Fund arrearages instead of \$184,641,964 as proposed by the House or \$84,641,964 as proposed by the Senate.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

**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 share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, \$50,000,795, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate 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 the alternate United States Executive Director to the Bank is compensated by the Bank 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.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides \$50,000,795 in paid-in-capital for the General Capital Increase for the International Bank for Reconstruction and Development (World Bank). Prior year language limiting the pay of the United States Executive Directors to the Bank has also been included.

The conferees agreed to provide \$50,000,795 in budget authority for the hard-loan window of the Bank but have declined in Amendment No. 9 to provide \$2,241,863,586 in callable capital that would allow the Bank to make loans in that amount, including structural adjustment loans.

Congress will make its judgment on the provision of the callable capital contribution to the World Bank in a future supplemental.

The conferees have agreed to drop language inserted by the Senate relating to funding for El Salvador. That issue is addressed in later language in the Statement of the Managers.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

Amendment No. 9: Deletes language proposed by the Senate stating that the limitation on callable capital for the International Bank for Reconstruction and Development shall not exceed \$2,241,863,586.

The conferees have agreed to delete the provision of callable capital for the Bank as explained in Amendment No. 8.

INTERNATIONAL FINANCE CORPORATION

Amendment No. 10: Deletes language proposed by the House providing \$8,095,528 in annual contributions to the International Finance Corporation.

ASIAN DEVELOPMENT FUND

Amendment No. 11: Appropriates \$40,000,000 for the Asian Development Fund annual contributions instead of \$37,254,036 as proposed by the House or \$67,750,072 as proposed by the Senate.

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

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

**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, \$140,000,000 to remain available until expended: Provided, That such funds are available subject to authorization: Provided further, That none of the funds made available by this paragraph shall be available for obligation or disbursement until the Secretary of the Treasury has assured the Committees on Appropriations in writing that the current policy of the International Monetary Fund (IMF) and the United States Government requiring that all congressional inquiries to IMF employees be cleared through the office of the United States Executive Director of the IMF has been reversed thereby allowing unmonitored and unfettered contact between Congress and IMF employees.

The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided \$140,000,000 for a United States contribution to the International Monetary Fund Interest Subsidy Account. Further, it has come to the attention of the conferees that informational inquiries to the IMF offices are routinely being referred to the U.S. Executive Director's office. Assistance from the Executive Director's offices in obtaining information may on occasion be necessary and helpful. However, the conferees note that no similar policy or practice is followed at any other international financial institution receiving U.S. funding. The conferees object to the existing blanket referral policy.

The conferees believe that it is imperative for the United States Government to develop a centralized information system on all debt instruments issued by U.S. Government agencies. International and domestic debt issues continue to play a large role in U.S. Government financial matters. Executive and legislative policy development is constrained by the inability of the Executive Branch to rapidly and accurately respond to factual questions concerning principal and interest payments schedules, potential lost revenues, arrearages, applicable interest rates, deficit effects, public liabilities on guaranteed financial instruments, etc.

Consequently, the conferees direct that the Department of the Treasury and the Office of Management and Budget shall develop a plan to create a centralized financial debt and credit information system for the United States Government. The plan shall include an implementation schedule and cost estimates, and shall be provided to the Commission on Appropriations no later than March 5, 1990.

The conferees further direct that the Department of the Treasury in conjunction with the Office of Management and Budget shall develop a written report on receipts paid to agencies of the United States Government by foreign governments during the last five years and projected for the next five years on current debt under all U.S. Government programs. The receipts report shall be made on a country by country and program by program basis. Receipts received shall be compared to receipts owed according to original loan repayment schedules. Loan repayment schedules affected by Paris Club reschedulings shall be clearly noted along with the dates of those reschedulings, as shall all payments of principal or interest currently in arrears. Such report shall be provided to the Appropriations Committee of the House and Senate no later than March 15, 1990.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, \$265,115,000: Provided, That no fund shall be available for the United Nations Fund for Science and Technology: Provided further, That the total amount of funds appropriated under this heading shall be made available only as follows: \$109,510,000 for the United Nations Development Program; \$65,400,000 for the United Nations Children's Fund, of which amount 75 per centum (less amounts withheld consistent with section 307 of the Foreign Assistance Act of 1961 and section 526 of this Act) shall be obligated and expended no later than thirty days after the date of enactment of this Act and 25 per centum of which shall be expended within thirty days from the start of the United Nations Children's Fund fourth quarter of operations for 1990; \$980,000 for the World Food Program; \$1,500,000 for the United Nations Capital Development Fund; \$800,000 for the United Nations Voluntary Fund for the Decade for Women; \$200,000 for the United Nations International Research and Training Institute for the Advancement of Women; \$100,000 for the Intergovernmental Panel on Climate Change; \$2,000,000 for the International Convention and Scientific Organization Contributions; \$2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; \$22,000,000 for the International Atomic Energy Agency; \$12,000,000 for the United Nations Environment Program; \$800,000 for the United Nations Educational and Training Program for Southern Africa; \$110,000 for the United Nations Institute for Namibia; \$500,000 for the United Nations Trust Fund for South Africa; \$750,000 for the Convention on International Trade in Endangered Species; \$220,000 for the World Heritage Fund; \$100,000 for the United Nations Voluntary Fund for Victims of Torture; \$245,000 for the United Nations Fellowship Program; \$400,000 for the United Nations Center on Human Settlements; \$500,000 for the UNIDO Investment Promotion Service; \$10,000,000 for the Organization of American States; and

\$35,000,000 for the United States contributions to the third replenishment of the International Fund for Agricultural Development; Provided, That none of the funds appropriated under this heading shall be made available for the International Fund for Agricultural Development until agreement has been reached on the third replenishment of the Fund: Provided further, That funds appropriated under this heading may be made available for the International Trade 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.

The managers on the part of the Senate will move to concur in the amendment of the House to the Senate.

The conference agreement specifies funding for the organizations within this account as follows:

| Organization | House | Senate | Conference |
|--|--------------|--------------|--------------|
| U.N. Children's Fund (UNICEF) | \$65,400,000 | \$65,000,000 | \$65,400,000 |
| U.N. Development Program (UNDP)..... | 108,990,000 | 164,630,000 | 109,510,000 |
| Convention on Int. Trade in Endangered Species (CITES) | 750,000 | 650,000 | 750,000 |
| U.N. Environment Program..... | 12,000,000 | 10,000,000 | 12,000,000 |
| Int. Atomic Energy Agency (IAEA)..... | 23,000,000 | 22,000,000 | 22,000,000 |
| U.N. Afghanistan Emergency Trust Fund..... | (13,500,000) | 13,500,000 | (13,500,000) |
| Org. of American States (OAS)..... | 10,000,000 | 10,000,000 | 10,000,000 |
| Int. Convention Scientific Org. Contributions (ICSOC) | 2,000,000 | 2,000,000 | 2,000,000 |
| World Meteorological Or. (WMO) | 2,000,000 | 2,000,000 | 2,000,000 |
| U.N. Capital Development Fund (UNCDF) | 1,500,000 | 1,500,000 | 1,500,000 |
| U.N. Educational & Training Program for So. Africa (UN-ETPSA) | 800,000 | 800,000 | 800,000 |
| UNIDO Investment Promotion Service | 500,000 | 500,000 | 500,000 |
| U.N. Trust Fund for So. Africa | 500,000 | 500,000 | 500,000 |
| U.N. Voluntary Fund for Women (UNIFEM) | 800,000 | 800,000 | 800,000 |
| U.N. Fellowship Program..... | 245,000 | 245,000 | 245,000 |
| World Heritage Fund (WHF) | 220,000 | 220,000 | 220,000 |
| U.N. Voluntary Fund for Victims of Torture (UNVFVT)..... | 100,000 | 100,000 | 100,000 |
| Int. Panel on Climate Change (IPCC)..... | 100,000 | 100,000 | 100,000 |
| World Food Program | 500,000 | 980,000 | 980,000 |
| U.N. Int. Research & Training Institute for the Advancement of Women (INSTRAW) | 200,000 | 200,000 | 200,000 |
| Institute for Namibia | 110,000 | 0 | 110,000 |
| International Fund for Agricultural Dev. (IFAD) | 40,000,000 | (30,000,000) | 35,000,000 |
| U.N. Center on Human Settlements (Habitat)..... | 400,000 | 400,000 | 400,000 |
| Total..... | 270,115,000 | 241,125,000 | 265,115,000 |

The conferences have also agreed to include a requirement that the United Nations Children's Fund (UNICEF) receive 75 per cent of its funding no later than thirty days after enactment. The remainder will be expanded no later than within thirty days from the start of UNICEF's fourth quarter of operations for 1990. The International Fund for Agricultural Development (IFAD) will receive \$35,000,000 from within this account subject to reaching agreement on the third replenishment of the Fund. The conference agreement provides \$13,500,000 for the U.N. Afghanistan Emergency Trust Fund to be derived by transfer from the Private Sector, Environment, and Energy account within the Agency for International Development (Amendment No. 23).

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Amendment No. 14: Deletes funding for the International Fund for Agricultural Development proposed by the Senate. Funding for IFAD is provided under amendment No. 13.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, \$483,715,000: Provided, That up to \$5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: Provided further, That not less than \$8,000,000 shall be provided for the Vitamin A Deficiency Program: Provided further, That, notwithstanding any other provision of law, up to \$10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations: Provided further, That not less than \$1,000,000 shall be available for a Farmer-to-Farmer program for Poland, notwithstanding any other provision of law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had included funding for agriculture, rural development and nutrition programs under a category for general development assistance. The Senate included a separate functional account for this purpose. The conferees have accepted the Senate position on functional accounts. If there are future changes in the Foreign Assistance Act which would change the development assistance account structure then the restructuring of these accounts should be reviewed at that time.

The House had included \$5,000,000 for surplus dairy products, \$8,000,000 for Vitamin A Deficiency and \$10,000,000 for agriculture activities in Poland in the general development assistance funding, while the Senate provided them under the functional account. The conferees agreed to provide these programs under the specific functional account.

The conferees encourage innovative approaches such as that advanced by the partnership of Puerto Rico, Massachusetts, and Hawaii in which Third World aquaculture development would enhance available supplies of protein as well as contribute to local economic development initiatives through private capital invest-

ment and job creation. As such, the conferees expect AID to allocate funds for this project to the organizations participating in this partnership, in the manner outlined in the testimony presented before the House Appropriations Subcommittee on Foreign Operations, Export Financing and Related Programs.

The conferees agreed to earmark \$1,000,000 of the funds appropriated to the Agriculture, rural development and nutrition functional account for fiscal year 1990 to support a Farmer-to-Farmer program to assist Poland. The Farmer-to-Farmer program is expected to send at least 100 highly qualified United States volunteer farmers and agriculturalists to assist Polish farmers and agriculture-related organizations. Working at the people to people level, the volunteers will carry out assignments in such areas as crop and livestock production, farm input supply, post-harvest storage and handling, and food processing and marketing. Where feasible, Polish-speaking Americans should be recruited to carry out these activities.

The Farmer-to-Farmer program was initiated in the 1985 Farm Bill and is administered by the Volunteers in Overseas Cooperative Assistance (VOCA), a private voluntary organization which recently received the 1989 Presidential End Hunger Award for its worldwide program. VOCA operates in over 40 countries and has sent more than 300 volunteers abroad.

The conferees also encourage AID to supplement this earmark with local currencies, including those generated through food aid programs, so that the number of volunteers might be increased.

POPULATION, DEVELOPMENT ASSISTANCE

Amendment No. 16: Appropriates \$220,000,000 as proposed by the Senate instead of \$201,600,000 as proposed by the House.

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides not less than \$15,000,000 in Population, Development Assistance funds for the United Nations Population Fund. The provision requires that the United Nations Population Fund maintain these funds in a separate account and not commingle them with any other funds. The provision also prohibits the use of any funds made available for the United Nations Population Fund from being made available for programs for the People's Republic of China.

EGYPT, JORDAN, PAKISTAN, DEVELOPMENT ASSISTANCE

Amendment No. 18: Delegates developed assistance earmarks proposed by the House for Egypt, Jordan, and Pakistan. The conferees agreed to address these earmarks under the Economic Support Fund account.

HEALTH, DEVELOPMENT ASSISTANCE

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), \$125,994,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had provided assistance for health programs under a general development assistance account. The conferees agreed to fund health programs under the functional Health account proposed by the Senate.

The revised provision on the Health account deletes a Senate earmark for River Blindness. However, this earmark was deleted with the understanding that the Agency for International Development is to make available at least \$5,000,000 for the River Blindness Program of the World Health Organization in the manner described in the House report on this bill.

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAMS

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides \$42,000,000 for the International AIDS Prevention and Control Program, of which \$21,000,000 is earmarked for the World Health Organization for the use in financing the Global Program on AIDS, including activities implemented by the Pan American Health Organization. The House had included \$42,000,000 for the AIDS program under a general development assistance account and an earmark of \$25,000,000 for the World Health Organization.

The conferees are concerned about the lack of uniform implementation of AIDS control programs in Africa where, according to the World Health Organization as many as 2.5 million individuals have been infected with the HIV virus.

AIDS respects no national borders. The absence of AIDS control programs in some countries seriously undermines the effectiveness of existing programs elsewhere. The victims of this patchwork approach are not just those countries without an AIDS control program, but the entire continent. The conferees therefore urge WHO to ensure that AIDS control programs are implemented in those countries lacking such programs as quickly as possible.

CHILD SURVIVAL FUND

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides \$71,000,000 for the Child Survival Fund. The House had provided Child Survival assistance as part of a general development account. The conferees agreed to provide Child Survival assistance as part of a functional account proposed by the Senate.

The conferees also agreed that funding from all sources for child survival activities for fiscal year 1990 should be targeted at \$200,000,000.

EDUCATION AND HUMAN RESOURCES, DEVELOPMENT ASSISTANCE

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, \$134,541,000: Provided, That \$1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute: Provided further, That not less than \$67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: Provided further, That in fiscal year 1990 the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which shall be initiated in Sub-Saharan Africa: Provided further, That not less than \$20,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program, of which \$2,000,000 shall be available, notwithstanding any other provision of law, for students from Poland and Hungary: Provided further, That not less than \$1,200,000 of the funds appropriated under this heading shall be made available for leadership programs for the Americas that have a demonstrated record of performance: Provided further, That not less than \$2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for technical training for the people of Poland and Hungary in skills which would foster the development of a market economy and the private sector, including training in management and agricultural extension: Provided further, That not less than \$3,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for educational and cultural exchanges with Poland and Hungary, which shall be undertaken in cooperation with the United States Information Agency.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides \$134,541,000 for Education and Human Resources Development as proposed by the Senate. The House had included funding for education and human resources programs under an overall development assistance account.

