

Treas.
HF
1480.5
.T71
1994

THE OPERATION OF THE ENTERPRISE FOR THE AMERICAS FACILITY



Report to Congress
September 1994

Treas.
-F
12805
.T71
1994

TABLE OF CONTENTS

	<u>Page</u>
Overview	1
Status of the Debt Reduction Facility	2
Framework Agreements	3
Creation of Local Americas Funds	4
Operation of Local Funds	5
International University for the Americas	10
Summary Table of the Status of the EAI Funds	11
Supplemental Views from Members of the Enterprise for the Americas Board	12
Annexes:	
1 -- Summary Table of Debt Reduction Undertaken	17
2 -- Enterprise for the Americas Board	18
3 -- Americas Framework Agreements	
U.S. - Colombia Agreement	19
U.S. - El Salvador Agreement	41
U.S. - Uruguay Agreement	67
U.S. - Chile Agreement	88
U.S. - Argentina Agreement	109
U.S. - Jamaica Agreement	126

LIBRARY
ROOM 5310
JUN 10 1998
TREASURY DEPARTMENT

Overview

The Enterprise for the Americas Initiative (EAI) opened a new era of hemispheric partnership, encouraging increased trade, investment, and growth. Many barriers to trade have been reduced and investment climates have improved in several Latin America and Caribbean countries.

The Initiative served to complement the transformation already underway in Latin America and the Caribbean, where the combination of debt reduction by commercial banks, support from the international financial institutions, and substantial economic reforms in many countries has ushered in a new era of growth. The United States has sought to continue to provide incentives for deep economic reforms as well as enhance the commitment to the quality of the environment and the lives of the citizens of the western hemisphere.

The purpose of this report is to discuss the implementation of the debt and environmental elements of the EAI. Debt reduction has been an important tool for encouraging countries to sustain efforts to reform their economies. By promoting economic reforms and nurturing support for environmental and child development projects at the grass roots level, the United States has helped the region offer new hope for local community efforts to improve everyday life.

Since the inception of the EAI, the United States has reduced the bilateral foreign assistance and/or food assistance debt of Argentina, Bolivia, Chile, Colombia, El Salvador, Jamaica, and Uruguay by approximately \$875 million dollars. These agreements are expected to generate roughly \$154 million in local currency funds established in these seven countries, designed to support environmental and child survival projects.

The EAI environmental component encompassed a grass-roots development approach, compatible with the increasingly preferred USAID method of channeling resources to local Non-Governmental Organizations (NGOs). It was designed to nurture the local NGO community and foster NGO collaboration with the host government, which can also help to strengthen the roots of democracy. The U.S. environmental community played an important role in sharing its expertise with the Administration and Congress, and lent strong support for this local grass-roots approach. Although the EAI funds are still relatively young, the United States has seen positive results in creating a new spirit of cooperation between the NGO community and initially hesitant host governments.

This report covers activities in FY93 since the last Facility Report was issued in January 1993. The report was prepared by the Department of the Treasury, in accordance with the recommendations of the National Advisory Council. Members of the Enterprise for the Americas Board received draft copies of the report and were offered the opportunity to provide comments and/or supplemental views, which are included in the report.

Status of the Debt Reduction Facility

As a result of the Credit Reform Act of 1990, which took effect beginning with FY 1992, the Administration can undertake debt reduction only to the extent that Congress provides specific appropriations for this purpose¹. Under "credit reform," which altered the budget and accounting rules governing the reduction of debt, appropriations are required for the subsidy cost of debt reduction, which is defined as the difference between (a) the net present value of expected receipts throughout the life of the loans affected by debt reduction, and (b) the net present value of expected receipts of the remaining loans.

As described in last year's report, for fiscal year 1993 Congress provided a total of \$90 million for EAI debt reduction (\$40 million for P.L. 480 debt reduction and \$50 million for AID debt reduction). The countries that benefitted from debt reduction in FY 1993 were Chile, Colombia, El Salvador, Uruguay, Argentina, and Jamaica. Each of these countries satisfied the economic eligibility criteria for debt reduction², as determined by the Secretary of the Treasury in accordance with the recommendations of the National Advisory Council on International Monetary and Financial Policies (NAC) and, in the case of AID debt, the Secretary of State's determination regarding political eligibility criteria.³ The six reduction operations reduced a total amount of approximately \$611 million in P.L. 480 and AID debt owed the United States. (Annex 1 contains a summary of debt reduction undertaken.) An additional \$122 million in interest payments will be payable in local currency to support environmental and/or child development projects, as a result of the Americas Framework Agreements reached between the debtor countries and the United States in FY93.

¹Debt reduction for Bolivia, which occurred in August 1991, preceded credit reform and did not require discretionary appropriations under the budget scoring rules in effect at that time.

² An eligible country must be a Latin American or Caribbean country that--

- (1) has in effect, has received approval for, or as appropriate in exceptional circumstances, is making significant progress toward--
 - an IMF standby arrangement, or its equivalent;
 - as appropriate, structural or sectoral adjustment loans from the World Bank or IDA;
- (2) has undertaken major investment reforms in conjunction with an IDB loan or otherwise is implementing, or making significant progress toward, an open investment regime;
- (3) if appropriate, has agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

³ An eligible country must be a Latin American or Caribbean country--

- (1) whose government is democratically elected;
- (2) whose government has not repeatedly provided support for acts of international terrorism;
- (3) whose government is not failing to cooperate on international narcotics control matters; and
- (4) whose government (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights.

This action was undertaken under authority provided by Congress for the EAI.⁴ The EAI legislation created the Enterprise for the Americas Facility ("the Facility") within the Treasury Department to administer the debt reduction operations. The President is required to submit an annual report on the operation of the Facility during the prior fiscal year.⁵ This report must also include: a description of bilateral Environmental Framework or Americas Framework Agreements entered into by the United States under the EAI; a description of grants made by local bodies administering the local currency funds for environmental and/or child development projects; and an assessment of progress on the establishment of the International University for the Americas.

The Clinton Administration included in its FY94 budget request to Congress \$71 million to undertake EAI debt reduction in fiscal year 1994. It was anticipated that these funds would be targeted on lower-income countries with heavy debts to bilateral official creditors. Due to limited budget resources, however, Congress did not appropriate funds in fiscal year 1994 to provide for debt reduction under the Enterprise for the Americas Initiative. Therefore, since the last Facility Report was issued in January 1993, the Administration has undertaken no further debt reduction operations.

Framework Agreements

To recognize the important role of environmental protection and conservation in accomplishing sustained economic growth and prosperity, the EAI debt reduction operations include a mechanism to channel increased resources to environmental projects in Latin America and the Caribbean.

Since 1991, bilateral Americas Framework Agreements have established seven local funds in Latin America and the Caribbean. These agreements served to define the scope of eligible activities -- for the environment and child development -- and, more importantly, the composition of the local board governing the selection of grants, with day-to-day decision-making power over the local currency funds.

Each of the Americas Framework Agreements requires that:

- ◆ interest payments due on reduced debt be made into the fund;
- ◆ efforts be made to maintain the value of monies in the fund;
- ◆ the fund (or its fiscal agent) make prompt disbursements on receipt of requests from the appropriate commission or board (e.g. within 14 days);

⁴ Title VI of the Agricultural Trade, Development and Assistance Act of 1954 (ATDA), and Part IV of the Foreign Assistance Act of 1961 (FAA).

⁵ Section 614 of the ATDA Act, section 710 of the FAA.

- ◆ the monies in the fund may be used only for the purposes consistent with section 612 of the Agricultural Trade, Development and Assistance Act and section 708 of the Foreign Assistance Act;
- ◆ monies from other donors, if made available, may be deposited in the fund;
- ◆ prompt consultations take place if either government raises concerns about implementation of the agreement and for termination of the agreement should these concerns not be resolved; and
- ◆ if the agreement is terminated for any reason, the government must make interest payments on the remaining debt to the United States in dollars.

The intent of the EAI funds was to create a non-governmental organization (NGO)-driven process, by requiring that the local decision-making body be composed of a majority of local NGO representatives. The Enterprise for the Americas Board, a Washington-based private/public board of representatives, advises the U.S. Government on the framework negotiations, and reviews the composition of the local board as well as annual operation of the Funds.

Creation of Local Americas Funds

During 1993 the Administration was actively engaged in implementing the environmental element of the initiative -- through framework negotiations with each of the six beneficiaries of EAI debt reduction earlier in the fiscal year. The inter-agency negotiating team -- headed by the Department of State, with representatives from the Treasury Department, AID, and the Inter-American Foundation, met with Colombian Government officials in Washington and traveled to El Salvador, Argentina and Uruguay to complete Americas Framework Agreements with each of those governments. In addition, negotiations were held in Chile and Jamaica to expand the existing Environmental Framework Agreements to include child survival and child development activities.

Each Americas Framework Agreement provides in a different manner for the establishment and operation of an entity to receive and disburse local currency interest payments depending on the legal and other circumstances faced in each country. The U.S. negotiators were quite pleased with the bilateral framework agreements negotiated in 1993. One of the top priorities of the negotiating team was to ensure that the clear intent of the agreement was to create a fund which would be a broad, open, and participatory process -- thereby offering an opportunity to facilitate greater cooperation between government officials and representatives of the NGO community in addressing the environmental and child development priorities in each country.

The initial step in creating the local entities to administer EAI funds has been to identify a body to govern the use of the funds. U.S. law requires that non-governmental

organizations constitute the voting majority in any such body. In addition, the public/private Enterprise for the Americas Board (EAB) in Washington is responsible for ensuring that suitable local bodies are constituted and, therefore, reviews the proposed panels before they are finalized.

Operation of Local Funds: Progress Reports from the U.S. Representatives in the Field

BOLIVIA

The U.S representative on the Administrative Council in Bolivia has indicated that the EAI Environmental Account has rapidly become a key force in Bolivian environmental affairs, and that it provides strong and broad based support for improved environmental management. Moreover, the bilateral Environmental Framework Agreement has proven a strong and intelligent foundation on which to build increasing public participation in environmental decision making.

As one of the first countries in Latin America to benefit from the Enterprise for the Americas debt restructuring opportunities, the Government of Bolivia created an environmental account of \$22 million (\$1.8 million generated through EAI plus a voluntary contribution of \$20 million by the Government of Bolivia) to fund local environmental initiatives by the close of 1991. In addition, as a result of the Government's drive to gain additional donors, the total capitalization is now over \$80 million. The new Bolivian Administration that took office in August, 1993 continues to strongly support the EAI Environmental Fund.

The local currency resources are managed by an "Administrative Council" of seven members, with three government representatives (two Bolivian and one U.S.) and four from Bolivia's non-governmental community. The four NGO council members proposed by the Bolivian Government were nominated as candidates by their NGO peers in an open and democratic forum, held in February 1992. The nomination process focused on incorporating representation from a broad range of Bolivian environmental and local community development NGOs as well as scientific and academic bodies. Following a high-visibility swearing-in ceremony presided over by the Vice President of Bolivia in September 1992, the Administrative Council drafted its by-laws which were adopted (after review by the EAB) in January 1993.

Demand for EAI funds continues very strong, with more than ten times as many applicants as grants awarded. To date, 22 activities have been funded, totaling \$1.9 million in commitments (with approximately \$2.5 million leveraged in additional counterpart resources), from a total of \$4.5 million obligated by the Bolivian Government to the EAI account. Two of these projects have already successfully concluded. An additional 15 new activities have been tentatively approved, with final approval subject to modifications called for by the Council, bringing the total number of EAI projects now in the pipeline or underway to 35.

Activities funded have covered a broad range from increasing knowledge about conservation to developing regenerative approaches to farming, forestry, fishing, and watershed management. The size of grants requested has ranged from \$10,000 to \$1 million.

As might be expected, the geographic distribution of projects varies greatly, with approximately 40 percent of the total approved going to NGOs based in La Paz. It is important to recognize that La Paz-based groups submitted more than 36 percent of the applications received and that La Paz has the largest concentration of organized NGO groups working in the environment. The smaller, less densely populated areas have in fact had substantially higher rates of project approval, with currently only one "department" with no on-going EAI activity. Also, there have been three times as many proposals submitted for rural themes as urban ones, and NGOs have been the recipients of more than 60 percent of the funding.

Below are titles of some of the activities funded by the EAI account in Bolivia, followed by grant amount and recipient:

Successfully Completed:

Developing Sanitary Education Materials for El Alto, \$26,000, PROA (NGO);

Boundary Delimitation of the Indigenous Peoples' Territory of Isiboro-Secure, \$11,000, Indigenous Peoples' Organization and CIDDEBENI (NGO);

In Progress:

Inventory of Vegetation and Flora of Noel Kempff Mercado National Park, \$91,000, UAGRM Natural History Museum;

Pilot Plant for Anaerobic Waste-Water Processing, \$100,000, UAJMS Faculty of Technology;

Soil and Range Conservation in the Pacajes Province, \$97,000, SEMTA (NGO);

Conservation and Productive Use of the Palqui Plant, \$14,000, Community Development Committee of Puesto Grande;

Support for Chimanes Indians Development in the Beni Biosphere Reserve, \$99,000, Beni Biological Reserve Station;

Environmental Conservation Through Ethnobotanical and Ethnopharmacological Resource Use in Bolivia, \$204,000, Bolivian Institute for High Altitude Biology.

The U.S. representative expressed three key observations regarding the EAI fund in Bolivia which he believes have had a significant impact. First, the EAI process played a key role in the development of Bolivia's National Environmental Fund (FONOMA), an institutional evolution of dramatic importance. Since the inception of Bolivia's EAI account, FONOMA has been able to secure some \$60 million in additional funding commitments for environment and sustainable development activities. Although it is difficult to quantify how much of this money the EAI fund helped to leverage, many in FONOMA believe it was critical to the development of that institution, and therefore to all that followed.