The conferees agreed to earmark \$67,270,000 for basic primary and secondary education programs. In fiscal year 1990 three new bilateral basic primary and secondary education projects are to be initiated, at least two of which shall be initiated in sub-Saharan Africa. Funds in the amount of \$20,000,000 have been earmarked for the International Student Exchange Program, of which \$2,000,000 is for students from Poland and Hungary. The conferees

also agreed to earmark \$1,200,000 for leadership programs for the Americas that have a demonstrated record of performance.

The conferees have agreed to provide \$2,000,000 for technical training programs, and \$3,000,000 for educational exchanges in Poland and Hungary.

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, \$149,209,000: Provided, That not less than \$7,500,000 shall be made available only for cooperative projects among the United States, Israel and developing countries of which not less than \$5,000,000 shall be made available for the Cooperative Development Program, and of which not less than \$2,500,000 shall be made available for cooperative development research projects: Provided further, That not less than \$5,000,000 shall be made available only for the Central American Rural Electrification Support project: Provided further, That not less than \$2,000,000 of the funds appropriated under this heading or under the heading "Sub-Saharan Africa, Development Assistance", shall be made available for assistance in support of elephant conservation and preservation: Provided further, That not less than \$3,300,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for assistance to establish an air quality monitoring network in the Krakow, Poland metropolitan area, to improve water quality and the availability of drinking water in the Krakow metropolitan area, and to establish and support a regional environmental center in Budapest, Hungary for facilitating cooperative environmental activities, which activities shall be undertaken in cooperation with the Environmental Protection agency: Provided further, That not less than \$10,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for support for retrofitting a coal-fired commercial plant in the Krakow, Poland region with clean coal technology and for assistance to assess and develop the capability within Poland to manufacture or modify equipment that will enable industrial activities within Poland to use fossil fuels cleanly, which activities shall be undertaken in cooperation with the Department of Energy: Provided further, That the Administrator of the Agency for International Development or his designee may vest title in any property acquired under the previous two provisos in an entity other than the United States: Provided further, That not less than \$1,500,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of technical

assistance to Poland and Hungary (1) for the implementation of labor market reforms, and (2) to facilitate adjustment during the period of transition to free labor markets and labor organizations, which activities shall be undertaken in cooperation with the Department of Labor and United States labor and business representatives.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks not less than \$5,000,000 for the Cooperative Development Program, and not less than \$2,500,000 for cooperative development research projects. Funds in the amount of \$5,000,000 are earmarked for the Central American Rural Electrification Support project. Also, \$2,000,000 has been earmarked for assistance in support of elephant conservation and preservation.

The conferees direct that the funds appropriated under this act in support of elephant conservation and preservation shall be applied toward new initiatives consistent with the African Elephant Conservation Plan. The conferees agree that this earmark is to be provided only from new funding resources and shall not be drawn from any existing environmental or conservation program. Current elephant management initiatives shall be continued.

The conferees agreed to provide \$3,300,000 for air and water quality activities in Krakow and to establish an environmental center in Budapest, \$10,000,000 for retrofitting coal fired commercial plants with clean coal technology and other equipment modifications in the Krakow area, and \$1,500,000 for technical assistance related to labor reform needs and activities in Poland and Hungary.

SCIENCE AND TECHNOLOGY, DEVELOPMENT ASSISTANCE

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates \$8,662,000 for Science and Technology, Development Assistance. The House had provided funding for science and technology development programs under a general account for development assistance.

MICRO-ENTERPRISE DEVELOPMENT

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks \$75,000,000 in Development and Economic Support Fund assistance and local currencies for programs of credit and other assistance for micro-enterprises in developing countries.

The conferees agreed that the Agency for International Development is to submit by March 1, 1990 to the Committees on Appropriations a detailed evaluation of the Micro-Enterprise Program. This evaluation should review the success of the program to date, the ability of AID to provide and monitor loans of less than \$300 in poor countries and make recommendations on the size and scale of any future Micro-Enterprise Program.

POLAND AND HUNGARY

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that funds for Poland and Hungary provided under the Poland and Hungary section are made available from Development Assistance and from the Economic Support Fund.

Amendment No. 27: Provides \$45,000,000 in Development Assistance and Economic Support funds for Poland. The House had provided \$10,000,000 in assistance for Poland and the Senate provided \$45,000,000. The \$45,000,000 earmark is part of an overall initiative on assistance for Poland, and can, along with \$5,000,000 made available in both bills for Hungary, provide capitalization of \$50,000,000 for private enterprise funds.

Amendment No. 28: Deletes language proposed by the Senate indicating that funding for Poland and Hungary is to go through the regular notification procedures of the Committees on Appropriations. The conferees agreed that notification will be required even if specific language is deleted, since under section 523 notification is required for activities not previously justified to the Committees on Appropriations.

Amendment No. 29: Deletes language proposed by the Senate concerning the availability of funds for Poland. This issue is addressed under Amendment Number 289.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

Amendment No. 30: Appropriates \$565,000,000 in Development Assistance for sub-Saharan Africa as proposed by the Senate. The House had provided \$515,000,000 for sub-Saharan Africa, Development Assistance. The funding recommended by the conferees includes \$50,000,000 for activities supported by the Southern Africa Development Coordination Conference which the House had included under a separate account.

The conference agreement provides funding for the third year for the Development Fund for Africa (DFA). Except as otherwise provided in the bill, the conferees agree that this assistance should continue to be implemented in accordance with the statement of managers accompanying P.L. 100-202.

The DFA was established to provide an assured source of funding and maximum flexibility to AID to respond efficiently and expeditiously to the pressing development problems confronting countries in sub-Saharan Africa. Funding is to be directed to those countries making serious efforts to address their development problems. In refraining from earmarks, there was clear intention to give AID a unique instrument with few strings in order to address sub-Saharan Africa's special development requirements.

The conferees are agreed that AID should carefully allocate the DFA between countries and programs. There is growing concern that, in the face of declining availabilities of ESF for sub-Saharan Africa, some administration officials may see DFA funds as a convenient substitute. This was not the original intent, nor is it now acceptable to the conferees, and the administration should resist any such attempts. The allocation of DFA should not be politicized,

and the administration should view the unique flexibility afforded by the DFA as an experiment in dealing with sub-Saharan Africa's development problems.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further, That not less than \$50,000,000 of the funds appropriated under this heading shall be made available only to assist activities supported by the Southern Africa Development Coordination Conference: Provided further, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made available notwithstanding section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide funding for activities supported by the Southern Africa Development Coordination Conference (SADCC) within funds provided for development assistance for Africa. A total of \$50,000,000 has been earmarked within the Sub-Saharan Africa, Development Assistance account for SADCC. Waivers for SADCC funding proposed by the Senate have been included in the revised provision.

The \$50,000,000 earmark for SADCC has been provided only to assist sector projects supported by the Southern Africa Development Coordination Conference to enhance the economic development of the nine member states forming that regional institution. The conferees agreed that funding for SADCC is to be made available for one or more of the following sectors: transportation; manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives). Funding for SADCC provided under this earmark is in addition to any amounts otherwise made available for such purposes.

SOUTHERN AFRICA, DEVELOPMENT ASSISTANCE

Amendment No. 32: Deletes language proposed by the House providing a separate account for activities supported by the Southern Africa Development Coordination Conference (SADCC). Funding for SADCC has been included as an earmark within the funding provided for Sub-Saharan Africa, Development Assistance.

ZAIRE

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that development assistance for Zaire is to be carried out under the provi-

sions for development assistance in the Foreign Assistance Act of 1961.

ASSISTANCE FOR DISPLACED CHILDREN

Amendment No. 34: Restores language stricken by the Senate which provides \$3,000,000 for programs and activities for children who have become orphans as a result of the effects of drought, civil strife and other natural and man-made disasters. The conferees agree that the Agency for International Development should follow the guidelines and reporting requirements specified in the House report accompanying H.R. 2939.

ASSISTANCE FOR VICTIMS OF WAR

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$5,000,000 shall be made available, notwithstanding any other provision of law, for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare: Provided, That this amount shall be derived in equal amounts from part I and from chapter 4 of part II.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks \$5,000,000 for assistance for the provision of prostheses and related assistance for civilians who have been injured as a result of civil strife and warfare. The Administration is to follow recommendations on this program as outlined in the Senate report.

SEPARATE ACCOUNTS

Amendment No. 36: Deletes language proposed by the House concerning Separate Accounts. The conferees agreed to provide one guideline for separate accounts under Amendment Number 275.

PRIVATE SECTOR REVOLVING FUND

Amendment No. 37: Provides a limitation of \$5,000,000, as proposed by the Senate, on the amount of funds in the Private Sector Revolving Fund that may be derived by transfer from development assistance accounts. The House had recommended a transfer limitation of \$4,611,502.

Amendment No. 38: Provides a limitation of \$3,500,000 in direct loans for the Private Sector Revolving Fund, as proposed by the Senate. The House had provided a limitation of \$3,228,051.

Amendment No. 39: Provides a limitation of \$46,115,020 on commitments to guarantee loans for the Private Sector Revolving Fund

as proposed by the House. The Senate had proposed a limitation of \$100,000,000.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

Amendment No. 40: Appropriates \$35,000,000 for American Schools and Hospitals Abroad instead of \$30,000,000 as proposed by the House and \$40,000,000 as proposed by the Senate. The conference agreement provides funding for ASHA at last year's appropriated level.

Amendment No. 41: Deletes language proposed by the Senate concerning criteria for the American Schools and Hospitals Abroad program. The conferees are aware that the Agency for International Development has concluded that education programs for the disabled can be considered for ASHA funding within existing legislation and grant criteria. In dropping the Senate provision from the bill amending Section 214(a) of the Foreign Assistance Act to establish the eligibility of educational programs for the disabled for ASHA grants, the conferees rely on the good faith implementation of the decision by AID to consider applications from such programs on the same basis as all other applications. It is the conferees' intent that the term "schools" in Section 214(a) of the Foreign Assistance Act of 1961 shall be interpreted by AID to include "institutions which provide activities of daily life training, vocation education, and related services to the mentally and physically impaired." The two Foreign Operations subcommittees will continue to exercise close oversight of the ASHA program to ensure that the intent expressed in this Statement of the Managers is fully complied with by AID.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *\$15,000,000 (except that payment may be made under this limitation only for those categories of services for which charges have been made under Foreign Affairs Administrative Support both in prior years and in the current year)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide a limitation of \$15,000,000 for Foreign Affairs Administrative Support as proposed by the Senate instead of the limitation of \$21,000,000 as proposed by the House.

The conference agreement also stipulates that the Agency for International Development's FAAS payments under the limitation may cover only categories of services included in FAAS both in fiscal year 1990 and in previous years. This stipulation reflects the concern of the conferees that AID should not be forced to absorb substantial increases (estimated at more than \$11,000,000) for services previously provided without charge and over which AID has little or no control.

The conferees are aware that a comprehensive interagency review of the FAAS system is underway, and believe it is premature for the Department of State to seek to shift any additional costs to AID prior to completion of this study.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 43: Appropriates \$31,000,000 for the Operating Expenses of AID's Office of the Inspector General instead of \$30,000,000 as proposed by the House and \$31,194,000 as proposed by the Senate.

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That section 222(a) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1991": Provided further, That notwithstanding the prior limitation on total commitments to guarantee loans at not to exceed \$125,000,000, during the fiscal year 1990, total commitments to guarantee loans shall not exceed \$100,000,000 of contingent liability for loan principal*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes an extension of the authorization of the Housing and Other Credit Guaranty Programs through September 30, 1991. The conference agreement also sets the limitation on total commitments to guarantee loans at \$100,000,000.

ECONOMIC SUPPORT FUND

Amendment No. 45: Inserts language proposed by the Senate change the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 46: Appropriates \$3,205,000,000 instead of \$2,145,000,000 as provided by the House and \$3,247,000,000 as proposed by the Senate.

Amendment No. 47: Earmarks \$815,000,000 for Egypt as proposed by the Senate instead of \$315,000,000 as proposed by the House. Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *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, and of which*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement eliminates the limitation of \$115,000,000 on cash transfer assistance to Egypt. The conferees have agreed, however, that cash transfer assistance for Egypt will be provided with the understanding that significant economic reforms, which are additional to those which were undertaken in previous fiscal years, will be undertaken. All cash transfer assistance to Egypt will be notified through the regular notification procedures of the Committees on Appropriations.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows Egyptian pounds generated from this account, or any other account in the bill, to be used to restore an endowment to a level of \$50,000,000 Egyptian pound equivalent for the American University in Cairo. The conference agreement also allows an additional 20,000,000 Egyptian pounds to be used to endow other United States educational programs in Egypt. The conferees expect that funds from these endowments will be used to support a variety of educational institutions.

The conferees note that the American University in Cairo (AUC) provides subsidies, scholarships, and financial assistance, including student work programs and student aid, to the great majority of its Egyptian students. It is the conferees' hope that the financial support AUC receives from the United States through this endowment will, among other objectives, enable AUC to continue to extend a generous level of such assistance to its Egyptian students.

Amendment No. 50: Deletes language proposed by the Senate which would have limited expenditures from this account.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes clear that the funds in El Salvador's Special Investigative Unit can be used for bringing to justice those responsible for the murders of United States citizens in El Salvador.

The conferees are very disappointed that another year has passed without significant action on the expropriation of the San Salvador Electric Light Company (CAESS). Despite Committee report language and numerous letters from the respective House and Senate committees to the Secretary of State, the Salvadoran Government has as yet to comply with the dictates of its own Supreme Court and come to fair and equitable terms with CAESS.

Accordingly, the conference agreement contains language which requires a report from the President on the extent to which the Government of El Salvador has made demonstrable progress in settling outstanding expropriation claims on this matter prior to the obligation of fiscal year 1990 ESF funds.

In light of the rulings of its own Supreme Court, the Salvadoran government should move promptly to negotiate a fair value for the CAESS assets and reach an equitable settlement for all concerned.

The conferees agree that none of the funds provided to El Salvador under this Act shall be conditioned on any requirement that El

Salvador accept any settlement with the FMLN which violates the democratic constitution of El Salvador of 1983.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which extends the applicability of section 534 of the Foreign Assistance Act of 1961 through September 30, 1990. This provision extends the authorization for the Administration of Justice program by one year.

Because of the extreme demands placed on the ESF account the conferees have not provided a full earmark for the Administration of Justice program. The amount of \$7,000,000 was earmarked for the ICITAP program under amendment No. 292. The conferees wish to express their strong support for other aspects of this program and emphasize that they expect them to be fully funded by the Administration.

Amendment No. 53: Earmarks \$35,000,000 for Jordan as proposed by the Senate instead of \$18,000,000 as proposed by the House.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks not less than \$230,000,000 for Pakistan.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks not less than \$20,000,000 for Morocco.

Amendment No. 56: Deletes language proposed by the Senate which would have provided an earmark for Tunisia of not less than \$12,500,000.

Amendment No. 57: Deletes language proposed by the Senate which would have provided an earmark of not less than \$50,000,000 for Portugal.

Amendment No. 58: Restores language proposed by the House and stricken by the Senate which prohibits Zaire from receiving Economic Support Funds.

Amendment No. 59: Restores language proposed by the House and deleted by the Senate which provides that no economic support funds shall be made available for Zaire.

Amendment No. 60: Deletes language proposed by the Senate which would have required all Economic Support Funds for Zaire to be provided only through private and voluntary organizations.

Amendment No. 61: Deletes language proposed by the Senate which would have provided an earmark for Central American democracies of not less than \$440,000,000.

Amendment No. 62: Deletes language proposed by the House on separate accounts for non-project sector assistance. This subject matter is addressed in Amendment No. 275.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *treated in accordance with section 592 of this Act* The man-

agers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This conference agreement clarifies that local currency generated from ESF cash transfers shall be treated in accordance with section 592 of this Act.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that none of the ESF funds from this Act or prior foreign assistance appropriations shall be made available for tied-aid credits in accordance with any provision of law enacted after May 19, 1988.

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides not less than \$5,000,000 for humanitarian relief, medical treatment, education and vocational training for victims of the Armenian earthquake of December 7, 1988. These funds will be channeled through private and voluntary organizations and non-governmental organizations from the United States.

The conferees are aware of the severe damage done to the Leeward Islands and Dominica by Hurricane Hugo in September 1989, and commend the Office of Foreign Disaster Assistance for its prompt provision of plastic sheeting for roofless buildings, water purification tablets, and other emergency items.

In view of the damage to and destruction of hospitals, schools, roads, food crops, export crops, livestock and other segments of these island-economies, however, the conferees recognize the need for an American assistance program that goes beyond the short-term, immediate focus of emergency assistance, to the longer-term challenge of reconstruction, rehabilitation and recovery.

The conferees therefore strongly urge the Agency for International Development (AID) to commit not less than \$5,000,000 in fiscal year 1990 ESF and DA for these purposes.

The determination of which islands will be beneficiaries, and in which sectors these funds will be allocated, is to be left to the discretion of AID.

Amendment No. 68: Earmarks \$1,500,000 to support the independent Polish trade union "Solidarity" through the AFL-CIO's Free Trade Union Institute as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : Provided further, That not less than \$200,000,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, for Poland: Provided further, That \$2,500,000 of the funds appropriated under this heading shall be available, notwithstanding any other provision of law, to support independent, democratic organizations and activities in Poland and Hungary

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides \$200,000,000 for economic stabilization, private sector, and other activities aimed at developing a market-oriented economy in Poland. Also \$2,500,000 is provided for independent democratic organizations and activities in Poland and Hungary.

The conferees note that the \$1,500,000 provided for the AFL-CIO's Free Trade Union Institute and the \$2,500,000 for other democratic organizations are in addition to the \$200,000,000 provided for Poland.

The United States strongly supports peaceful, democratic change in Estonia, Latvia and Lithuania. United States interest in Baltic self-determination dates from 1922, when we recognized the independence of the three Baltic States, as the Soviet Union had already done following World War I.

During the past two years, through their courageous response to the glasnost/perestroika policies of the Soviet leadership, the Baltic peoples have signaled their desire to move the process of self-determination forward. Elections early next year for Supreme Soviets in the three Baltic republics will be milestones in this process.

The U.S. supports the advancement of democratic institutions throughout Eastern Europe.

Amendment No. 70: Deletes Senate language to earmark \$10,000,000 to implement the South Pacific Tuna Act of 1988.

INTERNATIONAL FUND FOR IRELAND

Amendment No. 71: Restores language proposed by the House which provides \$20,000,000 for the United States contribution to the International Fund for Ireland. The conferees note that this will bring United States contributions to the Fund to \$150,000,000 since 1986. The Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415) authorized \$120,000,000 to support implementation of the Anglo-Irish Agreement.

The International Fund for Ireland was intended to be multilateral. Canada and New Zealand have provided small contributions. In a welcome move, the European Community has pledged three annual contributions of \$18,000,000, with the first contribution made in March 1989. No other donors have participated in the Fund. As of fiscal year 1989, the United States has provided over 85 percent of the working capital of the Fund.

The conferees are concerned that the response from other nations has not been as forthcoming as had been hoped. While international assistance is necessary, Great Britain and Ireland bear the primary fiscal responsibility for dealing with problems of economic and social development and reconciliation. Given the present United States budget situation, the conferees believe it will be difficult to sustain support for additional United States contributions unless there is wider and more substantial international participation in the International Fund for Ireland.

MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

Amendment No. 72: Deletes language proposed by the House requiring that the President seek to provide not less than 25 percent of multilateral assistance initiative and development funds for the Philippines through private voluntary organizations.

Amendment No. 73: Deletes language proposed by the Senate encouraging the use of private voluntary organizations and cooperatives in meeting the objectives of the Philippine Multilateral Assistance Initiative.

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: : *Provided further, That the President shall seek to channel through indigenous and United States private voluntary organizations and cooperatives not less than \$20,000,000 of the funds appropriated under this heading and of the funds appropriated and allocated for the Philippines to carry out sections 103 through 106 of such Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided very large increases in foreign assistance for the Philippines. A substantial proportion of these funds are for project assistance.

The conferees strongly believe that significant staffing increases in the mission of the Agency for International Development will be required in order to manage adequately these expanded responsibilities. This situation is made even more acute by the already existing project pipeline backlog and slow project disbursements in the Philippines AID programs.

The conferees are fully aware of the security risks in the Philippines. Nevertheless, the conferees believe that unless staffing increases are undertaken quickly it is likely that what is already a bad situation will deteriorate. Programs cannot be doubled in size without corresponding improvements and enlargements in both management systems and personnel.

The conferees require that the Agency for International Development provide to the Congress a management and staffing plan and an implementation schedule no later than December 15, 1989.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further, That up to a total of \$40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and sections 109 and 610 of the Foreign Assistance Act of 1961 : Provided further, That any funds transferred to carry out the purposes of this heading shall be made available only for projects and activities which are consistent with the purposes of those funds as initially appropriated: Provided further, That of the total amount of funds transferred to carry out the purposes of this heading not less than 50 per centum shall be derived from funds appropriated to carry out chapter 4 of part II of the Foreign Assistance Act: Provided further, That transfers of any funds to carry out the purposes of this heading shall be subject to the regular notification procedures of the Committees on Appropriations*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide \$160,000,000 for the Philippines Multilateral Assistance Initiative for economic and structural reform programs critical to the Philippines' development and sustained economic growth. The funds will be made available for policy reform, private sector design and feasibility studies, financially viable projects aimed at creating job opportunities and increasing incomes, small and medium entrepreneurial activities, the effective management of environment and natural resources and infrastructure needs such as power, telecommunications, and transportation.

The conferees have agreed further to permit the transfer of an additional amount not to exceed \$40,000,000 into the multilateral assistance initiative to be taken equally from available economic support funds and development assistance funds subject to the regular notification procedures of the Committees on Appropriations.

The conferees agreed that environmental and natural resource degradation in the Philippines has reached alarming proportions. This is largely due to the fact that those exploiting the natural resource base often are not directly dependent upon the land or coastal fisheries for their daily sustenance. The conferees recognize that local communities which are dependent upon natural resources for their immediate survival are most often in the best position to manage those resources in a sustainable manner.

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Amendment No. 77: Limits direct loans for the Overseas Private Investment Corporation not to exceed \$20,000,000, instead of \$23,000,000 as proposed by the House or \$17,000,000 as proposed by the Senate.

Amendment No. 78: Limits commitments to guarantee loans not to exceed \$215,000,000 for the Overseas Private Investment Corporation, instead of \$189,000,000 as proposed by the House or \$229,000,000 as proposed by the Senate.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that not less than \$40,000,000 of commitments to guarantee loans of the Overseas Private Investment Corporation shall be used for projects for Poland notwithstanding any other provision of law.

Amendment No. 80: Deletes language proposed by the Senate restricting the use of Overseas Private Investment Corporation guarantee loans in Poland if martial law is declared or if members of the Polish Senate or Sejm are removed. This matter is addressed in Amendment Number 289.

PEACE CORPS

Amendment No. 81: Appropriates \$168,614,000 for the Peace Corps instead of \$163,614,000 as proposed by the House and \$173,800,000 as proposed by the Senate. The conferees have agreed to provide an additional \$5,000,000 of the \$10,186,000 added by the Senate. Of the amount provided \$2,000,000 is to be used for Peace Corps programs in Poland and Hungary.

Amendment No. 82: Deletes language proposed by the Senate which would have made \$1,000,000 available for Peace Corps foreign currency fluctuations.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides such sums appropriated for International Narcotics Control as the President deems necessary may be made available for the funding of the United States participation in a multilateral antinarcotics strike force. Funding provided under this provision is to be notified through the Appropriations Committees' fifteen day notification process.

MIGRATION AND REFUGEE ASSISTANCE

Amendment No. 84: Earmarks \$15,000,000 for the Refugee Entrant Assistance Program. These funds are to be provided to the Voluntary Agency Matching Grant Program. The House had provided an earmark of \$21,900,000. The Senate provided no earmark.

The funds provided are necessary to provide entrant assistance for refugees funded for entrance under the fiscal year 1989 Supple-

mental. Although the Administration requested \$100,000,000 in funding for the Migration and Refugee Assistance program, they failed to request any Supplemental or fiscal year 1990 funds for costs associated with resettlement in the United States.

The Administration's approach to budgeting for refugees coming to the United States is both misleading and inconsistent. In order to provide a workable refugee program the Administration should organize its program so that entrant assistance corresponds to funding provided for refugee resettlement.

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: Provided further, That of the funds appropriated under this heading not less than \$46,000,000 shall be made available for the refugee admission program for first asylum refugees from East Asia: Provided further, That section 584(a)(3) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100-202), is amended by striking "8 months" and inserting "one year"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide the earmark proposed by the Senate of \$46,000,000 for the program for first asylum refugees from East Asia. An earmark proposed by the Senate of \$156,500,000 for the refugee admissions program was not included in the conference agreement.

The conferees have deleted the Senate's earmark of \$15,000,000 for the expedited resettlement of Amerasians and family members. The conferees are aware that the earmarked sum would not have been sufficient to meet the congressionally-stated goal of having all Amerasians and family members who desire to leave Vietnam by the end of FY 1990. The conferees strongly urge that the Department of State give high priority to the achievement of that goal, and believe that approximately \$40,000,000 will be required for that purpose in fiscal year 1990.

The conferees have agreed to a provision that changes the valid period for Amerasian visas from 8 months to one year. The visa extension will permit more time for processing of Amerasian applicants and will provide savings to the United States on the cost of visa renewals.

The conferees are concerned about the precipitous drop in the number of refugees from Czechoslovakia interviewed and the percentage approved in FY 1989 compared to FY 1988. The number interviewed decreased from 1,214 to 358, while the percentage approved fell from 85% to 66%.

These decreases are difficult to understand given the fact that, unlike other East European nations, persecution continues unabated—and may be on the rise—in Czechoslovakia.

Thus, the conferees urge the Department of State and the Immigration and Naturalization Service to review this situation and to make every effort to increase the number of interviews, the approval rate, and the number of admissions for Czech refugees.

The conferees strongly condemn Malaysia's recent actions in pushing back and redirecting boats of Vietnamese asylum-seekers from Malaysia's shores. Over 2,000 asylum-seekers have been pushed back resulting in at least 4 deaths. These pushbacks by Malaysia are a clear breach of the Comprehensive Plan of Action and exacerbate an already tenuous first asylum situation in Southeast Asia. The conferees calls upon Malaysia to immediately halt this practice and to work constructively toward the preservation of first asylum in Southeast Asia.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks \$1,500,000 for a Thailand-Cambodia border refugee protection program. The House had no similar language.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks \$1,500,000 for the antipiracy program. The House had no similar language.

Amendment No. 88: Deletes language proposed by the Senate to earmark \$5,000,000 to assist Iraqi Kurdish refugees in Turkey.

The conferees recognize the need for assistance for the Iraqi Kurdish refugees in southeastern Turkey. More than 36,000 of these refugees live in three separate camps in Turkey. Last year, 369 of these refugees died, 269 of whom were children under the age of five. The conferees are also aware that a number of European countries have agreed to contribute assistance to these refugees and that an agreement has been reached between the Turkish government and the United Nations High Commissioner for Refugees to assist these refugees. The conferees believe it would be a tragedy not to give immediate and direct assistance from the Migration and Refugee Assistance account for this purpose.

In order to prevent such deaths from occurring during the coming winter months, the conferees agree that no less than \$5,000,000 under the "Migration and Refugee Assistance" account is to be allocated to assist the Iraqi Kurdish refugees in Turkey with sanitation facilities and winterized housing improvements at the camps, as well as to provide additional medical supplies.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks \$10,000,000 for assistance for shelter, food and other basic needs to ethnic Turkish refugees fleeing Bulgaria. The House had no similar language.

The conferees recognize the importance of providing assistance for shelter, food and other basic needs to ethnic Turkish refugees fleeing the People's Republic of Bulgaria and resettling on the sovereign territory of Turkey. The Committee is concerned, however, about recent reports that the Turkish-Bulgarians have begun to settle in the occupied areas of Cyprus and want to make it clear that this money shall not be used to further settle Turkish Bulgarian refugees in the occupied areas of Cyprus or support Turkish-Bulgarian refugees who have already settled in the occupied areas of Cyprus.

Amendment No. 90: Provides a limitation of \$8,250,000 for the administrative expenses of the Office of Refugee Programs. The House had proposed a limitation of \$8,500,000 and the Senate a limitation of \$8,000,000.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further, That of the funds appropriated under this heading, \$250,000 shall be made available, notwithstanding any other provision of law, for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students at camps on the border with Thailand*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide an earmark of \$250,000 for food, medicine, medical supplies, medical training, clothing, and other humanitarian assistance for displaced Burmese students (as well as persons related to those students) at camps located on either side of the border with Thailand.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

Amendment No. 92: Deletes language proposed by the House providing \$39,000,000 for expenses for the general costs of administering the military assistance program. The conferees agreed to provide this assistance under the Foreign Military Financing Program heading and the funding is addressed in Amendment Number 112.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Amendment No. 93: Restores language stricken by the Senate which permits any country with an annual per capita gross national product exceeding \$2,349 to receive grant financed military education and training if that country agrees to fund from its own resources the transportation cost and living allowances of its students. The amendment also deletes proposed Senate language.

FOREIGN MILITARY FINANCING PROGRAM

Amendment No. 94: Appropriates \$4,297,404,194 for Foreign Military Financing Program grants instead of \$4,214,404,194 as proposed by the House or \$4,703,404,194 as proposed by the Senate.