Second, the EAI process has clearly increased popular participation in environmental decision-making, introducing a range of new players (e.g. community groups, indigenous peoples' organizations) to the possibilities of accessing funds for worthwhile environmental initiatives.

Third, the emphasis placed on strong community support in the grant application form and proposal review process has helped to catalyze local action and convey a stronger sense of local responsibility for improved environmental management. It has also encouraged innovative new partnerships that could contribute importantly to local capacity building, linking NGOs with community development centers or scientific institutes with indigenous peoples' organizations. Furthermore, it is likely that the comments applicants receive from the Council following a tentative approval of their proposals also contribute to institutional strengthening, helping them to better understand what is expected if they are to compete effectively for EAI and other sources of funding.

As the EAI local fund which has progressed the furthest in operations of the seven funds established to date, we look forward to the EAI Fund in Bolivia continuing to make a significant contribution to that country's environment and conservation, and to continue to help, by its example, other countries' efforts in establishing local funds.

JAMAICA

Positive strides in environmental management are also reported by the U.S. Representative to the Environmental Foundation of Jamaica (EFJ), an institution created as a result of the bilateral Environmental Framework Agreement completed in November 1991.

In September 1993, the U.S. and the Government of Jamaica signed the EAI "Americas Agreement", which superseded the first environmental framework agreement reached in November of 1991. The new agreement increased the resources of the Foundation to over \$20 million, and expanded the list of eligible activities to child development and child survival that can be funded by the EFJ. One board member was added to the Foundation to represent the child development community, and one other seat was added to the existing four NGO board members to represent the broad range of Jamaican environmental and community development, raising the total number of board members to nine from the original seven.

Government consultation with the local NGOs in the process of nominating the local board members for the EFJ was extensive. At the December 1993, first annual general meeting, the NGO community was represented by over 40 organizations which are members of the EFJ. This meeting nominated candidates from which the Minister of Public Service and Environment chose the required six NGO members. Informal discussions among the NGOs, the Foundation, and the Ministry assured a highly amicable conclusion of this process. The Environmental Foundation is now fully constituted according to Jamaican law.

The grants approved to date, reviewed on their individual merits, represent a solid and balanced portfolio of environmental action and information activities. Currently, the Foundation is working with 32 proposals for environmental improvement projects, requesting total grant financing of approximately \$2 million. Grants have been awarded to 13 of these projects, of which five have been successfully concluded. A sample of some of the activities selected for grants by the Environmental Foundation of Jamaica follow:

Successfully Completed:

Negril Protection Workshop, \$6,500, Negril Coral Reef Preservation Society;

Blue Mountain Guide, \$4,000, Natural History Society;

Gosse Bird Club Broadsheet, \$1,000, Gosse Bird Club;

Envirotrek, \$24,000, Portland Environment Protection Association;

CCA General Conference, \$3,000, National Environmental Societies Trust & Jamaica Conservation Development Trust;

In Progress:

BPCA Nursery Project, \$16,000, Bluefields Peoples Community Association;

S.Corner Latrine Project, \$62,000, S-Corner Clinic & Development Project;

Childrens Own Project, \$21,000, Jamaican Conservation Trust;

Iguana Project, \$25,000, National Wildlife Foundation;

Earth Day 1994, \$2,000, Community Environment Resource Center;

Children Expo, \$250, Council of Voluntary Social Services.

The EFJ is now considering a strategic framework which would organize future grant activity around four or five major themes and would establish a program approach to specific areas like environmental education. However, of the projects completed to date, the two projects identified as most successful involved forging united action among Negril's highly energetic but factious environmental NGOs and publishing a Blue Mountain Guide to promote ecotourism.

The U.S. Representative to the EFJ has expressed his belief that the EAI account and the Foundation have already contributed significantly to environmental action and awareness in Jamaica, not just through projects, but also through the public dialogue surrounding the Foundation's own creation. The EFJ has significantly enhanced the resources available to environmental groups in Jamaica. The NGO community has been extensively involved in setting up the Foundation.

This process, combined with a growing national debate on environmental issues within Jamaica, has helped double the number of environmental NGOs nationwide from 20 three years ago to over 40 now. Since June 1993, when the Framework Agreement was amended to include child development in addition to environmental activities, the EFJ has also been drawing attention to the important issues of how the environment affects child welfare and human health in general.

In sum, the EFJ is playing a key role in advancing the national environmental agenda and is achieving concrete results in the field.

EL SALVADOR

Since the Americas Agreement was signed in June 1993, the establishment of the Fund has been underway, with the government undertaking the task of selecting the NGO representatives for the Administrative Council. This process began with a seminar/workshop, hosted by the Executive Secretariat for the Environment (SEMA) and U.S.AID, for NGOs to become familiar with the EAI Americas Framework Agreement which establishes the local currency fund for environmental and child development activities. SEMA used the workshop to elect representatives to an advisory group to SEMA to assist in developing a process for choosing four permanent NGO representatives to the EAI Administrative Council.

The seminar was attended by representatives of more than one hundred NGOs from four distinct categories: environmental, community development, child survival, and academic/scientific. The workshop venue provided the opportunity for the different NGOs to identify the characteristics of an NGO and individual that would best represent their category. The structure and outcome of the seminar was praised as a participatory process by an official from the Inter-American Foundation, invited to observe the process.

The Advisory Committee met frequently during September and October of 1993 to draw up the selection process for the Administrative Council of the EAI Fund. The announcement for the December 6 selection meeting was published in two national newspapers in November 1993, advertising the event and inviting the participation of all eligible NGOs. After broad publicity, 138 NGOs inscribed and 93 attended, nominating representatives from which the Government of El Salvador made the final selection for each category before year end. The list of representatives to the Administrative Council was later forwarded to Washington and approved by the Enterprise for the Americas Board.

The EAB has approved the draft operating procedures and preliminary budget for the EAI Fund in El Salvador. We are pleased to see the rapid progress in El Salvador in implementing the Americas Framework Agreement.

CHILE

The Americas Agreement negotiations in 1993 served to amend the earlier "Environmental Framework Agreement" completed with the Chilean Government in 1992, in order to encompass child development projects within the scope of eligible activities for Fund resources. Since the Agreement was signed in June of 1993, the Government of Chile has appointed its local commission to oversee the Fund, including representatives from the non-governmental community in Chile. This process was completed through a consultative process with a number of local NGOs. Now the local commission must construct its operating procedures and forward them to Washington for EAB review.

ARGENTINA, COLOMBIA, URUGUAY

As a result of bilateral Americas Framework Agreements signed with these three countries, respectively, the consultation process with the NGO community has been underway to select non-governmental representatives for each of the local commissions. The EAB recently approved the candidates nominated by the Government of Uruguay for its local commission. The U.S. Government representatives in Argentina and Colombia have indicated that formal selections of the representatives by the governments will be forwarded to Washington for review very soon. We look forward to channeling new resources to the environment and child development through the EAI local funds in these countries in the coming months.

International University for the Americas

The State Department is reviewing the issue of an "International University of the Americas" in the context of the broad planning that is taking place in preparation for President Clinton's Western Hemisphere Summit. The lack of appropriated funds for the University poses a continuing obstacle.

SUMMARY OF THE STATUS OF THE ENTERPRISE FOR THE AMERICAS FUNDS

COUNTRY	Debt Reduction Agreement		Framework Agreement Completed	Local Currency Account Start-Up Deposit	Local Fund Mechanism Set Up	Grants Made
	PL-480	AID				
Argentina		Yes	AFA* - 9/93	9/30/93	Local Board selection under review	
Bolivia	Yes		EFA** - 11/91	12/1/91	Local Board in operation - FONOMA	37
Chile	Yes	Yes	EFA - 2/92 AFA - 6/93	3/1/92 6/30/93	Local Board Selected - By-laws under review	
Colombia		Yes	AFA - 6/93	7/31/93	Local Board selection under review	
El Salvador	Yes	Yes	AFA - 6/93	6/30/93	Local Board Selected By-Laws Approved	
Jamaica	Yes	Yes	EFA - 11/91 AFA - 9/93	12/1/91 9/30/93	Local Board in operation - Environmen'l Foundation of Jamaica(EFJ)	13
Uruguay	Yes	Yes	AFA - 6/93	6/30/93	Local Board Selected By-Laws under review	

* AFA refers to an Americas Framework Agreement, which provides for environmental and child survival activities.

** EFA refers to an Environmental Framework Agreement, which provides for environmental activities exclusively.



**ADDITIONAL COMMENTS SUBMITTED BY DIANE W. WOOD
VICE PRESIDENT FOR LATIN AMERICAN AND CARIBBEAN PROGRAMS**

From its inception, WWF has believed that the Enterprise for the Americas Initiative holds enormous potential to make a dramatic difference in environmental and child survival efforts in the hemisphere. But reaching that potential depended on unprecedented coordination among six federal agencies, various foreign governments and their agencies, and dozens of non-governmental organizations within those countries. In 1990, such coordination seemed more likely to fail than to succeed.

Four years later, to the surprise of many, eleven countries in Latin America and the Caribbean have signed framework agreements. Seven countries have established local funds, with earliest ones of those already making grants. When its current terms are fully implemented, more than \$154 million will be available to local groups in those countries for vitally-needed environmental and child survival projects. By itself, that would be an accomplishment the United States could take great pride in. But this one measure does not capture the full impact of the EAI program.

The local funds established under the EAI lay an excellent foundation for further progress through the cooperation and mutual partnerships they established. If a range of public and private organizations could forge alliances through the EAI, conservation could be demonstrated as an issue that could unite our hemisphere in this decade. It is encouraging to find that in many ways that is exactly what has happened.

As described in the report, the first local funds established under the program have already become important influences in host country environmental policies. They have quickly developed into a foundation for increased public participation and environmental decision making. As this stature has developed, the local funds have proven adept at attracting other financial commitments for their activities. And the grants made by the local funds have often allowed individual projects to attract additional outside funding, further multiplying the initial United States support.

World Wildlife Fund

1250 Twenty-Fourth St., NW Washington, DC 20037-1175 USA
Tel: (202) 293-4800 Telex: 64505 PANDA FAX: (202) 293-9211

Incorporating The Conservation Foundation. Affiliated with World Wide Fund for Nature.



I would also point to an aspect of the funds that is beyond the scope of this report -- their regional impacts. Creation of the local funds has been a catalyst to greater regional cooperation and information sharing. In late May, Bolivia opened an international conference of conservation trust fund managers. The conference helped accelerate trends already underway among the funds in sharing their programmatic and financial experiences. The conference also allowed EAI fund managers to discuss coordination among their efforts, to develop a truly regional approach to conservation.

It was not easy to get to this point. Heated debate has occurred at almost every step of EAI's creation. Government agencies and NGOs in the United States all had visions of a perfect program. Foreign governments and NGOs had their own views that were no less intensely held. Progress was mixed with retreats, but everyone stayed at the table.

Those storms were weathered and the differences worked through. One of the underappreciated benefits of the EAI is that it proved to be a strong motivating force to resolve those differences. Previously elusive consensus and cooperation was found. Partnerships were forged that extend beyond the confines of the EAI program.

Why should Americans care about the record of environmental funds in Jamaica, El Salvador and other countries in our hemisphere? First, it demonstrates that the initial leverage of the debt relief provided by the United States continues to grow. Second, it is proof positive that the Funds can work as intended. Third, all the local funds established under EAI are proving to be important contributors to the building of democratic institutions, public-private partnerships and independent fora for conservation and development policies. By providing money to put those policies into action, the local funds are a critical bridge between desires and reality.

What is the future of the Enterprise for the Americas Initiative? Despite its record, I am concerned that this initiative has slipped off the screen of some policy-makers or has been pushed off by budget scoring issues. It is a sad irony that just as this program is dramatically increasing resources for global conservation efforts, it is losing its domestic resources. As an Americas Board member, and as someone who works with Latin American and Caribbean conservation projects every day, I know this unique effort should be a centerpiece of our future assistance to the region, not allowed to wither.

In December, democratically elected leaders of the western hemisphere will gather in Miami. Conservation and sustainable use issues are certain to be high on their agenda. As they develop policy pronouncements, I hope the leaders at the summit will not overlook the critical role of financial resources to make those policies real.

The approach of the EAI program has proven to be an effective mechanism to bring diverse parties together for a common goal. WWF intends to support efforts that will build on the base established by the EAI not only as a model for the western hemisphere, but as a model for other regions of the world whose resources are seriously threatened.



John C. Sawhill
President & Chief Executive Officer

International Headquarters
1815 North Lynn Street
Arlington, Virginia 22209
TEL 703 841-5300
FAX 703 841-1283

August 18, 1994

Ms. Mary Chaves
Director
Office of International Debt Policy
Department of the Treasury
Washington D.C. 20220

Dear Ms. Chaves:

Thank you for the very thorough draft 1993 EAI report you recently forwarded to me for our review. Specific comments from our staff regarding a few minor points are attached.

We have also reviewed the suggested nominees for the local Uruguay commission and it appears to us that they are representative of a broad range of local NGOs in the environmental and child development fields and thereby merit approval.

I would also like to commend Treasury and the other U.S. agencies on the EAI negotiation teams for the remarkable work they carried out in 1993 negotiating six of the Environmental Framework Agreements. In reviewing the report documents and in discussions held with our partner organizations, what stands out is the U.S. government's commitment to ensuring that each fund would be run in an open and participatory manner, and in such a way as to encourage cooperation between government officials and NGO representatives.

We have already noted that in several of the countries where we are most involved, (Bolivia, Colombia and Jamaica), the long term availability of EAI resources has had several dramatic impacts. NGOs are stimulated to plan better projects and form innovative new partnerships with local community organizations and universities. Civil society receives a tremendous boost, as talented people are drawn to participate in these important areas. Other international donors have also become involved in contributing. Canada and Switzerland have both followed the U.S. lead, with bilateral debt for nature swaps of their own, in the millions of dollars. National Environmental Funds are being increasingly viewed by major donors, including the Global Environmental Facility, as an important mechanism for channeling funds to local NGOs, especially for biodiversity projects.