Amendment No. 95: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further, That grants provided with funds made available by this paragraph shall be implemented by grant documents which do not include a requirement to repay the United States Government, notwithstanding any requirement in section 23 of the Arms Export Control Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 96: Appropriates \$406,000,000 for Foreign Military Financing program loans instead of \$410,000,000 as proposed by the House and \$0 proposed by the Senate; limits gross obligations of direct loans not to exceed \$406,000,000 instead of \$410,000,000 as proposed by the House and \$0 proposed by the Senate; and restores House language setting loan interest rates at not less than 5 percent and requiring country funding level changes to be subject to the regular notification procedures of the Committees on Appropriations.

The conferees have agreed to prior year language as proposed by the House and to a new level of Foreign Military Financing Program loans of \$406,000,000.

Amendment No. 97: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which utilizes the phrase "Of the funds" instead of the House proposed "Funds".

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: \$500,000,000 only shall be available for Turkey and \$350,000,000 only shall be available for Greece and, if Turkey receives any funds under this heading on a grant basis then not less than \$30,000,000 of the funds provided for Greece shall be made available as grants

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks \$500,000,000 in Foreign Military Financing Program funds for Turkey and \$350,000,000 for Greece. The conferees agreed that if Turkey receives any FMFP funds on a grant basis then not less than \$30,000,000 of the funds provided for Greece is to be made available on a grant basis.

Amendment No. 99: Restores House language stricken by the Senate which limits foreign military financing program assistance for El Salvador to not more than \$85,000,000.

Amendment No. 100: Restores language stricken by the Senate concerning a technical change on the wording of non-lethal assistance for Guatemala. The conferees agree that all military assistance provided to Guatemala is to be non-lethal.

In recent years the United States has provided high levels of economic assistance and significant amounts of non-lethal military assistance to Guatemala. The conferees continue to strongly support the consolidation of democratic civilian rule in Guatemala, and support similar levels of assistance for fiscal year 1990.

The conferees are pleased with the Guatemalan Government's efforts to adopt structural economic reforms and to revitalize the economy. However, much more needs to be done before these macro-economic improvements materially benefit the country's poor.

The conferees are also encouraged that for the second year the leadership of the Guatemalan army supported the civilian government and put down an attempted coup.

The conferees are disturbed, however, by a new wave of killings and bombings directed at students, labor activists, human rights monitors, political leaders and other civilians. Much of this violence appears to be the work of right-wing forces antagonistic to the civilian government, and of left-wing guerrillas opposed to the government. Some reports suggest that members of the army or security forces have been responsible for some of the reported human rights abuses, including harassment, death threats and murder of Guatemalan Indians who oppose conscription into the civil defense patrols.

The Congress has closely monitored events in Guatemala since the disastrous years of military dictatorship in the late 1970's and early 1980's. The conferees recognize the progress which has been made and have supported it with generous amounts of economic and military assistance. Present trends, however, suggest an inability of the civilian authorities to control forces that would prefer to see Guatemala return to a period of violence. The conferees wish to emphasize that unless the Guatemalan Government undertakes serious efforts to investigate human rights abuses and brings those responsible to justice, the conferees will no longer be able to continue current levels of assistance to Guatemala.

Amendment No. 101: Deletes language proposed by the Senate making a technical change on the requirement to provide non-lethal military assistance to Guatemala. This issue is discussed under Amendment Number 100.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken, insert: *, except through the regular notification procedures of the Committee on Appropriations, not more than*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores the House limitation of \$3,000,000 in foreign military financing assistance for Zaire and adds a provision allowing assistance above that level only through the Committees on Appropriations' 15 day notification procedure.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the followings: *\$43,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks \$43,000,000 in Foreign Military Financing Program assistance for Morocco instead of \$52,000,000 as proposed by the Senate. The House had no earmark.

Amendment No. 104: Deletes language proposed by the Senate which would have earmarked \$30,000,000 in Foreign Military Financing Program assistance for Tunisia.

The Conferees are encouraged by Tunisia's actions on both the political and economic fronts. Tunisia is making major strides towards democratization and liberalization of the economy and these actions should be supported by the providing of economic and military assistance.

On the political side, the elections held in April 1989 were Tunisia's most open and free since independence in 1956 with a wide range of opposition parties participating. Over 10,000 political prisoners were released and their full civil rights restored. Also, in 1982, Tunisia, at American urging, agreed to house the PLO leadership when they were evacuated from Beirut. This helped to defuse a possible Israeli-PLO confrontation in West Beirut.

The Conferees believe that Tunisia needs to receive military assistance which will allow the maintenance of previously purchased U.S. military equipment, and the ability to meet a possible threat from Libya. Qadhafi is purchasing long-range Soviet SK-24 aircraft and helicopters which are capable of reaching all parts of Tunisia. Finally, the Conferees note that Tunisia will repay more than \$46,000,000 on previous FMS loans.

Economically, Tunisia implemented some difficult economic agreements with the World Bank and the International Monetary Fund calling for economic reforms and increased emphasis on private enterprise. Many enterprises owned by the government are continuing to be transferred to the private sector. Along with a total debt service of approximately \$1,000,000,000 in 1988, economic growth predictions for 1989 decreased to 3.5%. Therefore, the Conferees support the providing of economic aid to assure continued economic growth.

Amendment No. 105: Repeated in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *\$30,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks \$30,000,000 in Foreign Military Financing Program assistance for sub-Saharan Africa. The Senate had proposed a \$50,000,000 earmark. The House had no earmark.

Amendment No. 106: Deletes language proposed by the Senate which would have earmarked \$5,000,000 in sub-Saharan Africa Foreign Military Financing Program assistance for Malawi.

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That none of the funds appropriated under this heading shall be available for Sudan or Somalia, except*

through the regular notification procedures of the Committees on Appropriations

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to prohibit Foreign Military Financing assistance to Sudan or Somalia unless assistance is proposed through the Committees on Appropriations' 15-day review procedure.

Amendment No. 108: Restores language proposed by the House limiting commercial sales.

The conferees have limited commercial foreign military credit sales to not more than \$687,404,194 excluding commercial contracts involving Israel and Egypt.

Amendment No. 109: Restores language proposed by the House limiting funds for commercial contracts to specific countries.

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: to countries other than Israel and Egypt: 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.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have limited commercial foreign military credit sales to a specific list of countries as proposed by the Administration and the Senate.

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: : Provided further, That not more than \$39,000,000 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

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide administrative expense funding for the Foreign Military Financing Program under that heading.

The House had proposed providing a separate section for the funding. The conference agreement adds language, carried for a number of years in the Foreign Operations Appropriations Act, permitting the purchase of passenger motor vehicles.

Amendment No. 113: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits the funding of administrative expenses under the Foreign military Financing Program heading. Previously this funding had been provided under the section for Military Assistance, and technical change was needed to provide the assistance as outlined in Amendment Number 112.

Amendment No. 114: Deletes language proposed by the Senate related to guidelines for Foreign Military Sales (FMS) financing of direct commercial contracts.

The conferees have agreed to drop Senate language requiring that FMS guidelines be promulgated as regulations under the Administrative Procedure Act. The conferees also agreed to drop language requiring the suspension of those guidelines until such time as the regulations were promulgated.

FOREIGN MILITARY SALES DEBT REFORM

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the interest rate included in prior Foreign Military Sales Debt Reform legislation is amended lowering it from 10 percent to 8 percent.

The conferees have agreed that foreign military loans with interest rates of 8 percent or higher may be refinanced by the private sector and shall be guaranteed by the United States at 90 percent.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Amendment No. 116: Limits the Export-Import Bank direct loan program to not more than \$615,000,000 as proposed by the Senate instead of \$595,000,000 as proposed by the House.

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment insert: : Provided, That gross obligations for the principal amount of direct loans pursuant to the medium-term financing program shall not exceed \$215,000,000; Provided further, That the interest subsidy authority and the tied-aid grants authority provided under this heading are subject to authorization

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to include a medium-term direct loan financing limitation of \$215,000,000 instead of \$184,500,000 proposed by the Senate and no limitation proposed by the House.

The conferees have agreed further that the tied-aid and interest subsidy authorities provided in this Act are subject to authorization.

Amendment No. 118: Inserts the word "further" as proposed by the Senate. The conferees have provided \$110,000,000 for a tied-aid grant program to be administered by the Export-Import Bank. If blended with commercial credits guaranteed by the Bank, these funds will provide approximately \$300,000,000 of tied-aid export financing at minimum concessionality levels specified by international agreements. Since not all offers are successful, the Bank will be able to make an even larger volume of offers. In addition, the conference agreement allows up to \$5,000,000 in ESF funds to be used for such tied-aid credits; if the President determines that it is in the national interest to do so, additional ESF funds may be used for this purpose.

The conferees believe that tied-aid credits result in trade distortions and thus support the Administration's efforts to negotiate further limits on their use. The funds provided in this legislation should encourage greater progress in those negotiations. At the same time, the conferees are troubled by the use of limited AID resources for this purpose since it is apparent that decisions that would otherwise be made on the basis of development or foreign policy criteria are being made to help American firms win contracts. This is a legitimate objective for the United States to support, but the integrity of the appropriations process requires a clear delineation of the purposes for which funds are being used.

The conferees believe the Export-Import Bank is the primary agency responsible for financing tied-aid credits, and that ESF and development aid funds available to AID should not be used for this purpose except as otherwise specifically provided by this Act. The conferees have consistently supported Administration requests for tied-aid credits in the past. If insufficient resources are available, the conferees encourage the Administration to request additional funds for the Bank rather than using limited ESF and development aid resources for this purpose.

The conferees intend that the figures of \$110,000,000 and \$20,000,000 specified for tied-aid grants and interest subsidy payments respectively are overall annual ceilings on appropriations for both programs. At any given time during the fiscal year, the actual amounts appropriated for such purposes would only be the amounts necessary to fund cumulative commitments under both programs made up to such time. Thus, if the Bank determines that it is not likely to use the full amount available under either program or that the Bank's resources could be better utilized under the regular direct loan program, amounts not yet committed under the tied-aid credit or interest subsidy payment programs would be available for use under Ex-Im Bank's regular direct loan program subject to the overall annual ceiling of \$615,000,000.

In addition, the amount committed for each transaction under the interest subsidy payment program should be based on Ex-Im Bank's estimate of the present value of the full amount of the interest subsidy payments to be made over the life of such transaction. Under the program, private lenders will extend loans at fixed OECD consensus interest rates, while being assured of a market-

related return based upon floating rates acceptable to Ex-Im Bank and the lenders. Consequently, the actual amount of the interest subsidy payments will depend on the rates in effect at the time of payment. If the interest payments exceed the amount estimated at the time of authorization, Ex-Im Bank should make up the difference from its operating revenues. Amendment No. 119: Restores language proposed by the House and deleted by the Senate requiring that none of the Export-Import Bank interest subsidy funds may be used in conjunction with Export-Import Bank guaranteed loans.

The conferees have agreed to retain House language prohibiting the joint utilization of I Match and loan guarantee authority in order to avoid exceeding available credit authority.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that \$20,000,000 of the funds made available for the Export-Import Bank interest subsidy program shall be subject to the Export-Import Bank direct loan limitation.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: : Provided further, That loan guarantee authority available to the Export-Import Bank of the United States may be used by the Bank to participate in the financing of commercial sales of defense articles and services destined for Greece and Turkey, notwithstanding any other provision of law: Provided further, That the authority provided by the previous proviso shall not be used for the procurement of defense articles or services for use on Cyprus

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to allow, on a one time basis only, for a period of one year only, the use of Export-Import Bank loan guaranty authority for financing of commercial sales of defense articles and services for Greece and Turkey. The conferees agree that future such proposals shall be resolved through the appropriate authorizations bill.

The conferees have agreed to prohibit the use of Ex-Im Bank resources for financing defense articles or services for use on Cyprus.

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

TRADE CREDIT INSURANCE PROGRAM

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: for Central America and, notwithstanding any other provision of law, not to exceed \$200,000,000 of contingent liability for

loan principal for Poland pursuant to the authorities of section 224 of the Foreign Assistance Act of 1961: Provided, That section 224(c) of the Foreign Assistance Act of 1961 is amended by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to provide not to exceed \$200,000,000 in secondary loan guarantees for a new Trade Credit Insurance Program for Poland. The conferees also extended the authorization date for the Trade Credit Insurance Program until September 30, 1990.

TITLE V—GENERAL PROVISIONS

REPRESENTATIONAL ALLOWANCES

Amendment No. 123: Deletes the word "total" as proposed by the Senate.

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes the general costs of administering military assistance and sales in the limitations of the provision. The conferees have agreed to include general costs of administering the military assistance programs in the Foreign Military financing program account.

Amendment No. 125: Deletes reference to the Foreign Military Financing Program Operating Expenses account as proposed by the Senate.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the obligation or expenditure of direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, Iran, or Syrai.

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which permits the President to waive prohibitions against funding for the Export-Import Bank or its agents if in the judgment of the President it is not in the national interest of the United States. The provision also requires the President to report to Congress on his decision.

TRANSFERS BETWEEN ACCOUNTS

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the President to transfer funds between accounts subject to the regular notification process of the Committees on Appropriations if he consults with the Committees and provides a written policy justification.

DEOBLIGATION/REOBLIGATION AUTHORITY

Amendment No. 129: Deletes language proposed by the Senate which would have limited reobligation authority for Development Assistance to \$15,000,000.

Amendment No. 130: Restores language proposed by the House inserting the word "Provided".

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

AVAILABILITY OF FUNDS

Amendment No. 132: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *: 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*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: 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 for any narcotics-related activities in Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to a provision which states that assistance under the Foreign Assistance Act for any narcotics-related activities in Colombia, Bolivia and Peru are exempted from the prohibition of funds to countries that are in default on payments to the United States Government. The conferees agreed that funding that

would be provided to these countries under periods of default is to be only for counter-narcotics efforts.

NOTIFICATION REQUIREMENTS

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides revised functional account and other headings changes. The corrections in the amendment are technical and are necessary to conform to the account headings included in the bill.

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the Administration is to inform the Committees on Appropriations on any changes regarding any Foreign Military Financing Program assistance for major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress. The House had proposed had proposed a similar provision specifying that major defense items be defined as major defense equipment and comparable equipment and sensitive items.

The conference agreement will place into law the notification requirements on Major Defense Equipment. In order to allow flexibility on the submission of items deemed to be sensitive in nature, the conferees agreed to the Senate proposal to drop that term from the bill. However, in accordance with the agreement reached with the executive branch on the submission of changes under the Foreign Military Financing Program, sensitive program changes are still to be submitted through the Committees on Appropriations notification procedure.

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires notification on development assistance activities whenever there is a 20-percent increase in a program activity regardless of whether the activity is new or ongoing. The House had proposed language requiring notification on development activities only for new projects, projects whose purpose was significantly different from the original purpose, or when the activity was in excess of the total amount allocated under the Foreign Assistance Act or the Congressional Presentation, whichever, was lower.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Amendment No. 137: Inserts a new subsection designation as proposed by the Senate.

Amendment No. 138: Inserts "Africa People's as proposed by the Senate instead of "African Peoples" as proposed by the House in designating the Southwest Africa People's Organization.

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that

notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notification be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that the United States shall not make contributions to the United Nations organizations or affiliated organizations which grant full membership to any entity lacking international recognized attributes of statehood.

UNITED NATIONS VOTING RECORD

Amendment No. 141: Deletes citation proposed by the House and inserts citation proposed by the Senate.

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts a reference to Section 530 of the Foreign Assistance and Related Programs Appropriations Act, 1985. The conferees have agreed to include this section in the list of provisions to be repealed.

Amendment No. 143: Inserts new paragraph number as proposed by the Senate.

Amendment No. 144: Deletes citation proposed by the House and inserts citation proposed by the Senate.

Amendment No. 145: Inserts new paragraph number as proposed by the Senate.

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which corrects a date citation.

Amendment No. 147: Inserts new paragraph number as proposed by the Senate.

Amendment No. 148: Inserts new paragraph number as proposed by the Senate.

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which corrects a date citation.

Amendment No. 150: Inserts corrected statute citation as proposed by the Senate.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

Amendment No. 151: Inserts heading change proposed by the Senate, which changes the heading from Economic Support Assistance to Economic Support Fund Assistance.

Amendment No. 1152: Inserts technical reference to heading change as proposed by the Senate.

Amendment No. 153: Inserts technical change proposed by the Senate which changes the House reference to the Economic Support "Assistance" to the Economic Support "Fund".

ENVIRONMENTAL CONCERNS

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which expands the category of projects for which multilateral development banks are expected to conduct environmental impact assessments.

Amendment No. 155: Inserts new punctuation as proposed by the Senate.

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which expands the category or projects for which multilateral development banks are expected to perform assessments of environmental and economic costs.

Amendment No. 157: Inserts new reference to MDBs as proposed by the Senate.

Amendment No. 158: Deletes language inserted by the House as proposed by the Senate.

Amendment No. 159: Inserts additional punctuation and the word "and" as proposed by Senate.

Amendment No. 160: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the Secretary of the Treasury to seek the convening of a special seminar on alternate investment opportunities and end-use energy efficiency and conservation.

Amendment No. 161: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides \$10,000,000 for biological diversity activities, of which \$2,000,000 is to be made available for Parks in Peril and \$1,000,000 shall be for the National Science Foundation.

The conferees have also agreed that funding for AID's Office of Energy should be targeted at \$20,000,000 in fiscal year 1990. The conferees expect that these funds will be used, among other things, to expand existing projects within the Office which provide assistance and training for the promotion of end-use energy efficiency and renewable energy. The conferees expect that the Conventional Energy Technical Assistance Project will not be expanded. The conferees agree that AID's energy efforts need expansion and should clearly focus on end-use energy efficiency, conservation and renewable energy resources, particularly in "key" developing countries which contribute significantly to global greenhouse gas emissions, and in which actions to promote energy efficiency, reliance on renewable energy resources, and forest conservation could significantly reduce those emissions.

AID's Office of Energy, in cooperation with country missions, should assist countries in developing and implementing energy plans that employ end-use analysis to identify cost effective actions to minimize reliance on fossil fuels. These plans should include an analysis of the effects of alternative energy systems and end-use energy efficiency on levels of greenhouse gas emissions. Wherever

possible, nongovernmental organizations and academic institutions should be involved in the preparation of these plans.

Amendment No. 162: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the Secretary of the Treasury to instruct U.S. Executive Directors on certain environmental issues.

GLOBAL WARMING INITIATIVE

Amendment No. 163: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts directives to implement a global warming initiative. The conferees have also agreed to provide an additional \$15,000,000 to the Private Sector, Environment, and Energy account specifically to combat the global warming phenomenon and the long-term threat that emissions of greenhouse gases pose to the entire world. In order to ensure that the additional \$15,000,000 is in fact additive, the conferees expect that obligations by AID to combat global warming in fiscal year 1990 will exceed those in fiscal year 1989 by at least \$15,000,000.

The conferees' purpose is to raise the global warming threat to the top of AID's agenda, with a sharp focus in key developing countries including countries which do not currently receive AID assistance on the twin and linked problems of development and utilization of renewable energy sources and reversing the radical deforestation, above all tropical deforestation, which is damaging the biosphere. The additional funds the conferees are providing to promote energy efficiency and conservation are intended to be used to provide the resources AID needs to carry out this urgent mandate in these key countries.

In addition, the conferees have provided authority for AID to use its program funds to retain and increase its direct-hire and other personnel (including the operations of that staff) with expertise in the environment sector, in particular with regard to forestry, end-use energy efficiency, and renewable technologies.

Amendment No. 164: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(d) EXPORT-IMPORT BANK.—(1) Of the financing provided by the Export-Import Bank that is utilized for the support of exports for the energy sector, the Bank shall seek to provide not less than 5 per centum of such financing for renewable energy projects.

(2) The Export-Import Bank shall take all appropriate steps to finance information exchanges and training whose purpose it is to help link United States producers in the renewable energy sector with assistance programs and potential foreign customers.

(3) Beginning on April 15, 1990, the Chairman of the Export-Import Bank shall submit an annual report to the Committees on Appropriations on the Bank's implementation of this subsection.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement specifies that the Export-Import Bank shall seek to provide 5 percent of their energy related financing to renewable energy projects.

**PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY
STERILIZATION**

Amendment No. 165: Inserts section number proposed by the Senate.

AFGHANISTAN—HUMANITARIAN ASSISTANCE

Amendment No. 166: Inserts section number proposed by the Senate.

Amendment No. 167: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that not less than \$70,000,000 be made available for the Afghanistan Humanitarian Assistance Program. This assures that the program will receive a minimum of \$70,000,000.

The conferees continue to believe that there is a need for a strong bilateral program and a large international effort to rebuild Afghanistan. The conferees admire the courage and dedication of the Afghan people to determine their own destiny, and believe that the United States should support these efforts.

The conferees are, however, concerned about the lack of focus and direction in U.S. policy in Afghanistan since the Soviet withdrawal on February 15, 1989. Unless a coherent, long-term policy direction is set for the United States in Afghanistan, the conferees fear that future support for these activities may be undermined. The ultimate success of the fundamental goal of a free Afghanistan must not be jeopardized by drift and uncertainty in U.S. policy. The conferees urge the Administration to develop and explain to Congress and the American people a clear strategy for assisting the Afghan people in bringing the war to a close.

The conferees believe that the Agency for International Development should coordinate closely its humanitarian support with the appropriate ministries of the Afghan interim government. However, the conferees see a need to strengthen the Afghan interim government's financial and managerial practices. Without such an effort, foreign donors, including the U.S. Government, will be forced to re-evaluate the future direction of our assistance program to Afghanistan.

Amendment No. 168: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that \$70,000,000 shall be made available for the Afghanistan Humanitarian Assistance program. This makes the earmark for this program mandatory.

Amendment No. 169: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided, That of the funds appropriated under the heading "Private Sector, Environment, and Energy, Development Assistance", \$13,500,000 shall be transferred to "International Organizations and Programs" and made available only for the United Nations Afghanistan Emergency Trust Fund*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide \$13,500,000 for the Afghanistan Emergency Trust Fund. These funds are to be derived from the Private Sector, Environment and Energy, Development Assistance account and made available to the United Nations through the International Organizations and Programs account.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

Amendment No. 170: Inserts section number proposed by the Senate.

EL SALVADOR—INVESTIGATION OF MURDERS

Amendment No. 171: Inserts section number proposed by the Senate.

REFUGEE RESETTLEMENT

Amendment No. 172: Inserts section number proposed by the Senate.

Amendment No. 173: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

IMMUNIZATIONS FOR CHILDREN

Amendment No. 174: Inserts section number proposed by the Senate.

Amendment No. 175: Deletes subsection letter proposed by the Senate.

Amendment No. 176: Deletes language proposed by the Senate earmarking not less than \$50,000,000 for immunizations for children, and requiring a report by April 1, 1991 on the extent to which the goal of universal access to childhood immunization has been achieved. The conferees agreed that the Agency for International Development is to carry out in fiscal year 1990 an immunization program of at least \$50,000,000 and report to the Committee on Appropriations on the funding amount that has been made available.

ETHIOPIA—FORCED RESETTLEMENT, VILLAGIZATION

Amendment No. 177: Inserts section number proposed by the Senate.

SUDAN, SOMALIA, LEBANON, LIBERIA, AND ZAIRE NOTIFICATION REQUIREMENTS

Amendment No. 178: Inserts section number proposed by the Senate.

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds Uganda to the countries that can receive U.S. foreign assistance only through the regular notification procedures of the Committees on Appropriations. As in prior years, this requirement does not apply to assistance made available "notwithstanding any other provision of law".

Amendment No. 180: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

Amendment No. 181: Inserts section number proposed by the Senate.

Amendment No. 182: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

CHILD SURVIVAL AND AIDS ACTIVITIES

Amendment No. 183: Inserts section number proposed by the Senate.

CHILE—LOANS FROM MULTILATERAL DEVELOPMENT INSTITUTIONS

Amendment No. 184: Inserts section number proposed by the Senate.

Amendment No. 185: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds a reference to a new subsection.

Amendment No. 186: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 187: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(c)(1) The Congress supports the democratic transition underway in Chile, and intends to assist the new democratically elected government, following its inauguration in March of 1990, with assistance to—

(A) strengthen democratic institutions; and

(B) establish a new relationship with the Chilean armed forces appropriate to a democratic system of government.

(2) Of the funds appropriated by this Act under the heading "International Military Education and Training", up to \$50,000

may be made available for Chile for fiscal year 1990, subject to the following conditions—

(A) a civilian, democratically elected President is in power in Chile and has requested such funds;

(B) internationally recognized human rights are being respected and the civilian government is exercising independent and effective authority; and

(C) the Government of Chile is making good-faith efforts in attempting to resolve the murders of Orlando Letelier and Ronni Moffitt.

(3) Assistance may be provided under paragraph (2) without regard to the requirements of section 726(b) of the International Security and Development Cooperation Act of 1981.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide IMET assistance to Chile under limited conditions. The conferees are encouraged that Chile is moving forward toward democratic Presidential elections.

COMMODITY COMPETITION

Amendment No. 188: Inserts section number proposed by the Senate.

PROHIBITION OF FUNDING RELATED TO COMPETITION

WITH UNITED STATES EXPORTS

Amendment No. 189: Inserts section number proposed by the Senate.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

Amendment No. 190: Inserts section number proposed by the Senate.

ASSISTANCE FOR LIBERIA

Amendment No. 191: Inserts section number proposed by the Senate.

Amendment No. 192: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

RECIPROCAL LEASING

Amendment No. 193: Inserts section number proposed by the Senate.

DEFENSE EQUIPMENT DRAWDOWN

Amendment No. 194: Inserts new title as proposed by the Senate.

Amendment No. 195: Inserts section number proposed by the Senate.

Amendment No. 196: Inserts new subsection designation as proposed by the Senate.

Amendment No. 197: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede

and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(b) *Section 506(a) of the Foreign Assistance Act of 1961 is amended by—*

(1) inserting "(1)" after "(a)";

(2) striking "(1)" and "(2)" and inserting in lieu thereof "(A)" and "(B)", respectively; and

(3) inserting the following new paragraph:

"(2)(A) If the President determines and reports to the Congress in accordance with section 652 of this Act that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, he may direct—

"(i) the drawdown of such articles, services, and the provision of such training for the purposes and under the authorities of chapters 8 and 9 of part I, as the case may be; and

"(ii) the drawdown of defense services for the purposes and under the authorities of the Migration and Refugee Assistance Act of 1962.

(B) An aggregate value of not to exceed \$75,000,000 in any fiscal year of defense articles, defense services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph.

(c) 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.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed that the President may use \$75,000,000 in annual defense drawdown authority for purposes of international narcotics control assistance, international disaster assistance, or migration and refugee assistance in addition to \$75,000,000 in annual defense drawdown authority for purposes of military assistance as already provided by law. Any use of the new authorities is to be provided only through the regular notification procedures of the Committees on Appropriations.

Amendment No. 198: Inserts section number proposed by the Senate.

Amendment No. 199: Restores language proposed by the House stating that the Committees on Appropriations shall be informed of the original acquisition cost of defense articles notified to the Committees as determined to be in excess of the needs of the United States.

AUTHORIZATION REQUIREMENT

Amendment No. 200: Inserts section number proposed by the Senate.

Amendment No. 201: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede

and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: Provided, That of the funds appropriated by this Act for the "Economic Support Fund" and "Foreign Military Financing Program" accounts, not more than 33⅓ percent of the amounts made available by this Act for such account excluding amounts made available for Israel, Egypt, Poland and Hungary, may be obligated and expended prior to March 1, 1990, unless an Act authorizing appropriations for such account has been enacted.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement requires that not more than 33 and ⅓ percent of the funds made available for the Economic Support Fund and Foreign Military Financing Program accounts be obligated prior to March 1, 1990 unless there is an enacted authorization bill. Israel, Egypt, Poland and Hungary are exempted from the obligation ceiling. The provision is intended to permit further action on fiscal year 1990 authorizing legislation.

NOTIFICATION CONCERNING EL SALVADOR

Amendment No. 202: Inserts section number proposed by the Senate.

NOTIFICATION TO CONGRESS ON DEBT RELIEF AGREEMENTS

Amendment No. 203: Inserts section number proposed by the Senate.

MIDDLE EAST REGIONAL COOPERATION AND ISRAELI—ARAB SCHOLARSHIPS

Amendment No. 204: Inserts section number proposed by the Senate.

Amendment No. 205: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 206: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 207: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

MEMBERSHIP DESIGNATION IN ASIAN DEVELOPMENT BANK

Amendment No. 208: Inserts section number proposed by the Senate.

DEPLETED URANIUM

Amendment No. 209: Inserts section number proposed by the Senate.

EARMARKS

Amendment No. 210: Inserts section number proposed by the Senate.

Amendment No. 211: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

HAITI

Amendment No. 212: Inserts section number proposed by the Senate. The conferees recognize that it may not be possible for the Government of Haiti to restore in full the Haitian Constitution of March 1987 until new elections have been held and a new government inaugurated. The conferees also recognize that this may be taken into account should the President consider exercising the national interest waiver provision of this legislation.

Amendment No. 213: Makes a technical change deleting "or".

Amendment No. 214: Makes a technical change inserting "assistance; or".

Amendment No. 215: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows assistance for Haiti for the control and eradication of swine flu.

Amendment No. 216: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notifications be provided through the regular notification procedures of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

ASSISTANCE FOR PANAMA

Amendment No. 217: Inserts section number proposed by the Senate.