Ms. Mary Chaves

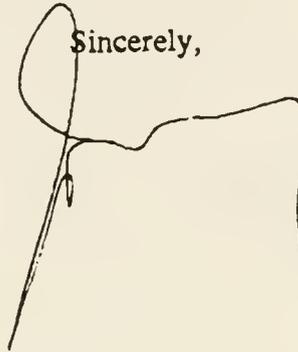
- 2 -

August 18, 1994

I can only hope that Congress and the Administration will once again support these proven efforts using bilateral debt: the need is urgent, it works and it is popular.

Please let me know if we can help in any way. It's been a pleasure to serve on this Commission and I look forward to the coming year.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by a series of connected loops and a long, thin tail extending downwards and to the left.

**ENTERPRISE FOR THE AMERICAS INITIATIVE:
SUMMARY OF DEBT REDUCTION AGREEMENTS TO DATE**

COUNTRY	DEBT	SIGNATURE DATE	ORIGINAL DEBT	AMOUNT REDUCED	NEW EAI DEBT	EAI LOCAL FUND
CHILE	P.L. 480	06-27-91	\$39 million	\$15.9 million	\$23 million	\$1.4 million
	A.I.D.	12-15-92	\$147 million	\$14.7 million	\$132 million	\$17.3 million
BOLIVIA	P.L. 480	08-22-91	\$38.4 million	\$30.7 million	\$7.7 million	\$1.8 million + \$20 ml bond 1/
JAMAICA	P.L. 480	08-23-91	\$271 million	\$216.7 million	\$54 million	\$9.2 million
	A.I.D.	01-15-93	\$134.4 million	\$94.1 million	\$40.3 million	\$12.3 million
COLOMBIA	A.I.D.	12-15-92	\$310 million	\$31 million	\$279 million	\$41.6 million
URUGUAY	P.L. 480	12-15-92	\$1 million	\$400 thous.	\$600 thous.	\$93.4 thous.
	A.I.D.	12-15-92	\$33.4 million	\$3.3 million	\$30.1 million	\$6.1 million
EL SALVADOR	P.L. 480	12-15-92	\$335 million	\$268.4 million	\$67 million	\$25.6 million
	A.I.D.	12-15-92	\$279 million	\$195.5 million	\$84 million	\$15.6 million
ARGENTINA	A.I.D.	01-15-93	\$38.1 million	\$3.8 million	\$34.3 million	\$3.1 million
TOTAL			\$1.63 BILLION	\$875 MILLION	\$752 MILLION	\$154 MILLION

1/ The Government of Bolivia has issued an additional ten-year \$20 million bond to be deposited in the EAI account in the National Fund for the Environment.

ENTERPRISE FOR THE AMERICAS BOARD**1993 Membership**Governmental Representatives

Department of the Treasury, Chair

Department of State, Vice Chair

Environmental Protection Agency, Secretary

Agency for International Development

Department of Agriculture

Inter-American Foundation

Non-Governmental Representatives

Dr. Craig Black, Museum of Natural History, Los Angeles, CA *(member since 1991)*

James Morris, President, IWC Resources, Inc. *(member since 1991)*

John Sawhill, President, The Nature Conservancy *(member since 1991)*

Diane Wood, Vice President for Latin America, World Wildlife Fund *(member since 1991)*

William D. Novelli, Chief Operating Officer, CARE *(member since 1992)*

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF COLOMBIA
CONCERNING THE ESTABLISHMENT OF AN AMERICAS ACCOUNT
AND ADMINISTERING COUNCIL

The Government of the United States of America and
the Government of the Republic of Colombia ("the
Parties"),

Seeking to implement the Enterprise for the
Americas Initiative,

Desiring to enhance the friendship and spirit of
cooperation between the Parties,

Desiring to promote environmentally sound and
sustainable economic development, including the
encouragement of child survival and child development,

Recognizing that environmental protection, conservation, and sustainable natural resource management are key elements in building an ecologically and economically sound future for all countries in the Western Hemisphere,

Recognizing that a country's children are its greatest resource, represent its future, deserve a sound natural resource base for a quality life, and deserve protection from the health hazards of preventable environmental pollution and degradation,

Recognizing that child survival and child development are frequently linked to environmental management and can often be addressed effectively in tandem,

Considering that the Government of the Republic of Colombia, in association with the Colombian environmental nongovernment organizations, has promoted the creation of the ECOFONDO, a private, nonprofit corporation whose object is to promote conservation, environmental management and sustainable development in Colombia, and for these purposes negotiate, receive, administer, manage, and assign national and international resources in order to finance plans, programs, and projects implemented by nongovernmental organizations independently or in coordination with public entities, including institutional strengthening activities,

Wishing to follow upon the agreement between the parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement") of December 15, 1992, which reduces certain debt owed by the Government of the Republic of Colombia to the Government of the United States of America,

Considering that the Debt Reduction Agreement does not relieve the Republic of Colombia from its obligation to make principal and interest payments under the New EAI Obligation, but that the New EAI Obligation requires the payment of the interest in local currency to the Americas Account, pursuant to this Agreement,

Certifying that the resources of the Americas Account will originate from the interest paid by the Republic of Colombia pursuant to the terms established under the Debt Reduction Agreement,

Have agreed as follows:

ARTICLE I

PURPOSE

The purpose of this Agreement is to provide for the establishment of an Americas Account and Administering Council in order to promote activities designed to preserve, protect, or manage the natural and biological resources of the Republic of Colombia in an environmentally sound and sustainable manner, while encouraging the improvement of child survival and development within the context of sustainable development in Colombia.

ARTICLE II

AMERICAS ACCOUNT

1. The Government of the Republic of Colombia shall ensure that an Americas Account (the "Account") is established in accordance with the laws of the Republic of Colombia. The Government of the Republic of Colombia intends to enter into an internal agreement, consistent with this Agreement, with the ECOFONDO, whereby the ECOFONDO agrees to establish an Americas Account, which shall be administered by the ECOFONDO following the directives of the Council

established pursuant to Article III. The internal agreement and any amendments to that agreement shall be subject to the review and approval of both Parties. In the event the Parties determine that ECOFONDO is not fulfilling its obligations pursuant to the internal agreement, another organization shall be selected by the Parties to assume the responsibilities of ECOFONDO established in this Agreement.

2. Subject to Article IV of the Debt Reduction Agreement, the Government of the Republic of Colombia shall ensure that the entire amount of interest owed on the New EAI Obligation falling due on or after the date of entry into force of this Agreement is deposited in local currency in the Account in accordance with the payment schedule at Appendix B of the Debt Reduction Agreement. Any interest which becomes due on the New EAI Obligation prior to the date of entry into force of this agreement shall not be deposited in the Account, but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

3. A. Upon entry into force of this Agreement, the Government of the Republic of Colombia shall ensure that the ECOFONDO establishes an escrow account pursuant to Colombian law. Notwithstanding paragraph

2 above, the Government of the Republic of Colombia shall pay into such escrow account interest owed on the New EAI Obligation falling due on or after the date of entry into force of this Agreement but prior to the establishment of the Account pursuant to the internal agreement referred to in paragraph 1 above.

B. Funds in the escrow account shall earn interest at a rate not less than a rate obtainable on an equivalent fixed term deposit (Deposito a Termino Fijo) of the Colombian market. The Government of the Republic of Colombia shall ensure that, upon establishment of the Account, the ECOFONDO shall promptly transfer all funds in the escrow account, including any interest earned on such funds, to the Account.

C. The Government of the Republic of Colombia shall ensure that, if for any reason the Account is not established consistent with this Agreement within twelve months of the date of entry into force of this Agreement, the ECOFONDO shall terminate the escrow account, convert any funds in the escrow account, including any interest earned on such funds, into U.S. dollars, and deposit such funds in the appropriate U.S Government Account.

D. Upon termination of the escrow account pursuant to subparagraph B above, this Agreement shall terminate immediately, and all interest payments falling due on the New EAI Obligation shall be made pursuant to Article III.2 of the Debt Reduction Agreement until such time as a subsequent Americas Framework Agreement may be entered into by the Parties.

4. Any monies deposited in the Account, or grants made from the Account, will be free from any taxation, levies, fees or other charges, including value added tax, imposed by the Parties to the extent permissible by law.

5. Monies from other sources, including those donated by public and private creditors of the Government of the Republic of Colombia, in the form of local currency or other currencies, may also be deposited into the Account, with the agreement of the Parties and prospective donors. Once deposited in the Account, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

6. The ECOFONDO, in consultation with the Parties, shall select a fiscal agent for the Account,

who shall be charged with the investment and disbursement of the monies in the Account pursuant to the directives of the Council. In considering the selection of a fiscal agent, the Parties shall consider specifically whether a surety bond shall be required. The fiscal agent shall ensure that the Council is promptly notified in writing when the Government of the Republic of Colombia makes a deposit in the Account pursuant to its debt service obligations as set forth in paragraph 2 above.

7. Deposits in the Account shall be prudently invested by the fiscal agent until disbursed. Returns on investment shall be deposited by the fiscal agent in the Account and remain there until disbursed.

8. The Government of the Republic of Colombia shall require that the ECOFONDO make every effort to ensure that such investments yield the positive real interest rate equal to at least the rate obtainable on an equivalent fixed term deposit (Deposito a Termino Fijo, or DTF) of the Colombian market. To the extent that prudent investment practices cannot accomplish this goal, the ECOFONDO shall promptly bring this matter to the attention of the Council and the Parties for consideration by the Parties with a view toward identifying appropriate corrective measures.

ARTICLE III

ESTABLISHMENT AND COMPOSITION OF THE COUNCIL

1. The Government of the Republic of Colombia, in consultation with local nongovernmental organizations, shall ensure that an Americas Council (the "Council") is established in accordance with this Agreement and Colombian law.

2. The Council shall consist of eight members. It shall be composed of:

A. one member appointed by the Government of the United States of America;

B. two members appointed by the Government of the Republic of Colombia:

i) the Director of the National Planning Department or his delegate, who shall represent the Government of the Republic of Colombia, and

ii) the General Manager of the Institute of Renewable Natural Resources (INDERENA) or his delegate, or in the

event that the Ministry of Environment is created, the Minister of Environment, or his delegate;

C. five representatives from a broad range of Colombian environmental and local community development, including child survival and child development, nongovernmental organizations, and scientific and academic bodies, selected by the representative of the Government of the Republic of Colombia in consultation with these groups and the Board of Directors of ECOFONDO. The composition of this group of representatives shall be approved jointly by the Parties, and these representatives shall constitute a majority of the members of the Council.

3. Council members appointed in accordance with Article III.2(A) and (B) shall serve at the discretion of the appointing Party. Council members described in Article III.2(C) shall be appointed by the Government of the Republic of Colombia, shall serve for a period of two years, and may be removed only to the extent provided by law. Consecutive terms shall be permitted.

4. A Council member may not participate in the approval of any proposed grant which, if approved, would result in a financial benefit for the member, any

member of his family, or an organization in which the member or any member of his family has a direct financial interest. Further a Council member may not participate in the approval of any proposed grant to an organization which the member represents.

ARTICLE IV

FUNCTIONS OF THE COUNCIL

1. The Council shall be responsible for the management and administration of the program undertaken, and oversight of grant activities funded, pursuant to this Agreement. The Government of the Republic of Colombia, in consultation with the Government of the United States of America, shall ensure that the Council has the necessary authority to carry out the functions assigned to it in this Agreement.

2. The Council shall:

A. Instruct the ECOFONDO to issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance, and the

qualifications of organizations eligible to submit proposals for grant awards.

B. Receive proposals for grant assistance submitted to ECOFONDO by entities described in Article V.3 and 4 of this Agreement. ECOFONDO shall forward all such proposals to the Council, with its technical recommendations.

C. Select proposals and authorize grants to such entities for the activities enumerated in Article V.1 and 2 of this Agreement.

D. Instruct the ECOFONDO to publicly announce grants authorized by the Council.

E. Present to the Parties:

i) an annual program of prospective activities, by June 30;

ii) an annual report on the activities funded by the Council during the previous year, which shall include on-going, multi-year projects, by October 30;

iii) an annual audit by an independent auditor, by October 30.

3. Proposed grants with life-of-project total in excess of \$100,000 shall be presented by the Council to both Parties. If either Party disapproves of such a grant, that Party must notify the Council of its disapproval, in which case the Council may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members on the Council shall no longer be subject to either Party's disapproval.

4. The Council shall adopt by majority vote procedures for its operation, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article III.2(A) and (B). No disbursements pursuant to Article VI may be made prior to the adoption of these procedures.

5. The Council shall meet at least once every four months.

6. The Council shall ensure that performance under grants and other agreements is monitored to

determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Council and to the ECOFONDO. Such reports will review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least semi-annually.

7. The ECOFONDO shall prepare an annual budget for administrative expenses of the Council, the ECOFONDO, and the fiscal agent associated with the operation of the Account. This budget shall be reviewed and must be approved by the Council, including the affirmative votes of the representatives of the Parties. During the fiscal year, the ECOFONDO will manage these resources.

8. The ECOFONDO may draw sums from the Account necessary to pay for the administrative expenses, including the fiscal audit required pursuant to this article, in accordance with the annual budget as approved pursuant to paragraph 7 above. These sums may not exceed 10% per annum of the total annual payments into the Account made by the Government of the Republic of Colombia pursuant to Article II.2 of this Agreement,

except as the Parties may otherwise agree by exchange of notes.

9. The Council's organizing statutes, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Council. A permanent record shall also be maintained on the decision criteria used by the Council in the award of grants. The above records shall be open for public inspection.