Amendment No. 218: Inserts language proposed by the Senate making a technical correction to the spelling of "Noriega".

ELIMINATION OF THE SUGAR QUOTA ALLOCATION OF PANAMA

Amendment No. 219: Inserts section number proposed by the Senate.

Amendment No. 220: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *beneficiary countries of the Caribbean Basin Initiative and Bolivia*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees strongly urge that in reallocating Panama's sugar quota to the Caribbean Basin countries, not less than thirty percent of this reallocation should go to the smaller, poorer Caribbean Basin Countries known as the Caricom nations.

These countries have never benefited from past sugar quota reallocations. For example, they were excluded from the reallocation of South Africa's sugar quota in 1986, as well as from Nicaragua's reallocation in 1983.

In addition, because these countries are neither diversified nor advanced, and because they have been particularly hard hit by the overall cut in U.S. sugar quotas in recent years, this 30 percent combined reallocation would represent an important U.S. investment in Caricom economic stability.

The conferees note that all references to "quota year" in this provision are to be interpreted as indicating the current "quota period".

Amendment No. 221: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which corrects a section number reference.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

Amendment No. 222: Inserts section number proposed by the Senate.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

Amendment No. 223: Inserts section number proposed by the Senate.

Amendment No. 224: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that notification be provided through the regular notification procedure of the Committees on Appropriations. The House had proposed that notifications be provided through procedures contained in section 634A of the Foreign Assistance Act of 1961.

DETENTION OF CHILDREN

Amendment No. 225: Inserts section number proposed by the Senate.

MILITARY ASSISTANCE TO MOZAMBIQUE

Amendment No. 226: Inserts section number proposed by the Senate.

HONDURAS—RAMIREZ CASE

Amendment No. 227: Inserts section number proposed by the Senate.

Amendment No. 228: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

SOUTH AFRICA—SCHOLARSHIPS

Amendment No. 229: Inserts section number proposed by the Senate.

Amendment No. 230: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

NARCOTICS CONTROL PROGRAM

Amendment No. 231: Inserts section number proposed by the Senate.

Amendment No. 232: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 233: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts Senate language clarifying that funds provided under the general provision for the Narcotics Control Program for Bolivia, Peru, Colombia and Ecuador are in addition to any other amounts provided in the bill.

Amendment No. 234: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which changes "earmarked" to amounts "provided".

Amendment No. 235: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *up to \$2,000,000, except through the regular notification procedures of the Committee on Appropriations,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to provide up to \$2,000,000 in assistance for International Military Education and Training in Bolivia, Peru, Colombia and Ecuador. Funding above the \$2,000,000 may be requested through the regular notification procedures of the Committee on Appropriations.

Amendment No. 236: Inserts section number reference proposed by the Senate.

Amendment No. 237: Inserts section number reference proposed by the Senate.

Amendment No. 238: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

Amendment No. 239: Inserts language proposed by the Senate making a punctuation change.

TURKISH AND GREEK MILITARY FORCES ON CYPRUS

Amendment No. 240: Inserts section number proposed by the Senate.

COMMERCIAL LEASING OF DEFENSE ARTICLES

Amendment No. 241: Inserts section number proposed by the Senate.

FAIR PRICING

Amendment No. 242: Deletes language proposed by the Senate titled "Fair Pricing" relating to charges recouped from foreign purchases of United States defense articles and services.

The conferees have agreed to drop fair pricing language proposed by the Senate. This matter is addressed in the Defense Appropriations Bill.

CAMBODIAN NONCOMMUNIST RESISTANCE FORCES

Amendment No. 243: Inserts new section number "572" instead of "571" as proposed by the House or "573" as proposed by the Senate.

The conferees understand that the non-Communist resistance forces in Cambodia recently have made gains that have opened up areas for civilian administration. This new situation may require that the program in support of the non-Communist resistance forces meet civilian needs in Cambodia as well as those of the forces themselves.

Amendment No. 244: Inserts language proposed by the Senate changing the reference of "Economic Support Assistance" to "Economic Support Fund".

MODERNIZATION OF MILITARY CAPABILITIES OF CERTAIN COUNTRIES

Amendment No. 245: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the first section number named in said amendment, insert: 573

In lieu of "Section 503" cited in subsection (d), insert: *Section 632(d) of the Foreign Assistance Act of 1961*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to include authority to transfer excess defense articles to certain countries.

COMPETITIVE INSURANCE

Amendment No. 246: Inserts a new section number "574", instead of "572" as proposed by the House or "575" as proposed by the Senate.

PAY RAISES

Amendment No. 247: Inserts a new section number "575", instead of "573" as proposed by the House or "576" as proposed by the Senate.

IRELAND

Amendment No. 248: Restores language proposed by the House relating to the use of the International Fund for Ireland, and inserts a new section number "576".

ASSISTANCE TO AFGHANISTAN

Amendment No. 249: Inserts a new section number proposed by the Senate.

EL SALVADOR ECONOMIC SUPPORT FUNDS

Amendment No. 250: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that not less than 25 percent of El Salvador's Economic Support Funds shall be used for projects and activities in accordance with development assistance authorities.

DISADVANTAGED ENTERPRISES

Amendment No. 251: Inserts a new section number proposed by the Senate.

STINGERS IN THE PERSIAN GULF REGION

Amendment No. 252: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the sale of Stingers to any country bordering the Persian Gulf except as provided in section 581 of this Act.

STINGERS FOR BAHRAIN

Amendment No. 253: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows Bahrain to retain Stinger missiles made available in fiscal year 1989 based on a Presidential determination and notification to Congress.

The conferees agreed to include a provision allowing for the retention of stinger missiles by Bahrain.

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

Amendment No. 254: Inserts a new section number proposed by the Senate.

Amendment No. 255: Inserts language proposed by the Senate which further clarifies the provision.

APPROPRIATIONS OF EXCESS CURRENCIES

Amendment No. 256: Inserts a new section number proposed by the Senate.

INTEREST ON LOCAL CURRENCIES

Amendment No. 257: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede

and concur in the amendment of the Senate which changes the title of the provision to "Debt for Development".

Amendment No. 258: Inserts a new section number proposed by the Senate.

Amendment No. 259: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that debt-for-development, and debt-for-nature exchanges are encouraged uses of the funds recouped under the provision.

Amendment No. 260: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that interest earned may be used for the establishment of endowments among other activities in accord with the original purpose for which the funds were provided.

LEBANON

Amendment No. 261: Inserts new section number proposed by the Senate.

Amendment No. 262: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that the sources of the Lebanon earmark are to be the Development Assistance accounts and the Economic Support Fund.

Amendment No. 263: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which clarifies that the assistance provided to Lebanon shall be made available under the general authorities of disaster assistance (i.e. notwithstanding any other provision of law). The conferees agree that this assistance can be used to provide support for the American University of Beirut and Beirut University College.

JOB-RELATED CRIMES

Amendment No. 264: Inserts a new section number proposed by the Senate.

Amendment No. 265: Inserts subsection designation as proposed by the Senate.

Amendment No. 266: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts the phrase "determined that there is".

Amendment No. 267: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(b) Section 610(a) of the Foreign Service Act of 1980 is amended by inserting the following new paragraphs:

Notwithstanding the hearing required by this section, or procedures under any other provision of law, where there is reasonable cause to believe that a member has committed a crime for which a

sentence of imprisonment may be imposed, and there is a nexus to the efficiency of the Service, the Secretary, or his designee, may suspend such member without pay pending final resolution of the underlying matter, subject to reinstatement with back pay if cause for separation is not established in a hearing before the Board.

(4) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to—

(A) advance written notice of the specific reasons for such suspension, including the grounds for reasonable cause to believe a crime has been committed;

(B) a reasonable time, not less than seven days, to answer orally and in writing;

(C) be represented by an attorney or other representative; and

(D) a final written decision.

(5) Any member suspended pursuant to subsection (a)(3) of this section shall be entitled to grieve such action in accordance with procedures applicable to grievances under chapter 11. The Board review, however, shall be limited only to a determination of whether there exists reasonable cause to believe a crime has been committed for which a sentence of imprisonment may be imposed, and whether there is a nexus between the conduct and the efficiency of the Service.

(c) For purposes of the amendments made by subsection (a) and (b) of this section, reasonable cause to believe that a member has committed a crime for which a sentence of imprisonment may be imposed shall be defined as a member of the Service having been convicted of, and sentence of imprisonment having been imposed for, a job-related crime.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement clarifies that a Foreign Service employee may be suspended without pay, subject to reinstatement with back pay, if that employee has been convicted of a job-related crime for which a sentence of imprisonment has been imposed. The conferees urge the appropriate authorizing Committees to review the anomalies between Civil Service and Foreign Service legislation on this matter as soon as possible.

LOCATION OF STOCKPILES

Amendment No. 268: Inserts section number proposed by the Senate.

Amendment No. 269: Inserts a new subsection designation as proposed by the Senate.

Amendment No. 270: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends Section 514 of the Foreign Assistance Act of 1961 increasing the limitation on defense stockpiles from \$77,000,000 to \$165,000,000 and extending the provision for fiscal year 1990.

The conferees have agreed to increase the limitation on defense stockpiles located outside the United States to \$165,000,000 for fiscal year 1990.

HONG KONG

Amendment No. 271: Inserts a new section number proposed by the Senate.

RESCISSION

Amendment No. 272: Restores and alters language proposed by the House and stricken by the Senate by inserting a new section number "589".

In addition the conferees agreed to rescind \$50,000,000 from fiscal year 1989 Economic Support Funds instead of \$59,000,000 proposed by the House. The rescission will be derived from unear-marked funds and funds allocated for Sudan, Somalia, and Liberia.

WEST BANK SCHOOLS

Amendment No. 273: Inserts new section number "590", instead of "585" as proposed by the House and "589" as proposed by the Senate.

ASSISTANCE FOR PAKISTAN

Amendment No. 274: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: 591

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts the Senate provision extending the applicability of Section 620E(d) of the Foreign Assistance Act of 1961 from April 1, 1990 until April 1, 1991.

SEPARATE ACCOUNTS

Amendment No. 275: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEPARATE ACCOUNTS

SEC. 592. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961 under arrangements 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 of part I or chapter 4 of part II (as the case may be), or

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

(3) **PROGRAMMING ACCOUNTABILITY.**—The Agency for International Development shall take all appropriate 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 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.

(b) **SEPARATE ACCOUNTS FOR CASH TRANSFERS.**—(1) If assistance is made available to the government of a foreign country, under chapter 1 of part I (including assistance for sub-Saharan Africa) or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as non-project 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 fifteen days prior to obligating any such cash transfer or non-project 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.**—Non-project sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed on a new provision related to the management of separate accounts.

GLOBAL REDUCTION OF POVERTY

Amendment No. 276: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert:
593

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement directs the Agency for International Development to establish a system of specific quantitative and qualitative indicators of poverty reduction on a country-by-country basis. The language also calls on AID to identify in its annual Congressional Presentation poverty reduction objectives and progress to date in meeting those objectives.

INTERNATIONAL MONETARY FUND

Amendment No. 277: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

INTERNATIONAL MONETARY FUND

SEC. 594. (a) The Secretary of the Treasury shall instruct the United States Executive Director to the International Monetary Fund (IMF) to regularly and vigorously promote the following policy and staffing changes through formal initiatives before the Board and management of the IMF and through bilateral discussions with other member nations:

(1) The addition to the IMF's staff of natural resource experts, and development economists trained in analyzing the linkages between macro-economic conditions and the short- and long-term impacts on sustainable management of natural resources.

(2) In a manner consistent with the proposes of the IMF, the establishment in the IMF of a systematic process to review in advance, and take into account in policy formation, projected impacts of each IMF lending agreement on the long-term sustainable management of natural resources, the environment, public health and poverty.

(3) The creation of criteria to consider concessional and favorable lending terms to promote sustainable management of natural resources. Such capacity should seek the reduction of the debt burden of developing countries in recognition of domestic investments in conservation and environmental management.

(b) The Secretary of the Treasury shall prepare an annual report to the Congress on the progress made by the United States Executive Director to the IMF in implementing the reforms encompassed in this section.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes instructions to the Secretary of the Treasury on promoting various staffing and policy changes with the International Monetary Fund.

EL SALVADOR

Amendment No. 278: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

EL SALVADOR

SEC. 595. With respect to the ongoing political unrest and armed conflict in El Salvador, the Congress hereby—

(1) welcomes the negotiating process set in motion on September 13, 1989 in Mexico City by the Government of El Salvador and the leadership of the Farabundo Marti National Liberation Front and the expressed willingness of both parties to continue this process;

(2) urges the parties to these negotiations to achieve, as quickly as possible—

(A) a cessation of hostilities, and

(B) an overall political settlement of the ten-year old conflict; and

(3) calls upon the Secretary of State to consult frequently with the Congress on the status of the Salvadoran negotiations and on the efforts being undertaken by the President to support these negotiations.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to limit military aid to El Salvador to \$85,000,000. This limitation is contained in Amendment No. 99.

The conferees are concerned about the recent increase in violent abuse of human rights in El Salvador by both the Salvadoran armed forces and the FMLN. The conferees note and condemn the recent actions of guerrilla forces apparently designed to polarize the political situation and cause a hindrance to the current peace negotiations. Similarly the conferees are concerned about the recent increase in the number of persons arrested by the Army and security forces and allegations of gross mistreatment and torture of those taken into custody. The conferees are also concerned about continuing reports that agencies that administer or support humanitarian assistance programs to civilians in rural El Salvador are being prevented from traveling in areas of conflict. The conferees expect the Government of El Salvador and the FLMN to adhere fully to Article 23 of the Fourth Geneva Convention of 1949 regard-

ing the passage of medical and hospital stores, and foodstuffs destined for certain classes of non-combatants.

CENTRAL AMERICAN DEVELOPMENT COORDINATION COMMISSION

Amendment No. 279: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert:
596

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes a provision proposed by the Senate, which provides support for the Central American Development Coordination Commission. Not less than \$500,000 is provided from the Economic Support Fund to assist in the implementation of the Commission.

GUARANTEE RESERVE FUND INTEREST

Amendment No. 280: Deletes language proposed by the Senate amending the Arms Export Control Act in order to capture certain interest revenues for the Guaranty Reserve fund, and to avoid letting the Department of the Treasury to collect interest twice.

The conferees direct the Department of the Treasury, in consultation with the Office of Management and Budget and the Defense Security Assistance Agency (DSAA), to revise the notes issued during fiscal year 1989 and fiscal year 1990 by DSAA, as the GRF manager, to (and accepted by) the Secretary of the Treasury in order to revise the note's provision regarding interest owed to the Treasury by the GRF pursuant to the third sentence of the paragraph under the heading "Guaranty Reserve Fund." The note should be revised to reduce or eliminate the GRF's obligation to pay the Treasury interest to the extent that the Treasury receives interest payments from the foreign borrowers with respect to GRF payments made under loans guaranteed by DSAA. The conferees wish to ensure that the Treasury is not reimbursed twice for interest, once from the foreign borrowers and again from the GRF.