ARTICLE V

ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded under this Agreement are:

A. activities that link the conservation and sustainable use of natural resources with local community development; and

B. activities that promote child survival and other child development activities, especially those that link child survival and development with sustainable management of natural resources.

2. Organizations which shall be eligible for grants from the Account are:

A. Colombian nonprofit nongovernmental environmental, conservation, child survival and child development, development, indigenous peoples, black, and other minority organizations;

B. other appropriate nongovernmental local or regional entities;

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of Colombia or any public entity.

3. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Council, without regard to whether the proposing organization has or does not have representation on the Council or membership in ECOFONDO.

4. In determining which projects shall receive grants from the Account, the Council shall give priority to projects that are managed by nonprofit nongovernmental organizations and that involve local communities in their planning and execution.

ARTICLE VI
DISBURSEMENT OF FUNDS

1. The Council shall instruct the ECOFONDO to direct the fiscal agent appointed pursuant to Article II.6 to disburse grants from the Account to organizations eligible under Article V.2 when the Council approves a proposal eligible under Article V.1. All disbursements shall be made pursuant to a grant agreement between the ECOFONDO and the grantee.

2. The fiscal agent shall make disbursements promptly to designated recipients in accordance with directions received from the ECOFONDO pursuant to instructions received from the Council. In no case shall more than 14 days elapse between receipt of a direction for disbursement and actual disbursement of funds.

ARTICLE VII
CONSULTATION AND REVIEW

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations

shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Council and the other Party after reviewing the Council's reports and audits presented pursuant to Article IV. Consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

3. The Parties shall meet annually to review the operation of this Agreement.

ARTICLE VIII

SUSPENSION OF DISBURSEMENTS

1. If at any time either Party determines that issues requiring consultation under Article VII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of the Republic of Colombia shall instruct

the ECOFONDO to immediately suspend disbursement under Article VI of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of the Republic of Colombia may ~~instruct~~ instruct the ECOFONDO to immediately suspend disbursements under Article VI of this Agreement.

4. Suspension of disbursements shall mean that:

A. no further approval of grants shall be undertaken until the Parties have agreed to resume such activity;

B. disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to the provisions of that grant agreement; and

C. notwithstanding subparagraph 4.B above, should the Parties jointly certify in writing to the Council that the manner in which the grant agreement was awarded was inconsistent with Article III.4 or the operating procedures of the Council, the Parties may require the ECOFONDO to suspend disbursements pursuant to that grant agreement.

5. If the ECOFONDO fails to suspend disbursements as instructed by the Government of the Republic of Colombia within 21 days of receipt by the Government of the Republic of Colombia of written notification from the Government of the United States of America ("the notification period"), the Government of the United States of America may, at its discretion, require that interest payments on the New EAI Obligation referred to in Article II of this Agreement, falling due subsequent to the notification period, be made in U.S. dollars and deposited in the appropriate U.S. Government account.

ARTICLE IX

TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.

2. No disbursement from the fiscal agent shall be made after a Party has given notice to terminate the Agreement, unless the Parties agree to permit disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, the disposition of amounts remaining in the Account shall be subject to a formula to be mutually agreed by the Parties. Such formula shall provide that those funds which derive from interest payments on the New EAI Obligations shall, at the discretion of the Government of the United States of America, be converted into U.S. dollars and deposited into the appropriate United States Government account.

ARTICLE X

ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. If the procedures set forth in Article VIII or Article IX are exhausted and the Government of the United States of America has not received funds due to it pursuant to those Articles, the Government of the Republic of Colombia shall make best efforts to ensure that the Government of the United States of America recovers such funds, or is reimbursed an equivalent amount by the Government of the Republic of Colombia.

2. This Agreement shall enter into force upon signature, and shall remain in force unless terminated by the Parties in accordance with Article IX.

3. This Agreement may be amended by written agreement of the Parties.

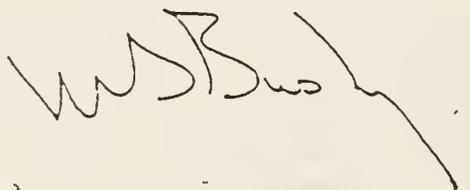
4. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child survival and development purposes.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at Bogota this 18th day of June, 1993, in duplicate, in the English and Spanish languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF THE
REPUBLIC OF COLOMBIA:



AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF EL SALVADOR
CONCERNING THE ESTABLISHMENT OF AN AMERICAS FUND
AND ADMINISTERING COMMISSION

The Government of the United States of America and
the Government of the Republic of El Salvador ("the
Parties");

Seeking to implement the Enterprise for the
Americas Initiative;

Desiring to enhance the friendship and spirit of
cooperation between the Parties;

Desiring to promote environmentally sound and
sustainable economic development, including the
encouragement of child survival and child development;

Recognizing that environmental protection, conservation, and sustainable natural resource management are key elements in building an ecologically and economically sound future for all countries in the Western Hemisphere;

Recognizing that a country's children are its greatest resource, represent its future, deserve a sound natural resource base for a quality life, and deserve protection from the health hazards of preventable environmental pollution and degradation;

Recognizing that child survival and child development are frequently linked to environmental conservation and can often be addressed effectively in tandem;

Taking note of the extreme environmental crisis in El Salvador that has severe consequences for the health and development of the children of El Salvador;

Acknowledging that, in the context of the environmental crisis in El Salvador, the Government of the Republic of El Salvador will encourage the Americas Commission established in this Agreement to be cognizant of the environmental priorities set forth in the environmental agenda and action plan as they develop;

Taking note of the world recognition of the importance of environment as demonstrated at the United Nations Conference on Environment and Development and other international gatherings;

Wishing to follow upon the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Agriculture Owed to the United States Government and its Agencies ("Debt Reduction Agreement 1"), of December 15, 1992, and the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement 2"), of December 15, 1992, which reduce certain debt owed by the Government of the Republic of El Salvador to the Government of the United States of America;

Have agreed as follows:

I

PURPOSE

The purpose of this Agreement is to provide for the establishment of an Americas Fund and Administering Commission in order to promote activities designed to preserve, protect, or manage the natural and biological resources of El Salvador in an environmentally sound and sustainable manner, while encouraging the improvement of child survival and development in El Salvador.

II

AMERICAS FUND

1. The Government of the Republic of El Salvador shall establish an Americas Fund (the "Fund") in accordance with the laws of El Salvador. The Fund shall be administered by the Commission established pursuant to Article III. Any monies deposited in the Fund, or grants made from the Fund, will be free from any taxation, levies, fees or other charges, including value added tax, imposed by the Parties to the extent permissible by law.

2. . A. The Fund shall have two accounts, Account 1 and Account 2, funds in which shall not be commingled.

B. Subject to Article IV of ~~Debt~~ Reduction Agreement 1, the Government of the Republic of El Salvador shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 1 falling due on or after the date of entry into force of this Agreement is deposited in local currency in Account 1 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 1. Two percent of the amounts deposited in Account 1 shall be reserved for disbursement pursuant to this Agreement after the Government of the Republic of El Salvador deposits in Account 1 the last interest payment due pursuant to Debt Reduction Agreement 1.

C. Subject to Article IV of Debt Reduction Agreement 2, the Government of the Republic of El Salvador shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 2 falling due on or after the date of entry into force of this Agreement is deposited in local currency in

Account 2 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 2. Two percent of the amounts deposited in Account 2 shall be reserved for disbursement pursuant to this Agreement after the Government of the Republic of El Salvador deposits in Account 2 the last interest payment due pursuant to Debt Reduction Agreement 2.

D. i. Upon entry into force of this Agreement, the Government of the Republic of El Salvador shall establish two escrow accounts (referred to herein as "escrow account 1" and "escrow account 2") pursuant to the laws of El Salvador. Notwithstanding subparagraph 2.B. above, the Government of the Republic of El Salvador shall deposit in local currency into escrow account 1 interest owed pursuant to Debt Reduction Agreement 1 falling due on or after the date of entry into force of this Agreement, but prior to the establishment of the Americas Fund. Notwithstanding subparagraph 2.C. above, the Government of the Republic of El Salvador shall deposit in local currency into escrow account 2 interest owed pursuant to Debt Reduction Agreement 2 falling due on or after the date of entry into force of this Agreement, but prior to the establishment of the Americas Fund.

ii. Funds in the escrow account shall earn interest at the rate recognized by the Central Bank for investments of monetary stabilization certificates in local currency, or, alternatively, interest at the rate recognized by the Central Bank for investment of certificates of deposit ("CDs") in U.S. dollars. Upon establishment of the Americas Fund, the Government of the Republic of El Salvador shall promptly transfer all funds in escrow account 1, including any interest earned on such funds, to Account 1, and all funds in escrow account 2, including any interest earned on such funds, to Account 2.

iii. If for any reason the Americas Fund is not established consistent with this Agreement within twelve months of the date of entry into force of this Agreement, the escrow accounts shall be terminated and any funds in the escrow accounts, including any interest earned on such funds, shall be converted into U.S. dollars and deposited in the appropriate U.S. Government account.

iv. Upon termination of the escrow accounts pursuant to subparagraph 2.D.iii above, this Agreement shall terminate immediately, and all interest payments falling due pursuant to Debt Reduction Agreement 1 shall be made pursuant to Article III.2 of Debt Reduction Agreement 1, and all interest payments falling due pursuant to Debt Reduction Agreement 2 shall be made pursuant to Article III.2 of Debt Reduction Agreement 2, until such time as a subsequent Americas Framework Agreement may be entered into by the Parties.

E. Any interest which becomes due pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 prior to the date of entry into force of this Agreement, or subsequent to the termination of this Agreement pursuant to Article II or Article IX, shall not be deposited into the Fund, but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

3. Monies from other sources, including public and private creditors of the Government of the Republic of El Salvador, in the form of local currency or other currencies, may also be deposited into the Fund. Once

deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

4. Deposits in the Fund shall be the property of the Government of the Republic of El Salvador until they are disbursed.

5. The Government of the Republic of El Salvador, in consultation with the Government of the United States of America, shall appoint a fiscal agent for the Fund, who shall be charged with the investment and disbursement of the monies in the Fund. The fiscal agent shall ensure that the Commission is promptly notified in writing when the Government of the Republic of El Salvador makes a deposit in the Fund pursuant to paragraph 2 above.

6. Deposits in the Fund shall be prudently invested by the fiscal agent until disbursed. Returns on investment of funds in Account 1 shall be deposited by the fiscal agent in Account 1 and remain there until

disbursed. Returns on investment of funds in Account 2 shall be deposited by the fiscal agent in Account 2 and remain there until disbursed.

7. The fiscal agent shall make every effort to ensure that, for each Fund account, investments made pursuant to paragraph 6 yield a positive real interest rate of return in terms of U.S. dollars. To the extent that prudent investment practices cannot accomplish this goal, the Government of the Republic of El Salvador shall promptly bring this matter to the attention of the Commission and the Parties for consideration by the Parties with a view toward pursuing appropriate corrective measures.

III

ESTABLISHMENT AND COMPOSITION OF THE COMMISSION

1. The Government of the Republic of El Salvador, in consultation with local nongovernmental organizations, shall ensure that an Americas Commission (the "Commission") is established by law.

2. The Commission shall consist of seven members. It shall be composed of:

A. one representative appointed by the Government of the United States of America,

B. two representatives appointed by the Government of the Republic of El Salvador;

C. four representatives from a broad range of El Salvadoran environmental and local community development, including child survival and child development, nongovernmental organizations, and scientific and academic bodies, selected in consultation with these groups. These representatives shall be approved jointly by the Parties, and shall constitute a majority of the members of the Commission.

3. Commission members appointed in accordance with Article III.2.A. and B. shall serve at the discretion of the appointing Party. Commission members described in Article III.2.C. shall be appointed by the Government of the Republic of El Salvador, shall serve

for a period of three years, and may be removed only to the extent provided by law. Consecutive terms shall be permitted.

4. A Commission member may not participate in the approval of any proposed grant which, if approved, would result in a financial benefit for the member, any member of his family, or an organization in which the member or any member of his family has a direct financial interest. Further a Commission member may not participate in the approval of any proposed grant to an organization which the member represents.

ARTICLE IV

FUNCTIONS OF THE COMMISSION

1. The Commission shall be responsible for the management and administration of the program undertaken, and oversight of grant activities funded, pursuant to this Agreement. The Government of the Republic of El Salvador, in consultation with the Government of the United States of America, shall ensure that the Commission has the necessary authority to carry out the functions assigned to it in this Agreement.

2. The Commission shall:

A. Issue and widely disseminate a public announcement of ^{each} the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance, and the qualifications of organizations eligible to submit proposals for grant awards.

B. Receive proposals for grant assistance from entities described in Article V.3. and 4. of this Agreement, and make grants to such entities for the activities enumerated in Article V.1. and 2. of this Agreement.

C. Publicly announce grants awarded by the Commission.

D. Present to the Parties:

i. an annual program, by October 30;

ii. an annual report on the activities funded by the Commission during the previous year, which shall include on-going, multi-year projects, by ~~November 30~~ November 30;

iii) an annual audit by an independent auditor, by November 30.

3. Proposed grants with life-of-project total in excess of \$100,000 shall be presented by the Commission to both Parties. If either Party disapproves of such a grant, that Party must notify the Commission of its disapproval, in which case the Commission may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members on the Commission shall no longer be subject to either Party's disapproval.

4. The Commission shall adopt by majority vote procedures for its operation, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance

with Article III.2.A. and B. No disbursements pursuant to Article VI may be made prior to the adoption of these procedures.

5. The Commission shall meet at least once every four months.

6. The Commission shall ensure that performance under grants and other agreements is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Commission. Such reports will review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least semi-annually.