ELIGIBILITY OF POLAND AND HUNGARY FOR OVERSEAS PRIVATE INVESTMENT CORPORATION

Amendment No. 281: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides eligibility for Poland and Hungary for Overseas Private Investment Corporation (OPIC) programs until September 30, 1992. The provision further states that OPIC shall support projects in Poland and Hungary in order to enhance the non-governmental sector.

The conferees have agreed to provide Poland and Hungary eligibility for OPIC programs until September 30, 1992.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 282: Deletes language proposed by the Senate.

The conferees recognize that because of the nature of its programs, the Agency for International Development must often use consultants with specialized skills in carrying out programs directed at AIDS, child survival and global warming. Because of their specialized skills many of these consultants are not available for full-time federal service. Even if they were, A.I.D.'s requirement for their service is short-term assignments on an as-needed basis. Therefore, it would be exceedingly expensive for A.I.D. to bring specialists on board every time a new program is started, and then face the termination costs when these specialists are no longer needed.

However, the conferees also recognize the potential for conflicts of interest and other problems that can result from the use of contractors. Therefore, the conferees direct the Agency for International Development to take steps to prevent the occurrence of such problems. These steps should include, at a minimum, assurance that the Agency maintains the in-house expertise necessary to oversee the work of its contractors. These steps are designed to ensure that the Agency for International Development, and not its contractors, remains firmly in control of its programs and the decision-making that guides them.

INTERNATIONAL COFFEE AGREEMENT

Amendment No. 283: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert:
598

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes the provision proposed by the Senate which expresses the sense of the Congress on the importance of the International Coffee Agreement.

LATVIA, ESTONIA, AND LITHUANIA

Amendment No. 284: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

LATVIA, ESTONIA, AND LITHUANIA

SEC. 599. (a) *The Congress finds that—*

(1) *the Baltic states of Latvia, Estonia, and Lithuania gained their independence from the Russian Socialist Federative Soviet Republic in 1918, a fact recognized by the government of the Russian Socialist Federative Soviet Republic in 1920;*

(2) *the governments of the Latvian Democratic Republic and the Russian Socialist Federative Soviet Republic (RSFSR) signed a Treaty of Peace in Riga, Latvia on August 11, 1920, in which the RSFSR "establishes the right of self-determination*

for all nations, even to the point of total separation from the States with which they have been incorporated" and declares that "Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and forever renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia";

(3) similar treaties were signed by both the Republic of Estonia and the Republic of Lithuania with the RSFSR on February 2, 1920 and July 12, 1920, respectively";

(4) the independent republics of Latvia, Estonia, and Lithuania swiftly recovered from the ravages of World War I and became active in the World community, gaining membership in the League of Nations on September 22, 1921 and full recognition by the United States on July 28, 1922;

(5) the sovereign rights of the independent states of Latvia, Estonia, and Lithuania were violated by the Union of Soviet Socialist Republics in a Secret Protocol to the Nazi-Soviet Treaty of Nonaggression of August 23, 1939, which divided Eastern Europe into Nazi and Soviet "spheres of influence";

(6) the Union of Soviet Socialist Republics coerced the governments of Latvia, Estonia, and Lithuania to sign Pacts of Mutual Assistance in October 1939, which stipulated that the "contracting parties undertake not to enter into any alliances or to participate in any coalitions directed against one of the contracting parties" and that "the carrying into effect of the present pact must in no way affect the sovereign rights of the contracting parties, in particular their political structure, their economic and social system, and their military measures";

(7) the Union of Soviet Socialist Republics violated not only those bilateral agreements with the independent Baltic states but also international conventions on the changing of international borders by force when the Soviet Union issued ultimatums to the three independent nations on June 15-16, 1940, demanding the formation of governments to their liking, followed by armed invasions of Lithuania, Latvia, and Estonia on June 16-17, 1940;

(8) the occupation of the Baltic states was confirmed on July 14-15, 1940, with the irregular and illegal "election" of new parliaments, which then petitioned for admission into the Soviet Union, and these petitions were accepted by the Soviet Union, as follows: Lithuania's on August 3, 1940, Latvia's on August 4, 1940, and Estonia's on August 5, 1940;

(9) the Government of the United States continues its policy of standing by the 1922 recognition of the de jure independent governments in the Baltic states, and of refusing to recognize the forced incorporation of the Baltic states into the Soviet Union;

(10) the peoples of Latvia, Estonia, and Lithuania have never accepted the occupation of their native lands, and have demonstrated their resolve on numerous occasions since 1940, most notably in the last three years. The most striking demonstration of the desires of the Baltic people took place on August 23, 1989, the fiftieth anniversary of the Nazi-Soviet Treaty of Non-aggression, when nearly 2,000,000 citizens of Latvia, Estonia, and Lithuania joined hands in a 400-mile human chain stretching

across the Baltic states from the Estonian capital of Tallinn, through the Latvian capital, Riga, to the Lithuanian capital of Vilnius:

(1) the people of the Baltic states, through their elected representatives in the Popular Front of Latvia, the Popular Front of Estonia, and the Lithuanian Movement in Support of Perestroika "Sajudis", have declared their desire for the restoration of independence in the Baltic states; and

(2) even the Communist officials and regimes in each of the Baltic states have begun to respond to the drive for more autonomy.

(b) The Congress urges the President—

(1) to raise the issue of the political rights of the Baltic peoples in all diplomatic contacts with the Soviet Union including during the meeting between President Bush and President Gorbachev in December, 1989 and during the Presidential summit scheduled in 1990 between the United States and the Soviet Union; and

(2) to call upon the Soviet Union—

(A) to honor the international agreements it has voluntarily entered into, such as the Final Act of the Helsinki Conference on Security and Cooperation in Europe and the United Nations Declaration of Human Rights, as well as the bilateral agreements it has voluntarily entered into with the independent governments of Latvia, Estonia, and Lithuania,

(B) to allow the people of Latvia, Estonia, and Lithuania their right of self-determination, as guaranteed by the RSFSR in 1920 as well as by the current constitution of the Soviet Union,

(C) to recognize the human rights of all peoples both within the Soviet Union and under Soviet influence, and

(D) to replace the policy of aggressive industrialization in the Baltic states, which has poisoned the land, air, and water of Latvia, Estonia, and Lithuania, with one of environmental responsibility.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides revised language on a congressional finding regarding Latvia, Estonia and Lithuania.

TIANANMEN SQUARE PARK

Amendment No. 285: Deletes language proposed by the Senate urging the naming of the park in the District of Columbia "Tiananmen Square Park". The conferees deleted the bill language expressing the sense of the Senate on this matter but feel that consideration should be given to a designation of a park near the Embassy of the People's Republic of China in order to illustrate the United States outrage concerning the events that have taken place at Tiananmen Square in the People's Republic of China.

**IMPORTATION OF CERTAIN DEFENSE ARTICLES FROM POLAND,
CZECHOSLOVAKIA, AND HUNGARY**

Amendment No. 286: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert:
599A

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conference agreement includes a provision proposed by the Senate which clarifies that certain defense articles from Poland, Czechoslovakia, and Hungary have been lawfully imported, and shall be permitted to remain in the United States, and in museums or educational institutions without being subject to any penalty by reason of such importation.

HUMAN RIGHTS IN CUBA

Amendment No. 287: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *599B*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds a provision concerning the human rights situation in Cuba. The Senate language revises a provision in prior year Foreign Assistance Appropriations Acts on human rights violations in Cuba.

CENTER FOR AGRICULTURAL RESEARCH

Amendment No. 288: Deletes language proposed by the Senate directing the Agency for International Development to conduct a feasibility study on establishing a center to conduct research on common agricultural problems in the United States and the Caribbean.

The conferees however note that producers of agricultural commodities in the Caribbean region (including the Caribbean Basin nations and those states in the United States abutting the Gulf of Mexico) have common prospects and problems. Among those common problems are pest management, transportation, post-harvest handling and treatment, market penetration, and proper crop selection and management. As an example, the declining research on and availability of environmentally safe pesticides and pest management technologies are common problems for both the United States and Caribbean agricultural producers in the region. The conferees believe that it would be in the mutual benefit of United States and Caribbean agricultural interests jointly to seek solutions to these problems. Such an effort would benefit United States agricultural production, and at the same time make a contribution to the objectives of the Caribbean Basin Initiative.

Therefore, the conferees require the Agency for International Development to study the feasibility and potential benefits of joint research and education on agricultural production in the region, in-

cluding chemical, biological and biotechnology research. The study should identify priorities in terms of common problems facing producers of agricultural commodities in the region and, if warranted, propose a mechanism for conducting comprehensive research and development solutions to these problems. This study should be made available to the Committees on Appropriations of the House and Senate by April 1, 1990.

ASSISTANCE FOR POLAND AND HUNGARY

Amendment No. 289: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ASSISTANCE FOR POLAND AND HUNGARY

SEC. 599C. (a) In addition to amounts appropriated under the heading "Trade and Development Program"; there is hereby appropriated \$2,000,000, to remain available until expended, to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, notwithstanding any other provision of law.

(b) Notwithstanding any other provision of this Act, any funds made available by this Act for a specific activity for Poland or Hungary instead may be obligated for Poland or Hungary for an activity with a similar purpose. The authority of section 515 fo this Act may also be used to deobligate such funds and reobligate them for Poland or Hungary for an activity with a similar purpose: Provided, That the authority of this subsection shall be exercised to the regular notification procedures of the Committees on Appropriations.

(c) Funds made available by this Act and obligated for the Government of Poland shall not be expended if the President of Poland, or any other Polish official, initiates martial law without the consent of the Polish Senate and Sejm, or if members of the Polish Senate or the Sejm are removed from office or are arrested through extra-constitutional processes: Provided, That, notwithstanding the restriction on expenditures contained in this subsection, the President of the United States may continue to expend funds made available to Poland if he determines and certifies to Congress that it is in the foreign policy interest of the United States to do so.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to a number of provisions throughout the Act providing assistance for programs in Poland and Hungary. The conferees intend that the \$2,000,000 increase in appropriations for the Trade and Development Program be utilized for investment feasibility studies, training and other activities in Poland and Hungary. Similarly, the conferees intend that \$2,000,000 of the increase above the House level for the Peace Corps be utilized for Peace Corps programs in Poland and Hungary.

The conferees have directly appropriated to the Agency for International Development and have earmarked \$1,000,000 for the Farmer-to-Farmer program, up to \$10,000,000 for agricultural ac-

tivities in Poland; \$2,000,000 for technical training for private sector development in Poland and Hungary; \$3,000,000 for educational and cultural exchanges to be carried out in conjunction with the United States Information Agency; \$2,000,000 for scholarships for Polish and Hungarian students in the United States; \$3,300,000 for an air quality monitoring network and water supply in Krakow and to support of a regional environmental activities center in Budapest to be carried out in conjunction with the Environmental Protection Agency; \$10,000,000 for an energy program related to clean coal technology to be carried out in conjunction with the Department of Energy; \$1,500,000 for technical assistance for implementation of labor reforms to be carried out in conjunction with Department of Labor and United States labor and business community representatives; \$50,000,000 for enterprise funds for private sector development; \$1,500,000 to support Solidarity through the AFL-CIO's Free Trade Union Institute; \$2,500,000 to support independent, democratic organizations and activities in Poland and Hungary; \$2,000,000 for medical supplies and hospital equipment and training in Poland and \$200,000,000 for economic stabilization, private sector, and other activities aimed at developing a market-oriented economy in Poland. Additionally, the conferees have provided \$200,000,000 in secondary guarantees for the Trade Credit Insurance Program to insure the Export-Import Bank against further losses in Poland.

The conferees intend that the Agency for International Development be the central management and coordinating agency for Polish and Hungarian program. Consequently, funds, in almost every instance, have been appropriated to the Agency for International Development. Flexibility in management of the funds made available has been provided through the utilization of section 515 of this Act and through the regular notification procedures of the Committees on Appropriations.

The conferees also strongly support the provision of up to \$125,000,000 in Public Law 480 food assistance.

The conferees direct that the Department of State take a leadership role in the G7 countries to organize a \$1,000,000,000 fund for economic stabilization in Poland. Strong leadership is necessary in order to get the various donor countries to cooperate effectively in making cash resources available in order to have foreign exchange available to stabilize the Polish economy and currency. It is crucial that Western leadership respond with more than words and caution to the truly remarkable political and economic changes occurring in Eastern Europe. The cost of lost opportunity vastly exceeds the Western resources necessary to support continued progress toward democracy and open-market economies in Eastern Europe.

The conferees further agreed to deleted Senate proposed language on offsetting adjustments.

ESTABLISHING CATEGORIES OF REFUGEE APPLICANTS

Amendment No. 290: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS

SEC. 559D. (a) IN GENERAL.—*In the case of an alien who is within a category of aliens established under subsection (b), the alien may establish, for purposes of admission as a refugee under section 207 of the Immigration and Nationality Act, that the alien has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion by asserting such a fear and asserting a credible basis for concern about the possibility of such persecution.*

(b) ESTABLISHMENT OF CATEGORIES.—

(1) *For purposes of subsection (a), the Attorney General, in consultation with the Secretary of State and the Coordinator for Refugee Affairs, shall establish—*

(A) *one or more categories of aliens who are or were nationals and residents of the Soviet Union and who share common characteristics that identify them as targets of persecution in the Soviet Union on account of race, religion, nationality, membership in a particular social group, or political opinion, and*

(B) *one or more categories of aliens who are or were nationals and residents of Vietnam, Laos, or Cambodia and who share common characteristics that identify them as targets of persecution in such respective foreign state on such an account.*

(2)(A) *Aliens who are (or were) nationals and residents of the Soviet Union and who are Jews or Evangelical Christians shall be deemed a category of alien established under paragraph (1)(A).*

(B) *Aliens who are (or were) nationals of the Soviet Union and who are current members of, and demonstrate public, active, and continuous participation (or attempted participation) in the religious activities of, the Ukrainian Catholic Church or the Ukrainian Orthodox Church, shall be deemed a category of alien established under paragraph (1)(A).*

(C) *Aliens who are (or were) nationals and residents of Vietnam, Laos, or Cambodia and who are members of categories of individuals determined, by the Attorney General in accordance with the "Immigration and Naturalization Service Worldwide Guidelines for Overseas Refugee Processing" (issued by the Immigration and Naturalization Service in August 1983) shall be deemed a category of alien established under paragraph (1)(B).*

(3) *Within the number of admissions of refugees allocated for fiscal year 1990 for refugees who are nationals of the Soviet Union under section 207(a)(3) of the Immigration and Nationality Act, notwithstanding any other provision of law, the President shall allocate 1,000 of such admissions for such fiscal year to refugees who are within the category of aliens described in paragraph (2)(B).*

(c) **WRITTEN REASONS FOR DENIALS OF REFUGEE STATUS.**—Each decision to deny an application for refugee status of an alien who is within a category established under this section shall be in writing and shall state, to the maximum extent feasible, the reason for the denial.