7. The Commission may proportionally draw sums from Accounts 1 and 2 necessary to pay for the Commission's administrative, including technical assistance, expenses, including the fiscal and programmatic audits required pursuant to this article. These sums may not exceed 7% per annum of the total annual payments made by the Government of the Republic

of El Salvador to each account pursuant to Debt Reduction Agreement 1 and Debt Reduction Agreement 2, except as the Parties may otherwise agree by exchange of notes.

8. The Commission's organizing statutes, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Commission. A permanent record shall also be maintained on the decision criteria used by the Commission in the award of grants. The above records shall be open for public inspection.

ARTICLE V

ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded from Fund Account 1 under this Agreement are:

A. restoration, protection, or sustainable use of the world's oceans and atmosphere;

B. restoration, protection, or sustainable use of diverse animal and plant species;

C. establishment, restoration, ~~pro~~tection, and maintenance of parks and reserves;

D. development and implementation of sound systems of natural resource management;

E. development and support of local conservation programs;

F. training programs to strengthen conservation institutions and increase scientific, technical, and managerial capabilities of individuals and organizations involved in conservation efforts;

G. efforts to generate knowledge, increase understanding, and enhance public commitment to conservation;

H. design and implementation of sound programs of land and ecosystem management;

I. promotion of regenerative approaches in farming, forestry, fishing, and watershed management;

J. agriculture-related activities, including those that provide for the biological prevention and control of animal and plant pests and diseases, to benefit the environment; and

K. local community initiatives that promote conservation and sustainable use of the environment.

2. Activities that may be funded from Fund Account 2 under this Agreement are:

A. activities, including those listed in Article V.1., that link the conservation and sustainable use of natural resources with local community development; and

B. activities that promote child survival and other child development activities, especially those that link child survival and development with sustainable management of natural resources.

3. Organizations which shall be eligible for grants from Fund Account 1 are:

A. El Salvadoran nongovernmental ~~-~~ environmental, conservation, development, educational, and indigenous peoples organizations;

B. other appropriate local or regional entities working in El Salvador to implement local projects;

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of El Salvador.

4. Organizations which shall be eligible for grants from Fund Account 2 are:

A. El Salvadoran nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations;

B. other appropriate local or regional entities working in El Salvador to implement local projects;

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of El Salvador.

5. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Commission, without regard to whether the proposing organization has or does not have representation on the Commission.

6. In determining which projects shall receive grants from the Fund, the Commission shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

ARTICLE VI
DISBURSEMENT OF FUNDS

1. The Commission may direct the fiscal agent appointed pursuant to Article II.5. to disburse grants from the Fund to organizations eligible under Article V.3. or V.4. when the Commission approves a proposal eligible under Article V.1. or V.2. All disbursements shall be made pursuant to a grant agreement.

2. The fiscal agent shall make disbursements promptly to designated recipients in accordance with directions received from the Commission. In no case shall more than 14 days elapse between receipt of a direction for disbursement and actual disbursement of funds.

ARTICLE VII
CONSULTATION AND REVIEW

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Commission and the other Party after reviewing the Commission's reports and audits presented pursuant to Article IV. Consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

3. The Parties shall meet annually to review the operation of this Agreement.

ARTICLE VIII

SUSPENSION OF DISBURSEMENTS

1. If at any time either of the Parties determines that issues requiring consultation under Article VII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of the Republic of El Salvador shall immediately suspend disbursements under Article VI of this Agreement.

3. . Upon providing such written notification to the Government of the United States of America, the Government of the Republic of El Salvador may immediately suspend disbursements under ~~Article~~ VI of this Agreement.

4. Suspension of disbursements shall mean that:

A. no further approval of grants shall be undertaken until the Parties have agreed to resume such activity;

B. disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to that grant agreement; and

C. notwithstanding subparagraph 4.B. above, should the Parties jointly certify in writing to the Commission that the manner in which the grant agreement was awarded was inconsistent with Article III.4. or the operating procedures of the Commission, the Parties may require the Commission to suspend disbursements pursuant to that grant agreement.

5. If the Government of the Republic of El Salvador fails to suspend disbursements under Article VI of this Agreement within 7 days of receiving written notification from the Government of the United States ("the notification period"), the Government of the United States may, at its discretion, require that interest payments pursuant to Debt Reduction Agreement 1 and/or Debt Reduction Agreement 2 falling due subsequent to the notification period, be made in U.S. dollars and deposited in the appropriate U.S. Government account.

ARTICLE IX

TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.

2. No disbursements from the Fund shall occur after a Party has given notice to terminate the Agreement, unless the Parties agree to permit disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, the disposition of amounts remaining in the Account shall be subject to a formula to be mutually agreed upon by the Parties. Such a formula shall provide that those funds which derive from interest payments pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 shall, at the discretion of the United States Government, be converted into U.S. dollars and deposited into the appropriate United States Government account.

ARTICLE X

ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. This Agreement shall enter into force when the Parties have exchanged diplomatic notes indicating that all of their domestic legal requirements necessary for entry into force of this Agreement have been met, and shall remain in force unless terminated by the Parties in accordance with Article II or Article IX.

2. This Agreement may be amended by written agreement of the Parties.

3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child survival and development purposes.

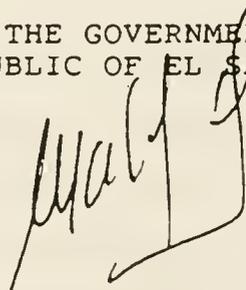
IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at Washington, D.C., this 18th day of June, 1993, in duplicate, in the English and Spanish languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
REPUBLIC OF EL SALVADOR:



AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY
CONCERNING THE ESTABLISHMENT OF AN AMERICAS FUND
AND ADMINISTERING COMMISSION

The Government of the United States of America and
the Government of the Oriental Republic of Uruguay
("the Parties"),

Seeking to implement the Enterprise for the
Americas Initiative,

Desiring to enhance the friendship and spirit of
cooperation between the Parties,

Desiring to promote environmentally sound and
sustainable economic development, including the
encouragement of child development,

Recognizing that environmental protection,
conservation, and sustainable natural resource
management are key elements in building an ecologically
and economically sound future for all countries in the
Western Hemisphere,

Recognizing that a country's children are its
greatest resource, represent its future, deserve a
sound natural resource base for a quality life, and
deserve protection from the health hazards of
preventable environmental pollution and degradation,

Recognizing that child survival and child
development are frequently linked to environmental
conservation and can often be addressed effectively in
tandem,

Wishing to follow upon the framework established in the General Agreement for a Program of Technical Cooperation between the Government of the United States of America and the Government of the Oriental Republic of Uruguay, signed March 23, 1956, upon which previous bilateral agreements have been based,

Wishing to follow upon the agreement between the parties Regarding the Reduction of Certain Debts Related to Agriculture Owed to the United States Government and its Agencies ("Debt Reduction Agreement 1") of December 15, 1992, and the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement 2") of December 15, 1992, which reduce certain debt owed by the Government of Uruguay to the Government of the United States of America,

Have agreed as follows:

I

PURPOSE

The purpose of this Agreement is to provide for the establishment of an Americas Fund and Administering Commission in order to promote activities designed to preserve, protect, or manage the natural and biological resources of Uruguay in an environmentally sound and sustainable manner, while encouraging the improvement of child development in Uruguay.

II

AMERICAS FUND

1. The Government of Uruguay shall establish an Americas Fund (the "Fund") in accordance with the laws of Uruguay. The Fund shall be administered by the Commission established pursuant to Article III. Any monies deposited in the Fund, or grants made from the Fund, will be free from any taxation, levies, fees or other charges imposed by the Parties to the extent permissible by law.

2. A. The Fund shall have two Accounts, Account 1 and Account 2, funds in which shall not be commingled.

B. Subject to Article IV of Debt Reduction Agreement 1, the Government of Uruguay shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 1 falling due on or after the date of entry into force of this Agreement is deposited in local currency in Account 1 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 1.

C. Subject to Article IV of Debt Reduction Agreement 2, the Government of Uruguay shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 2 falling due on or after the date of entry into force of this Agreement is deposited in local currency in Account 2 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 2.

D. Any interest which becomes due pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 prior to the date of entry into force of this Agreement, or subsequent to the termination of this Agreement pursuant to Article II, VIII, or IX,

shall not be deposited into the Fund, but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

3. A. Upon entry into force of this Agreement, the Government of Uruguay shall establish an escrow account pursuant to the Uruguayan law. Notwithstanding paragraph 2 above, the Government of Uruguay shall deposit into such escrow account interest owed on the New EAI Obligation falling due on or after the date of entry into force of this Agreement, but prior to the establishment of the Fund.

B. Funds in the escrow account shall earn interest at a rate not less than the best obtainable rate of interest for Uruguayan government accounts. Upon establishment of the Fund, the Government of Uruguay shall promptly transfer all funds in the escrow account, including any interest earned on such funds, to the Fund.

C. If for any reason the Fund is not established within 12 months of the date of entry into force of this Agreement, the escrow account shall be terminated and any funds in the escrow account, including any interest earned on such funds, shall be converted into U.S. dollars and deposited in the appropriate U.S. Government account.

D. Upon termination of the escrow account pursuant to paragraph C above, this Agreement shall terminate immediately, and all interest payments falling due on the New EAI Obligation shall be made pursuant to Article III.2 of Debt Reduction Agreement 2 until such time as a subsequent framework agreement may be entered into by the Parties.

4. Monies from other sources, including public and private creditors of the Government of Uruguay, in the form of local currency or other currencies, may also be deposited into the Fund. Once deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

5. Deposits in the Fund shall be the property of the Government of Uruguay until they are disbursed.

6. The Government of Uruguay, in consultation with the Government of the United States of America, shall appoint a fiscal agent for the Fund, who shall be charged with the investment and disbursement of the monies in the Fund. The fiscal agent shall ensure that the Commission is promptly notified in writing when the Government of Uruguay makes a deposit in the Fund pursuant to paragraph 2 above.

7. Deposits in the Fund shall be prudently invested by the fiscal agent until disbursed. Returns on investment of funds in Account 1 shall be deposited by the fiscal agent in Account 1 and remain there until disbursed. Returns on investment of funds in Account 2 shall be deposited by the fiscal agent in Account 2 and remain there until disbursed.

8. The fiscal agent shall make every effort to ensure that, for each Fund account, investments made pursuant to paragraph 7 above yield a positive real interest rate as defined in terms of the Uruguayan Consumer Price Index (CPI). To the extent that prudent investment practices cannot accomplish this goal, the Government of Uruguay shall ensure that the value of the funds in each Fund account in terms of the Uruguayan CPI, is maintained.

III

ESTABLISHMENT AND COMPOSITION OF THE COMMISSION

1. The Government of Uruguay, in consultation with local nongovernmental organizations, shall ensure that an Americas Commission (the "Commission") is established in accordance with Uruguayan law.

2. The Commission shall consist of six members.

It shall be composed of:

- A. one representative appointed by the Government of Uruguay;
- B. one representative appointed by the Government of the United States of America;
- C. four representatives from a broad range of Uruguayan environmental and local community development, including child development, nongovernmental organizations, and scientific and academic bodies, selected in consultation with these groups. These representatives shall be approved jointly by the Parties, and shall constitute a majority of the members of the Commission.

3. Commission members appointed in accordance with Article III.2.A. and B. shall serve at the discretion of the appointing Party. Commission members described in Article III.2.C. shall be appointed by the Government of Uruguay, shall serve for a period of three years, and may be removed only in conformity with Uruguayan law. Consecutive terms shall be permitted.

4. A Commission member may not participate in the approval of any proposed grant which, if approved, would result in a financial benefit for the member, any member of his family, or an organization in which the

member or any member of his family has a direct financial interest. Further, a Commission member may not participate in the approval of any proposed grant to an organization which the member represents.

IV

FUNCTIONS OF THE COMMISSION

1. The Commission shall be responsible for the management and administration of the program undertaken, and oversight of grant activities funded, pursuant to this Agreement. The Commission shall have the necessary legal authority to carry out the functions assigned to it in this Agreement.

2. The Commission shall:

A. Issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance, and the qualifications of organizations eligible to submit proposals for grant awards.

B. Receive proposals for grant assistance from entities described in Article V.3 and 4 of this Agreement, and make grants to such entities for the activities enumerated in Article V.1 and 2 of this Agreement.

C. Publicly announce grants awarded by the Commission.

D. Present to the Parties:

i) an annual program, by October 30;

ii) an annual report on the activities funded by the Commission during the previous year, which shall include on-going, multi-year projects, by October 31;

iii) an annual audit by an independent auditor, by October 31.

3. Proposed grants with life-of-project total in excess of the equivalent of US\$100,000 shall be presented by the Commission to both Parties. If either Party disapproves of such a grant, that Party must notify the Commission of its disapproval, in which case the Commission may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members on the Commission shall no longer be subject to either Party's disapproval.

4. The Commission shall adopt by majority vote procedures for its operation, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article III.2.A. and B. No disbursements pursuant to Article VI may be made prior to the adoption of these procedures.

5. The Commission shall meet at least once every four months.

6. The Commission shall ensure that performance under grants and other agreements is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Commission. Such reports will review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least annually.

7. The Commission may proportionally draw sums from Accounts 1 and 2 necessary to pay for the Commission's administrative expenses, including the fiscal audit required pursuant to this article. These

sums may not exceed 10% per annum of the total annual payments made by the Government of Uruguay to each Account made pursuant to Debt Reduction Agreement 1 and Debt Reduction Agreement 2, except as the Parties may otherwise agree by exchange of notes.

8. The Commission's organizing statutes, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Commission. A permanent record shall also be maintained on the decision criteria used by the Commission in the award of grants. The above records shall be open for public inspection according to the operating procedures of the Commission.

V

ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded from Account 1 under this Agreement are:

A. restoration, protection, or sustainable use of the world's oceans and atmosphere;

B. restoration, protection, or sustainable use of diverse animal and plant species;

C. establishment, restoration, protection, and maintenance of parks and reserves;

D. development and implementation of sound systems of natural resource management;

E. development and support of local conservation programs;

F. training programs to strengthen conservation institutions and increase scientific, technical, and managerial capabilities of individuals and organizations involved in conservation efforts;

G. efforts to generate knowledge, increase understanding, and enhance public commitment to conservation;

H. design and implementation of sound programs of land and ecosystem management;

I. promotion of regenerative approaches in farming, forestry, fishing, and watershed management;

J. agriculture-related activities, including those that provide for the biological prevention and control of animal and plant pests and diseases, to benefit the environment; and

K. local community initiatives that promote conservation and sustainable use of the environment.

2. Activities that may be funded from Fund Account 2 under this Agreement are:

A. Activities, including those listed in Article V.1, that link the conservation and sustainable use of natural resources with local community development; and

B. activities that promote child survival and other child development activities, especially those that link child survival and development with sustainable management of natural resources.

3. Organizations which shall be eligible for grants from Fund Account 1 are:

A. Uruguayan nongovernmental environmental, conservation, development, and educational organizations;

B. other appropriate nongovernmental local or regional entities;

C. in exceptional circumstances, and to the extent permissible under the domestic legal requirements of the Parties, the Government of Uruguay.

4. Organizations which shall be eligible for grants from Fund Account 2 are:

A. Uruguayan nongovernmental environmental, conservation and child development organizations;

B. other appropriate nongovernmental local or regional entities;

C. . in exceptional circumstances, and to the extent permissible under the domestic legal requirements of the Parties, the Government of Uruguay.

5. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Commission, without regard to whether the proposing organization has or does not have representation on the Commission.

6. In determining which projects shall receive grants from the Fund, the Commission shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

VI

DISBURSEMENT OF FUNDS

1. The Commission may direct the fiscal agent appointed pursuant to Article II.5. to disburse grants from the Fund to organizations eligible under Article V.3. or V.4. when the Commission approves a proposal eligible under Article V.1. or V.2. All disbursements shall be made pursuant to a grant agreement.

2. The fiscal agent shall make disbursements promptly to designated recipients in accordance with directions received from the Commission. In no case shall more than 14 business days elapse between receipt of a direction for disbursement and actual disbursement of funds.

VII

CONSULTATION AND REVIEW

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Commission and the other Party after reviewing the Commission's reports and audits presented pursuant to Article IV. Consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

3. The Parties shall meet to review the operation of this Agreement three years from the date of its entry into force.

VIII

SUSPENSION OF DISBURSEMENTS

1. If at any time either Party determines that issues requiring consultation under Article VII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of Uruguay shall immediately suspend disbursements under Article VI of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of Uruguay may immediately suspend disbursements under Article VI of this Agreement.

4. Suspension of disbursements shall mean that:

A. No further approval of grants shall be undertaken until the Parties have agreed to resume such activity;

B. Disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to that grant agreement; and

C. Notwithstanding subparagraph 4.B. above, should the Parties jointly certify in writing to the Commission that the manner in which the grant agreement was awarded was inconsistent with Article III.4. or the operating procedures of the Commission, the Parties may require the Commission to suspend disbursements pursuant to that grant agreement.

5. If the Government of Uruguay fails to suspend disbursements under Article VI of this Agreement within 7 days of receiving written notification from the Government of the United States of America, the Government of the United States of America may require the Government of Uruguay to establish an escrow account within 14 business days in accordance with the laws of Uruguay. Any interest payments falling due pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 subsequent to the establishment of this escrow account, may, at the discretion of the

Government of the United States of America, be made in U.S. dollars and deposited in the escrow account. At any time following the six month period immediately following the establishment of the escrow account, the Government of the United States of America may:

A. notwithstanding Article IX.1 below, immediately terminate this Agreement, at which time the Government of Uruguay shall immediately terminate the escrow account and transfer any funds in the escrow account to the appropriate U.S. Government account; or

B. request that the Government of Uruguay terminate the escrow account and transfer any funds remaining in the escrow account into the Americas Fund.

IX

TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.

2. No disbursement from the Fund shall occur after a Party has given notice to terminate the Agreement, unless the Parties agree to permit

disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, the disposition of amounts remaining in the Fund shall be subject to a formula to be mutually agreed upon by the Parties. Such a formula shall provide that those funds which derive from interest payments pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 shall, at the discretion of the United States Government, be converted into United States dollars and deposited into the appropriate United States Government accounts.

X

ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. This Agreement shall enter into force upon signature, and shall remain in force unless terminated by the Parties in accordance with Article II, VIII, or IX.

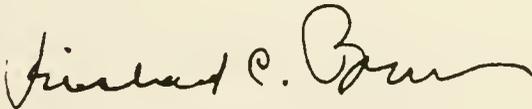
2. This Agreement may be amended by written agreement of the Parties.

3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child development purposes.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at Montevideo this 25 day of June, 1993, in duplicate, in the English and Spanish languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA: FOR THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY:





KEAI -
Chile

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF CHILE CONCERNING
THE ESTABLISHMENT OF AN AMERICAS FUND
AND ADMINISTERING BOARD

The Government of the United States of America and the
Government of the Republic of Chile ("the Parties"),

Seeking to implement the Enterprise for the Americas
Initiative,

Desiring to enhance the friendship and spirit of
cooperation between the Parties,

Recognizing that environmental protection, conservation,
and sustainable natural resource management are key elements in
building an ecologically and economically sound future for all
countries in the Western Hemisphere,

Recognizing that a country's children are its greatest

resource, represent its future, deserve a sound natural resource base for a quality life, and deserve protection from the health hazards of preventable environmental pollution and degradation,

Recognizing that child survival and child development are frequently linked to environmental conservation and can often be addressed effectively in tandem,

Wishing to promote sound and sustainable economic development,

Wishing to follow upon the Agreement between the Parties Regarding the Reduction of Certain Debts Owed to the United States Government and its Agencies ("Debt Reduction Agreement 1") of June 27, 1991, and the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement 2") of December 15, 1992, which reduce certain debt owed by the Government of the Republic of Chile to the Government of the United States of America,

Have agreed as follows:



I

PURPOSE

The purpose of this Agreement is to provide for the establishment of an Americas Fund and Administering Board in order to promote activities designed to preserve, protect, or manage the natural and biological resources of the Republic of Chile in an environmentally sound and sustainable manner, while encouraging the improvement of child survival and development in the Republic of Chile.

II

AMERICAS FUND

1. The Government of the Republic of Chile shall establish an Americas Fund (the "Fund") in accordance with the laws of the Republic of Chile. The Fund shall be administered by the Board established pursuant to Article III. Any monies deposited in the Fund, or grants made from the Fund, will be free from any taxation, levies, fees or other charges imposed by the Parties to the extent permissible by law.

2. A. The Fund shall have two accounts, Account 1 and Account 2, funds in which shall not be commingled.



B. Subject to Article IV of Debt Reduction Agreement 1, the Government of the Republic of Chile shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 1 falling due on or after the date of entry into force of this Agreement is deposited in local currency in Account 1 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 1.

C. Subject to Article IV of Debt Reduction Agreement 2, the Government of the Republic of Chile shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 2 falling due on or after the date of entry into force of this Agreement is deposited in local currency in Account 2 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 2.

D. Any interest which becomes due pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 prior to the date of entry into force of this Agreement, or subsequent to the termination of this Agreement pursuant to Article IX, shall not be deposited into the Fund, but shall be deposited in United States dollars in the appropriate United States Government account.



3. Monies from other sources, including public and private creditors of the Government of the Republic of Chile, in the form of local currency or other currencies, may also be deposited into the Fund. Once deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

4. Deposits in the Fund shall be the property of the Government of the Republic of Chile until they are disbursed.

5. The Government of the Republic of Chile, in consultation with the Government of the United States of America, shall appoint a fiscal agent for the Fund, who shall be charged with the investment and disbursement of the monies in the Fund. The fiscal agent shall ensure that the Board is promptly notified in writing when the Government of the Republic of Chile makes a deposit in the Fund pursuant to paragraph 2 above.

6. Deposits in the Fund shall be prudently invested by the fiscal agent until disbursed. Returns on investment of funds in Account 1 shall be deposited by the fiscal agent in Account 1 and remain there until disbursed pursuant to the procedures set forth in Article VI. Returns on investment of

funds in Account 2 shall be deposited by the fiscal agent in Account 2 and remain there until disbursed pursuant to the procedures set forth in Article VI.

7. The fiscal agent shall make every effort to ensure that, for each Fund account, such investments yield a positive real interest rate as defined in terms of the Unidad de Fomento price index. To the extent that prudent investment practices cannot accomplish this goal, the Government of the Republic of Chile shall take steps to maintain the value of the deposits in the Fund in terms of the Unidad de Fomento price index, or such other price index as may be mutually agreed by the Parties.

III

ESTABLISHMENT AND COMPOSITION OF THE BOARD

1. The Government of the Republic of Chile, taking into account the views of local nongovernmental organizations, shall ensure that an Americas Board (the "Board") is established in accordance with Chilean law.

2. The Board shall consist of eleven members. It shall be composed of:



A. one representative appointed by the Government of the United States of America;

B. four representatives appointed by the Government of the Republic of Chile;

C. six representatives from a broad range of Chilean environmental and local community development, including child survival and child development, nongovernmental organizations, and scientific and academic bodies, selected in consultation with these groups. These representatives shall be approved jointly by the Parties, and shall constitute a majority of the members of the Board.

3. Board members representing each Party shall serve at the discretion of that Party. Board members described in paragraph 2.C above shall be appointed by the Government of the Republic of Chile, shall serve for a period of three years, and may be removed only to the extent provided by Chilean law; up to two consecutive terms shall be permitted.

4. A Board member may not participate in the process of approval of any proposed grant which, if approved, would result in a financial benefit for the member, any member of his



family, or an organization in which the member or any member of his family has a direct financial interest. Further, a Board member may not participate in the approval of any proposed grant to an organization which the member represents.

IV

FUNCTIONS OF THE AMERICAS BOARD

1. The Board shall be responsible for the management and administration of the program undertaken, and oversight of grant activities funded, pursuant to this Agreement. The Government of the Republic of Chile, in consultation with the Government of the United States of America, shall ensure that the Board has the necessary authority to carry out the functions assigned to it in this Agreement.

2. The Board shall:

A. Issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance, and the qualifications of organizations eligible to submit proposals for grant awards.



B. Receive proposals for grant assistance from entities described in Article V.3 and 4 of this Agreement, and make grants to such entities for the activities enumerated in Article V.1 and 2 of this Agreement.

C. Publicly announce grants awarded by the Board.

D. Present to the Parties, by dates to be agreed upon in the Operating Procedures of the Board:

i. a proposed annual program;

ii. an annual report on the activities funded by the Board during the previous program year, which shall include on-going, multi-year projects;

iii. an annual audit by an independent auditor, covering the previous program year.

3. Proposed grants from the Fund with life-of-project total in excess of 100,000 United States dollars shall be presented by the Board to both Parties. If either Party disapproves of such a grant, that Party must notify the Board of its disapproval, in which case the Board may not award the

proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members on the Board shall no longer be subject to either Party's disapproval.

4. The Board shall adopt by majority vote procedures for its operation, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article III.2.A and B. No disbursements pursuant to Article VI may be made prior to the adoption of these procedures. The Board shall meet at least once every four months.

5. The Board shall ensure that performance under grants and other agreements is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Board. Such reports will review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least annually.

6. The Board may proportionally draw sums from Accounts 1 and 2 of the Fund necessary to pay for the Board's



administrative expenses, including the fiscal audit required pursuant to this article. These sums may not exceed 10% per annum of the total annual payments made by the Government of the Republic of Chile to each account pursuant to ~~Debt~~ Reduction Agreement 1 and Debt Reduction Agreement 2, except as the Parties may otherwise agree by exchange of notes.

7. The Board's organizing statutes, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Board. A permanent record shall also be maintained on the decision criteria used by the Board in the award of grants. The above records shall be open for public inspection.

V

ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded from Fund Account 1 under this Agreement are:

A. restoration, protection, or sustainable use of the world's oceans and atmosphere;

B. restoration, protection, or sustainable use of diverse animal and plant species;

- 
- C. establishment, restoration, protection, and maintenance of parks and reserves;
- D. development and implementation of sound systems of natural resource management;
- E. development and support of local conservation programs;
- F. training programs to strengthen conservation institutions and increase scientific, technical, and managerial capabilities of individuals and organizations involved in conservation efforts;
- G. efforts to generate knowledge, increase understanding, and enhance public commitment to conservation;
- H. design and implementation of sound programs of land and ecosystem management;
- I. promotion of regenerative approaches in farming, forestry, fishing, and watershed management;
- J. agriculture-related activities, including those that provide for the biological prevention and control of animal



and plant pests and diseases, to benefit the environment;
and

K. local community initiatives that promote ~~conservation~~ conservation and sustainable use of the environment.

2. Activities that may be funded from Fund Account 2 under this Agreement are:

A. activities, including those listed in Article V.1, that link the conservation and sustainable use of natural resources with local community development; and

B. activities that promote child survival and other child development activities, especially those that link child survival and development with sustainable management of natural resources.

3. Organizations which shall be eligible for grants from Fund Account 1 are:

A. Chilean nongovernmental environmental, conservation, development, educational, and indigenous peoples organizations;

B. other appropriate Chilean nongovernmental entities;

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of Chile.

4. Organizations which shall be eligible for grants from Fund Account 2 are:

A. Chilean nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations;

B. other appropriate Chilean nongovernmental entities;

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of Chile.

5. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Board, without regard to whether the proposing organization is represented on the Board.