(d) **PERMITTING CERTAIN ALIENS WITHIN CATEGORIES TO REAPPLY FOR REFUGEE STATUS.**—Each alien who is within a category established under this section and who (after August 14, 1988, and before the date of the enactment of this Act) was denied refugee status shall be permitted to reapply for such status. Such an application shall be determined taking into account the application of this section.

(e) **PERIOD OF APPLICATION.**—

(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall only apply to applications for refugee status submitted before October 1, 1990.

(2) Subsection (c) shall apply to decisions made after the date of the enactment of this Act and before October 1, 1990.

(3) Subsection (d) shall take effect on the date of the enactment of this Act and shall only apply to reapplications for refugee status submitted before October 1, 1990.

(f) **GAO REPORTS ON SOVIET REFUGEE PROCESSING.**—

(1) The Comptroller General shall submit to the Committees on the Judiciary of the Senate and of the House of Representatives reports on the implementation of this section in Italy and the Soviet Union. Such reports shall include a review of—

(A) the timeliness and length of individual interviews,

(B) the adequacy of staffing and funding by the Department of State, the Immigration and Naturalization Service, and voluntary agencies, including the adequacy of staffing, computerization, and administration of the processing center in Washington,

(C) the sufficiency of the proposed Soviet refugee processing system within the United States,

(D) backlogs (if any) by ethnic or religious groups and the reasons any such backlogs exist,

(E) sufficiency of the means of distributing and receiving applications for refugee status in Moscow,

(F) to the extent possible, a comparison of the cost of conducting refugee processing only in Moscow and such cost of processing in both Moscow and in Italy, and

(G) an evaluation of efforts to phase out Soviet refugee processing in Italy.

(2) The Comptroller shall submit a preliminary report under paragraph (1) by December 31, 1989, and a final report by March 31, 1990. The final report shall include any recommendations which the Comptroller General may have regarding the need, if any, to review or extend the application of this section.

**ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE
PAROLEES**

Sec. 599E. (a) IN GENERAL.—The Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence if the alien—

- (1) applies for such adjustment,
- (2) has been physically present in the United States for at least 1 year and is physically present in the United States on the date the application for such adjustment is filed,
- (3) is admissible to the United States as an immigrant, except as provided in subsection (c), and
- (4) pays a fee (determined by the Attorney General) for the processing of such application.

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

- (1) was a national of the Soviet Union, Vietnam, Laos, or Cambodia, and
- (2) was inspected and granted parole into the United States during the period beginning on August 15, 1988, and ending on September 30, 1990, after being denied refugee status.

(c) WAIVER OF CERTAIN GROUNDS FOR INADMISSIBILITY.—The provisions of paragraphs (14), (15), (20), (21), (25), (28) (other than subparagraph (F)), and (32) of section 212(a) of the Immigration and Nationality Act shall not apply to adjustment of status under this section and the Attorney General may waive any other provision of such section (other than paragraph (23)(B), (27), (29), or (33)) with respect to such an adjustment for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(d) DATE OF APPROVAL.—Upon the approval of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as a lawful permanent resident as of the date of the alien's inspection and parole described in subsection (b)(2).

(e) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent residence under this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under the Immigration and Nationality Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to new bill language establishing categories of refugee applicants. The conference agreement requires the Attorney General to allow Soviet Jews and Evangelical Christians, along with certain Southeast Asians, to qualify for refugee status by asserting a fear of persecution and asserting a "credible basis for concern about the possibility of such persecution."

The conferees intend that a "credible basis for concern" is established if the applicant asserts: (1) acts of mistreatment, or prejudicial action against the individual personally such as, but not limited to—(a) inability to study or practice religious beliefs or ethnic heritage; (b) denial of access to educational, vocational or technical institutions for which he or she is otherwise qualified, based on the individual's membership in the group; (c) adverse treatment in the

workplace stemming from prejudicial attitudes toward members of his or her group; or (2) acts of persecution committed against similarly situated individuals, in his or her geographic locale; or (3) instances of mistreatment or prejudicial actions based on the individual's request to depart the individual's homeland, including, but not limited to, loss of home, job or education opportunity; (4) knowledge, either from having read of or heard of, of situations like those in (a), (b), and (c) as affecting persons in the same category residing elsewhere in the home country.

Once a credible basis for concern about the possibility of persecution has been established, the burden of disproving eligibility for refugee status will fall upon the United States Government. The United States Government may meet this burden by establishing that assertions of the type proffered by the applicant are not credible given what is known about conditions in the individual's home country.

Regarding Ukrainians, the 1,000 refugee numbers (discussed in subsection (b)(3)) should be viewed as both a floor and ceiling; in effect, a set-aside.

REPEAL OF PROVISION

Amendment No. 291: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

REPEAL OF PROVISION

SEC. 599F. (a) The following provision under the heading "Salaries and Expenses, General Legal Activities," contained in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations act, 1990 (H.R. 2991), as enacted into law, is hereby repealed.": Provided further, That for fiscal year 1990 and hereafter the Attorney General may establish and collect fees to cover the cost of identifying, copying and distributing copies of tax decisions rendered by the Federal Judiciary and that any such fees shall be credited to this appropriation notwithstanding the provisions of 31 U.S.C. 3302".

(b) The provisions of subsection (a) shall take effect upon the date of the enactment into law of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (H.R. 2991).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to delete language proposed by the Senate concerning a plan to eradicate the worst aspects of poverty. Although the conferees agree with the thrust of the language proposed by the Senate it was felt that the provision should be addressed in authorizing legislation. The conferees note that United States development assistance should contribute measurably to eradicating the worst aspects of absolute poverty by the year 2000 and that international cooperation should be sought in achieving

this goal. The conferees have addressed other issues of poverty in amendment number 276.

The conferees upon request have agreed to include a new provision which repeals a provision in the Commerce, Justice, State Appropriations Bill which would permit the Attorney General to establish and collect fees to cover the cost of identifying, copying and distributing federal tax decisions. The repealed Commerce, State, Justice provision would have distorted the Supreme Court's recent decision in *Department of Justice v. Tax Analysts* and would have permitted the Attorney General to override fee provisions of the Freedom of Information Act that were carefully negotiated with the Justice Department only three years ago. The original proponents of this provision—including Commerce, Justice, State conferees and the Justice Department—have requested that this provision should be repealed.

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

Amendment No. 292: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CONDITIONAL ASSISTANCE FOR EL SALVADOR FOR POLICE TRAINING

SEC. 599G. (a) CONDITIONAL ASSISTANCE.—*In order to promote the professional development of the security forces in El Salvador and to encourage the separation of the law enforcement from the armed forces of El Salvador, funds made available under chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated to El Salvador may, notwithstanding section 660 of that Act, be provided to El Salvador for fiscal year 1990 for purposes otherwise prohibited by section 660 of the Act, if the following conditions are met:*

(1) *The training provides with such assistance is provided by United States civilian law enforcement personnel.*

(2)(A) *The assistance is to be used for the purposes of professional development and training of the security forces of El Salvador in such areas as human rights, civil law, investigative and civilian law enforcement techniques, and urban law enforcement training.*

(B) *Any such assistance that is made available for equipment for these forces is intended to be used for the purchase of equipment such as communication devices, transportation equipment, forensic equipment, and personal protection gear. No such assistance may be used for the purpose of any lethal equipment, except for small arms ammunition and rifle ammunition solely for training purposes.*

(3) *At least 30 days before obligating such assistance, the President certifies to the Committee of Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee of Foreign Relations and the Committee on*

Appropriations of the Senate that the Government of El Salvador has made significant progress during the preceding 6 months in eliminating any human rights violations, including torture, incommunicado detention, detention of persons solely for their political views, or prolonged detention without trial. Any such certification shall include a full description of the assistance which is proposed to be provided and of the purposes to which it is to be directed. Any such certification shall also include a report on the status of all investigative action and prosecutions with respect to those responsible for the 1980 murders of Archbishop Oscar Romero and the four American churchwomen, the recent murder of Ana Casanova, and the recent bombings of the headquarters of the FENASTRAS union and the office of COMADRES, a human rights organization.

(4) REPROGRAMMING.—Funds made available under this subsection shall be subject to the regular reprogramming procedures of the Committees on Appropriations.

(b) DEFINITION.—For purposes of this section, the term "civilian law enforcement personnel" means individuals who are not members of the United States Armed Forces.

(c) Not more than \$5,000,000 shall be made available in fiscal year 1990 to carry out the provisions of this section. Not less than \$7,000,000 of the funds made available to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 1990 shall be made available for the purposes of subsection 534(b)(3) of the Foreign Assistance Act of 1961.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are deeply concerned about reports of human rights abuses by members of the Salvadoran police forces. The conferees wish to support efforts by the Administration and the Salvadoran Government to further professionalize the police forces and bring to justice those who have committed abuses. For this reason funds have been provided, notwithstanding the prohibition in section 660, for civilian training of police and non-lethal equipment, with the exception of small arms ammunition and rifle ammunition used only for training purposes. The conferees direct that the use of such ammunition shall occur only at the Salvadoran Police Academy.

Because of the history of police misconduct which led to the section 660 prohibition in the first place, this training and equipment are provided only on condition that the Administration certifies that significant progress is being made in eliminating human rights abuses and in bringing to justice those responsible for certain crimes, including the recent murder of Ana Casanova and the bombings of the FENASTRAS headquarters and the office of COMADRES.

Furthermore, in order to ensure that the training and equipment are accomplishing their intended purposes, the conferees direct the Administration to report on a biannual basis to the Committees on Appropriations of the House and Senate on the conduct of police who receive this training and equipment, including all efforts to bring to justice police who have engaged in abuses of human rights.

CROPS IN PERU, BOLIVIA AND JAMAICA

Amendment No. 293: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

CROPS IN PERU, BOLIVIA AND JAMAICA

SEC. 599H. Notwithstanding any other provision of law, the President may provide assistance under chapter 1 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 for Peru, Bolivia and Jamaica to promote the production, processing, or marketing of all crops which can be economically grown in areas of those countries which currently produce crops from which narcotic and psychotropic drugs are derived.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes a provision giving the Presidential authority to provide assistance to Peru, Bolivia and Jamaica to promote production, processing, or marketing of all crops which can be economically grown in areas which currently produce crops from which narcotic and psychotropic drugs are derived.

LAND REFORM IN EL SALVADOR

Amendment No. 294: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

LAND REFORM IN EL SALVADOR

SEC. 599I. (a) It is the sense of the Congress that the success and continuation of land reform in El Salvador is vital to United States policy and to political stability, economic development and maintenance of democratic institutions in that country.

(b) Therefore, when allocating Economic Support Funds to El Salvador, the President shall take into consideration progress in the Salvadoran Land Reform Program.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conference agreement includes sense of the Congress language on land reform in El Salvador.

TITLE VI—FUNDING LEVELS

Amendment No. 295: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

TITLE VI—FUNDING ADJUSTMENTS

REDUCTION OF APPROPRIATIONS

SEC. 601. *Each appropriation item, direct loan obligation limit, loan guarantee commitment limit, or obligation limit provided by this Act shall be reduced by 0.43 percent: Provided, That such reduction shall be applied proportionally to each program, project, and activity as set forth in section 543 of this Act: Provided further, That programs and activities exempt from sequestration under Section 255 of the Deficit Control Act of 1985 shall be exempt from the uniform reduction required by this paragraph.*

COUNTER-NARCOTICS PROGRAMS

SEC. 602. *For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961 and the Arms Export Control Act, \$125,000,000, which shall be made available only for counter-narcotics programs: Provided, That none of the funds appropriated under this heading shall be made available except as provided through the regular notification procedures of the Committees on Appropriations.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes two provisions relating to an initiative for the control of illicit drugs. The first provision above is an overall across the board cut needed to offset the additional costs associated with government-wide assistance for the control of illicit drugs. The provision is consistent with agreements reached on funding included in other appropriations bills.

The second provision provides an additional \$125,000,000 in assistance beyond what has been provided in other titles in the bill for international counter-narcotics programs. These funds can be made available for counter-narcotics activities under the Foreign Assistance Act (FAA) and the Arms Export Control Act (AECA) and are to be used in accordance with the authorities that are applicable to the provisions of the FAA or AECA under which they will be used. The specific program and project uses of this \$125,000,000 are to be provided through the notification procedures of the Committees on Appropriations.

The conferees agreed that the Administration is to follow non-conflicting recommendations in the House and Senate Committee Reports to the extent that they are not in conflict with this Statement of the Managers.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1990 recommended by the Committee of Conference, with comparisons to the fiscal year 1989 amount, the 1990 budget estimates, and the House and Senate bills for 1990 follow:

| | |
|---|------------------|
| New budget (obligational) authority, fiscal year 1989 | \$14,390,032,000 |
| Budget estimates of new (obligational) authority, fiscal year 1990..... | 15,157,926,225 |
| House bill, fiscal year 1990 | 14,284,613,131 |
| Senate bill, fiscal year 1990 | 14,441,723,945 |
| Conference agreement, fiscal year 1990 | 14,643,814,000 |

Conference agreement compared with:

| | |
|---|--------------|
| New budget (obligational) authority, fiscal year 1989 | +258,782,000 |
| Budget estimates of new (obligational) authority, fiscal year 1990..... | -514,112,225 |
| House bill, fiscal year 1990 | +359,200,869 |
| Senate bill, fiscal year 1990 | +202,090,055 |

**DAVID R. OBEY,
RODNEY R. YATES**

(except amendment 292 and all military assistance to El Salvador),

MATTHEW F. MCHUGH

(except amendment 292 regarding police training in El Salvador),

**WILLIAM LEHMAN,
CHARLES WILSON,
WILLIAM H. GRAY III,
R.J. MRAZEK**

(except amendment 292 and military assistance to El Salvador),

**RONALD COLEMAN,
JAMIE WHITTEN,
MICKEY EDWARDS,
JERRY LEWIS,
JOHN PORTER,
DEAN GALLO,**

Managers on the Part of the House.

**PAT LEAHY,
DANIEL K. INOUE,
J. BENNETT JOHNSTON,
DENNIS DECONCINI,
FRANK LAUTENBERG,
TOM HARKIN,
BARBARA A. MIKULSKI,
ROBERT C. BYRD,
ROBERT W. KASTEN, Jr.,
MARK O. HATFIELD,
ALFONSE D'AMATO,
WARREN B. RUDMAN,
ARLEN SPECTER,
DON NICKLES,
TED STEVENS,**

Managers on the Part of the Senate.