6. In determining which projects shall receive grants from the Fund, the Board shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

VI

DISBURSEMENT OF FUNDS

1. The Board shall direct the fiscal agent appointed pursuant to Article II.5 to disburse grants from the Fund to organizations eligible under Article V.3 or V.4 when the Board approves a proposal eligible under Article V.1 or V.2. All disbursements shall be made pursuant to a grant agreement.

2. The fiscal agent shall make disbursements promptly to designated recipients in accordance with directions received from the Board. In no case shall more than 14 working days elapse between receipt of a direction for disbursement and actual disbursement of funds.

VII

CONSULTATION AND REVIEW

1. Upon the request of either party, the Parties shall



consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Board and the other Party after reviewing the Board's reports and audits presented pursuant to Article IV. These consultations shall take place within 60 days after a written request for consultations is received from the other Party.

3. The Parties shall meet to review the operation of this Agreement three years from the date of its entry into force.

VIII

SUSPENSION OF DISBURSEMENTS

1. If at any time either of the Parties determines that issues requiring consultation under Article VII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the



Government of the United States of America, the Government of the Republic of Chile shall immediately suspend disbursements under Article VI of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of the Republic of Chile may immediately suspend disbursements under Article VI of this Agreement.

4. Suspension of disbursements shall mean that:

A. no further approval of grants shall be undertaken until the Parties agree to resume such activity;

B. disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to that grant agreement; and

C. notwithstanding subparagraph 4.B above, should the Parties jointly certify in writing to the Board that the manner in which the grant agreement was awarded was inconsistent with Article III.4 or the operating procedures of the Board, the Parties may require the Board to suspend disbursements pursuant to that grant agreement.

5. If the Government of the Republic of Chile fails to suspend disbursements under Article VI of the Agreement within 7 days of receiving written notification from the Government of the United States ("the notification period"), the Government of the United States may, at its discretion, require that interest payments pursuant to Debt Reduction Agreement 1 and/or Debt Reduction Agreement 2 falling due subsequent to the notification period, be made in United States dollars and deposited in the appropriate United States Government account.

IX

TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.
2. No disbursements from the Fund shall occur after a Party has given notice to terminate the Agreement, unless the Parties agree to permit disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.
3. Upon termination of this Agreement, the disposition of amounts remaining in the Fund shall be subject to a formula to



be mutually agreed upon by the Parties. Such a formula shall provide that those funds which derive from interest payments pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 shall, at the discretion of the United States Government, be converted into United States dollars and deposited into the appropriate United States Government account.

X

ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. This Agreement shall enter into force upon signature and shall remain in force unless terminated by the Parties in accordance with Article IX.

2. This Agreement may be amended by written agreement of the Parties.

3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child survival and development purposes.

4. Upon entry into force, this Agreement shall supersede

the Agreement Between the Government of the United States of America and the Government of the Republic of Chile Concerning the Establishment of an Enterprise for the Americas Environmental Fund and Environmental Board, entered ~~into~~ force February 17, 1992 ("the 1992 Agreement"). Notwithstanding Article II.D of this Agreement, monies paid prior to entry into force of this Agreement into the Environmental Fund established under Article II of the 1992 Agreement shall be deemed deposits into Account 1 of the Americas Fund established pursuant to Article II of this Agreement.



IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Santiago, this 30th day of June, 1993, in duplicate, in the English language. The Spanish language text shall be prepared which shall be considered equally authentic upon exchange of diplomatic notes confirming its conformity with the English language text.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

A handwritten signature in black ink, appearing to be "Andrew Kanner", written over a horizontal line.

FOR THE GOVERNMENT OF THE
REPUBLIC OF CHILE:

A handwritten signature in black ink, appearing to be "Alejandro Foxley", written over a horizontal line.

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF ARGENTINA
CONCERNING THE ESTABLISHMENT OF AN AMERICAS FUND
AND ADMINISTERING COMMISSION

The Government of the United States of America and
the Government of the Republic of Argentina ("the
Parties"),

Seeking to implement the Enterprise for the
Americas Initiative,

Desiring to enhance the friendship and spirit of
cooperation between the Parties,

Recognizing that environmental protection,
conservation, and sustainable natural resource
management are key elements in building an ecologically
and economically sound future for all countries in the
Western Hemisphere,

Recognizing that a country's children are its greatest resource, represent its future, deserve a sound natural resource base for a quality life, and deserve protection from the health hazards of preventable environmental pollution and degradation,

Recognizing that child survival and child development are frequently linked to environmental conservation and can often be addressed effectively in tandem,

Wishing to promote sound and sustainable economic development,

Wishing to follow upon the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement") of January 15, 1993, which reduces certain debt owed by the Government of the Republic of Argentina to the Government of the United States of America, through the exchange of old obligations for a new obligation ("New EAI Obligation"),

Have agreed as follows:

I

PURPOSE

The purpose of this Agreement is to provide for the establishment of an Americas Fund and Administering Commission in order to promote activities designed to preserve, protect, or manage the natural and biological resources of Argentina in an environmentally sound and sustainable manner, while encouraging the improvement of child survival and development in Argentina.

II

AMERICAS FUND

1. The Government of the Republic of Argentina shall establish an Americas Fund (the "Fund") in accordance with the laws of the Republic of Argentina. The Fund shall be administered by the Commission established pursuant to Article III. Any monies deposited in the Fund, or grants made from the Fund, will be free from any taxation, levies, fees or other charges imposed by the Parties to the extent permissible by law.

2. Subject to Article IV of the Debt Reduction Agreement, the Government of the Republic of Argentina shall ensure that the entire amount of interest owed on the New EAI Obligation falling due on or after the date of entry into force of this Agreement is deposited in local currency in the Fund in accordance with the payment schedule at Appendix B of the Debt Reduction Agreement. Any interest which becomes due on the New EAI Obligation prior to the date of entry into force of this Agreement shall not be deposited in the Fund, but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

3. Monies from other sources, including public and private creditors of the Government of the Republic of Argentina, in the form of local currency or other currencies, may also be deposited into the Fund. Once deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

4. Deposits in the Fund shall be the property of the Government of the Republic of Argentina until they are disbursed.

5. The Government of the Republic of Argentina, in consultation with the Government of the United States of America, shall appoint a fiscal agent for the Fund, who shall be charged with the investment and disbursement of the monies in the Fund. The fiscal agent shall ensure that the Commission is promptly notified in writing when the Government of the Republic of Argentina makes a deposit in the Fund pursuant to paragraph 2 above.

6. Deposits in the Fund shall be prudently invested by the fiscal agent until disbursed. Returns on investment may be reinvested. Returns on investment and reinvestment shall be deposited by the fiscal agent in the Fund and remain there until disbursed.

7. The fiscal agent shall make every effort to ensure that such investments yield a positive real rate of return in terms of U.S. dollars. To the extent that prudent investment practices are not accomplishing this goal, the fiscal agent shall promptly bring this matter to the attention of the Commission and the Parties for consideration by the Parties with a view toward identifying appropriate corrective measures.

III

ESTABLISHMENT AND COMPOSITION OF THE COMMISSION

1. The Government of the Republic of Argentina, in consultation with local nongovernmental organizations, shall ensure that an Americas Commission (the "Commission") is established in accordance with this Agreement and Argentine law. The Secretariat for Natural Resources and Human Environment shall act as the executive secretariat for the Commission.

2. The Commission shall consist of nine members. It shall be composed of:

A. One representative appointed by the Government of the United States of America;

B. One representative appointed by the Government of the Republic of Argentina;

C. Seven representatives from a broad range of Argentine environmental and local community development, including child survival and development, nongovernmental organizations, and scientific and academic bodies, selected in consultation with these groups. The list of representatives shall be approved jointly by the Parties, and shall constitute a majority of the members of the Commission.

3. Commission members appointed in accordance with Article III.2.(A) and (B) shall serve at the discretion of the appointing Party. Commission members described in Article III.2.(C) above shall be appointed by the Government of the Republic of Argentina, shall serve ad honorem for a period of three years, and may be removed only to the extent provided by relevant law and the operating procedures of the Commission. Two consecutive terms shall be permitted.

4. A Commission member may not participate in the approval of any proposed grant which, if approved, would result in a financial benefit for the member, or any member of his family or an organization in which the member or any member of his family has a direct financial interest. Further, a Commission member may not participate in the approval of any proposed grant to an organization which the member represents.

IV

FUNCTIONS OF THE COMMISSION

1. The Commission shall be responsible for the management and administration of the program undertaken, and oversight of grant activities funded,

pursuant to this Agreement. The Government of the Republic of Argentina, in consultation with the Government of the United States of America, shall ensure that the Commission has the necessary authority to carry out the functions assigned to it in this Agreement.

2. The Commission shall:

A. Issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance, and the qualifications of organizations eligible to submit proposals for grant awards;

B. Receive proposals for grant assistance from entities described in Article V.2 of this Agreement, and make grants to such entities for the activities enumerated in Article V.1 of this Agreement;

C. Publicly announce grants awarded by the Commission;

D. Present to the Parties:

- i) an annual program by September 30;
- ii) an annual report on the activities funded by the Commission during the previous year, which shall include on-going, multi-year projects, by October 30;

iii) an annual audit by an independent auditor, by October 30.

3. Proposed grants with life-of-project total in excess of \$100,000 shall be presented by the Commission to both Parties. If either Party disapproves of such a grant, that Party must notify the Commission of its disapproval, in which case the Commission may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members on the Commission shall no longer be subject to either Party's disapproval.

4. The Commission shall adopt by majority vote procedures for its operation, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article III.2.(A) and (B). No disbursements pursuant to Article VI may be made prior to the adoption of these procedures.

5. The Commission shall meet at least once every four months.

6. The Commission shall ensure that performance under grants and other agreements is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee

to the Commission. Such reports will review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least annually.

7. The Commission may draw sums from the Fund necessary to pay for the Commission's administrative expenses, including the fiscal audit required pursuant to this article. These sums may not exceed 10% per annum of the total annual payments made by the Government of the Republic of Argentina pursuant to Article II.2 of this Agreement, except as the Parties may otherwise agree by exchange of notes.

8. The Commission's organizing statutes, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Commission. A permanent record shall also be maintained on the decision criteria used by the Commission in the award of grants. The above files shall be open for public inspection.

V

ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded under this Agreement are:

A. Activities that link the conservation and sustainable use of natural resources with local community development; and

B. Activities that promote child survival and other child development activities, especially those that link child survival and development with sustainable management of natural resources.

2. Organizations which shall be eligible for grants from the Fund are:

A. Argentine nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations;

B. Other appropriate nongovernmental local or regional entities;

C. In exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of the Republic of Argentina.

3. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Commission, without regard to whether the proposing organization has or does not have representation on the Commission.

4. In determining which projects shall receive grants from the Fund, the Commission shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

VI

DISBURSEMENT OF FUNDS

1. The Commission may direct the fiscal agent appointed pursuant to Article II.5 to disburse grants from the Fund to organizations eligible under Article V.2 when the Commission approves a proposal eligible under Article V.1. All disbursements shall be made pursuant to a grant agreement.

2. The fiscal agent shall make disbursements promptly to designated recipients in accordance with directions received from the Commission. In no case shall more than 14 days elapse between receipt of a direction for disbursement and actual disbursement of funds.

VII

CONSULTATION AND REVIEW

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Commission and the other Party after reviewing the Commission's reports and audits presented pursuant to Article IV. Consultations shall take place within 60 days after a written request for consultations is received from the other Party.

3. The Parties shall meet to review the operation of this Agreement three years from the date of its entry into force.

VIII

SUSPENSION OF DISBURSEMENTS

1. If at any time either of the Parties determines that issues requiring consultation under

Article VII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of the Republic of Argentina shall immediately suspend disbursements under Article VI of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of the Republic of Argentina may immediately suspend disbursements under Article VI of this Agreement.

4. Suspension of disbursements shall mean that:

A. No further approval of grants shall be undertaken until the Parties have agreed to resume such activity;

B. Disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement is suspended pursuant to that grant agreement; and

C. Notwithstanding subparagraph 4.B above, should the Parties jointly certify in writing to the Commission that the manner in which the grant agreement

was awarded was inconsistent with Article III.4 or the operating procedures of the Commission, the Parties may require the Commission to suspend disbursements pursuant to that grant agreement.

5. If the Government of the Republic of Argentina fails to suspend disbursements under Article VI of the Agreement within 7 days of receiving written notification from the Government of the United States of America ("the notification period"), the Government of the United States of America may, at its discretion, require that interest payments on the new EAI Obligation referred to in Article II of this Agreement, falling due subsequent to the notification period, be made in U.S. dollars and deposited in the appropriate U.S. Government account.

IX

TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.
2. No disbursements from the Fund shall occur after a Party has given notice to terminate the Agreement, unless the Parties agree to permit

disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, the disposition of amounts remaining in the Fund shall be subject to a formula to be mutually agreed upon by the Parties. Such a formula shall provide that those funds which derive from interest payments on the New EAI Obligation shall, at the discretion of the Government of the United States of America, be converted into U.S. dollars and deposited into the appropriate United States Government account.

X

ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

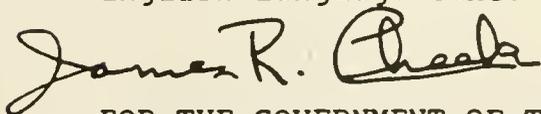
1. This Agreement shall enter into force upon signature and shall remain in force unless terminated by the Parties in accordance with Article IX.

2. This Agreement may be amended by written agreement of the Parties.

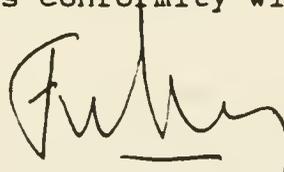
3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child survival and development purposes.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Buenos Aires, this 27 day of September 1993, in duplicate, in the English language. A Spanish language text shall be prepared which shall be considered equally authentic upon an exchange of diplomatic notes confirming its conformity with the English language text.



FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
REPUBLIC OF ARGENTINA:

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF JAMAICA
CONCERNING AN ENTERPRISE FOR THE AMERICAS FOUNDATION

The Government of the United States of America and the Government of Jamaica ("the Parties").

Seeking to implement the Enterprise for the Americas Initiative,

Desiring to enhance the friendship and spirit of cooperation between the Parties,

Desiring to promote environmentally sound and sustainable economic development, including the encouragement of child survival and child development,

Recognizing that environmental protection, conservation, and sustainable natural resource management are key elements in building an ecologically and economically sound future for all countries in the Western Hemisphere,

Recognizing that a country's children are among its greatest resources, represent its future, deserve a sound natural resource base for a good quality of life, and deserve protection from the health hazards of environmental pollution and degradation,

Recognizing that child survival and child development are frequently linked to environmental conservation and can often be addressed effectively in tandem,

Wishing to follow upon the Agreement between the Parties Regarding the Reduction of Certain Debts Owed to the United States Government and its Agencies ("Debt Reduction Agreement 1") of August 23, 1991, and the Agreement between the Parties Regarding the Reduction of Certain Debts Related to Foreign Assistance Owed to the United States Government and its Agencies ("Debt Reduction Agreement 2") of January 13 and 15, 1993, which reduce certain debt owed by the Government of Jamaica to the Government of the United States of America,

Have agreed as follows:

Article I PURPOSE

The purpose of this Agreement is to provide, among other things, for the creation of an Americas Fund and for the expansion of the scope and capacities of the Environmental Foundation of Jamaica (the "Foundation"), which was established pursuant to the Agreement Between the Government of the United States of America and the Government of Jamaica Concerning the Establishment of an Enterprise for the Americas Environmental Foundation of November 26, 1991 ("the 1991 Agreement"). The objectives of the Foundation shall be:

- to promote and implement activities designed to conserve and manage the natural resources and environment of Jamaica in the interest of sustainable development; and
- to encourage the improvement of child survival and child development in Jamaica.

Article II THE FOUNDATION

1. The Parties agree to consult with each other and with the members of the Foundation on amendments to the Articles and Memorandum of Association of the Foundation to reflect the terms of this Agreement, prior to the submission of any such amendments to the members of the Foundation for the members' approval.

2. No disbursements from Account 2 pursuant to Article VII.1 shall be made prior to the approval of the amended Articles and Memorandum of Association referred to in paragraph 1 above.

3. The procedures for the operations of the Foundation other than those set forth in the Companies Act of Jamaica and the Articles of Association shall be adopted by the Board by a majority vote, provided that the majority includes the affirmative votes of the representatives of the Parties appointed in accordance with Article IV.1.A. and IV.1.B.

Article III THE AMERICAS FUND

1. The Government of Jamaica shall create an Americas Fund ("the Fund") which shall be administered by the Foundation. Any monies deposited in the Fund, including interest or accruals therefrom, or grants made from the Fund, or assets of the Foundation acquired from resources of the Fund, shall be free from any taxation, levies, fees, or other charges imposed by the Parties to the extent permissible by law.

2. A. The Fund shall have two accounts, Account 1 and Account 2, funds in which shall not be commingled.

B. Subject to Article IV of Debt Reduction Agreement 1, the Government of Jamaica shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 1 falling due on or after the date of entry into force of this Agreement, is deposited in local currency in Account 1 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 1. Monies paid prior to the date of entry into force of this Agreement into the environmental fund established under Article III of the 1991 Agreement shall be deemed deposits into Account 1.

C. Subject to Article IV of Debt Reduction Agreement 2, the Government of Jamaica shall ensure that the entire amount of interest owed pursuant to Debt Reduction Agreement 2 falling due on or after the date of entry into force of this Agreement, is deposited in local currency in Account 2 in accordance with the payment schedule at Appendix B of Debt Reduction Agreement 2. Any interest which becomes due pursuant to Debt Reduction Agreement 2 prior to the date of entry into force of this Agreement shall not be deposited into the Fund, but shall be deposited in U.S. dollars in the appropriate U.S. Government account.

D. Any interest which becomes due pursuant to Debt Reduction Agreement 1 or Debt Reduction Agreement 2 subsequent to the termination of this Agreement pursuant to Article X shall not be deposited in the Fund, but shall be deposited in U.S. dollars into the appropriate U.S. Government account.

3. Monies from other sources, including public and private creditors of the Government of Jamaica, in the form of local currency or other currencies, may also be deposited into the Fund. Once deposited, these monies shall be subject to the requirements and conditions agreed to between the donor(s) of such monies and the Parties, so long as these terms are consistent with this Agreement.

4. Deposits in the Fund shall be the property of the Government of Jamaica until they are disbursed.

Article IV THE BOARD OF THE FOUNDATION

1. The Parties shall ensure that a Board of the Foundation is suitably constituted. It shall consist of the following nine members:

- A. one representative of the Government of Jamaica;
- B. one representative of the Government of the United States of America;
- C. one representative of the University of the West Indies;
- D. one representative from a child survival and child development nongovernmental organization; and
- E. five representatives from a broad range of Jamaican environmental and local community development, including child survival and child development, nongovernmental organizations, and scientific and academic bodies.

2. The representatives described in subparagraphs 1.D and 1.E above shall constitute a majority of the members of the Board. These representatives shall be appointed by the Government of Jamaica in consultation with nongovernmental organizations.

3. The appointment of the representative described in subparagraph 1.C above shall be made by the Government of Jamaica on the recommendation of the Vice-Chancellor of the University of the West Indies.

4. Board members representing each Party shall serve at the discretion of that Party. Board members described in subparagraphs 1.C, 1.D, and 1.E above shall serve for a period of two years and may be removed only to the extent provided by law. Consecutive terms may be permitted.

5. If at any time the Board considers a particular issue involving activities or interests of any organization, a representative of which is a member of the Board, that representative shall present to the Board a statement of such activities or interests. Such representative shall not participate in the discussions or decisions of the Board involving that particular issue, to the extent such participation would present a conflict of interest.

6. The Board of the Foundation shall meet at least once every four months.

7. The quorum for Board meetings shall be five members, of which two shall be representatives of the Parties.

8. The Foundation's Articles of Association, written policies, operating procedures, minutes of meetings, books, records, and reports shall be retained in the files of the Foundation. A permanent record shall also be maintained on the decision criteria used by the Foundation in the award of grants. The above records shall be open for public inspection.

Article V FUNCTIONS OF THE FOUNDATION

1. The Board of the Foundation shall be responsible for the management of the program undertaken and oversight of grant activities funded from the resources of the Fund. In this capacity, the Board of the Foundation shall:

A. Issue and widely disseminate a public announcement of the call for grant proposals which states the criteria for the selection of projects eligible for grant assistance and the qualifications of organizations eligible to submit proposals for grant awards;

B. Receive proposals for grant assistance from entities described in Article VI.3 and VI.4 of this Agreement, and make grants to such entities for the activities enumerated in Article VI.1 and VI.2 of this Agreement; and

C. Publicly announce grants awarded by the Foundation.

2. The Board of the Foundation shall have overall responsibility for the Fund and shall establish policies and approve projects.

3. The Board of the Foundation shall appoint one or more investment advisers (the "Investment Adviser(s)") to manage the investment portfolio of the Fund.

A. The Investment Adviser(s) shall be charged with the investment of the monies in the Fund.

B. Deposits in the Fund shall be prudently invested by the Investment Adviser(s). Returns on investment shall be deposited by the Investment Adviser(s) in the Fund.

C. The Investment Adviser(s) shall make every effort to ensure that such investments yield a positive real interest rate as defined in terms of the Jamaican Consumer Price Index. To the extent that prudent investment practices are not accomplishing this goal, the Foundation shall promptly bring this matter to the attention of the Parties for their consideration, with a view toward pursuing appropriate corrective measures.

4. The Board of the Foundation shall appoint a fiscal agent to manage the disbursement of monies from the Fund. The terms of appointment of the fiscal agent shall include a provision that requires the fiscal agent to ensure that the Board of the Foundation is promptly notified in writing when the Government of Jamaica makes a deposit in the Fund.

5. The Board of the Foundation shall be empowered to engage staff for the proper performance of its functions and to engage independent contractors as technical or professional staff as necessary.

6. The Board of the Foundation shall present to the Parties:

A. an annual program, by 1 June 1994, and thereafter on the first of June of each year, covering the following twelve-month period from 1 August through 31 July;

B. an annual report, by 30 October 1994, and thereafter on 30 October of each year, on the activities funded by the Foundation (which shall include on-going, multi-year projects) covering the previous 1 August - 31 July period; and

C. an annual audit by an independent auditor, by 30 October 1994, and thereafter on 30 October of each year, covering the previous 1 August - 31 July period.

7. Proposed grants from the Fund in excess of U.S. dollars 100,000 over the life of a project shall be presented by the Board of the Foundation to both Parties. If either Party disapproves of such a grant, that Party must notify the Board of its disapproval, in which case the Board may not award the proposed grant. Proposed grants not disapproved by either Party within 45 days of presentation to the Parties' members of the Board shall no longer be subject to either Party's disapproval.

8. The Board of the Foundation shall ensure that performance under grants and other agreements made pursuant to this Agreement is monitored to determine whether time schedules and other performance goals are being achieved. Grant agreements shall provide for periodic progress reports from the grantee to the Foundation. Such reports shall review all project components essential to the successful achievement of the goals of the project. Such reports should be received from the grantee at least annually.

Article VI ELIGIBILITY OF PROJECTS AND ORGANIZATIONS

1. Activities that may be funded from Fund Account 1 under this Agreement are:

- A. restoration, protection, or sustainable use of the world's oceans and atmosphere;
- B. restoration, protection, or sustainable use of diverse animal and plant species;
- C. establishment, restoration, protection, and maintenance of parks and reserves;
- D. development and implementation of sound systems of natural resource management;
- E. development and support of local conservation programs;
- F. training programs to strengthen conservation institutions and increase scientific, technical, and managerial capabilities of individuals and organizations involved in conservation efforts;
- G. efforts to generate knowledge, increase understanding, and enhance public commitment to conservation;
- H. design and implementation of sound programs of land and ecosystem management;
- I. promotion of regenerative approaches in farming, forestry, fishing, and watershed management;
- J. agriculture-related activities, including those that provide for the biological prevention and control of animal and plant pests and diseases, to benefit the environment; and
- K. local community initiatives that promote conservation and sustainable use of the environment.

2. Activities that may be funded from Fund Account 2 under this Agreement are:

A. activities, including those listed in Article VI.1, that link the conservation and sustainable use of natural resources with local community development; and

B. activities that promote child survival and other child development activities, especially those that link child survival and child development with sustainable management of natural resources.

3. Organizations which shall be eligible for grants from Fund Account 1 are:

A. Jamaican nongovernmental environmental, conservation, development, and educational organizations;

B. other appropriate nongovernmental local or regional entities; and

C. in exceptional circumstances, and to the extent consistent with the domestic legal requirements of the Parties, the Government of Jamaica, including its subdivisions.

4. Organizations which shall be eligible for grants from Fund Account 2 are:

A. Jamaican nongovernmental environmental, conservation, child survival and child development, and development organizations;

B. other appropriate nongovernmental local or regional entities; and

C. in exceptional circumstances, and to the extent permissible under the domestic legal requirements of the Parties, the Government of Jamaica, including its subdivisions.

5. Grants shall be awarded to organizations strictly on the merits of proposals presented to the Board of the Foundation without regard to whether the proposing organization does or does not have representation on the Board.

6. The Board of the Foundation shall give priority to projects that are managed by nongovernmental organizations and that involve local communities in their planning and execution.

**Article VII
DISBURSEMENTS FROM THE FUND**

1. The Board of the Foundation shall disburse grants from the Fund to organizations eligible under Article VI.3 or VI.4 when the Board approves a proposal eligible under Article VI.1 or VI.2. All grant disbursements shall be made pursuant to a grant agreement and be made promptly.

2. The Board of the Foundation shall draw sums necessary to pay for the Foundation's administrative expenses, including the fiscal audit required pursuant to Article V.6. Except as the Parties may otherwise agree by exchange of notes, these sums may not exceed 15 percent per annum of: the annual payments into the Fund made by the Government of Jamaica pursuant to the Debt Reduction Agreements; and the annual investment income.

**Article VIII
CONSULTATION AND REVIEW**

1. Upon the request of either Party, the Parties shall consult concerning the implementation or interpretation of this Agreement. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

2. Either Party may request consultations with the Foundation and the other Party after reviewing the Foundation's reports and audits presented pursuant to Article V.6. These consultations shall take place within 60 days after the request for consultations is received in writing from the other Party.

3. The Parties shall meet to review the operation of this Agreement three years from the date of its entry into force.

**Article IX
SUSPENSION OF DISBURSEMENTS**

1. If at any time either of the Parties determines that issues requiring consultation under Article VIII have not been satisfactorily resolved, such Party may notify the other in writing.

2. Upon receipt of such written notification from the Government of the United States of America, the Government of Jamaica shall immediately instruct the Board of the Foundation to suspend disbursements which may be made under Article VII.1 of this Agreement.

3. Upon providing such written notification to the Government of the United States of America, the Government of Jamaica may immediately instruct the Board of the Foundation to suspend disbursements which may be made under Article VII.1 of this Agreement.

4. Suspension of disbursements shall mean that:

A. no further approval of grants shall be undertaken until the Parties agree to resume such activity;

B. disbursements pursuant to already approved grant agreements shall proceed unless the specific grant agreement has been suspended pursuant to that grant agreement; and

C. notwithstanding subparagraph 4.B above, should the Parties jointly certify in writing to the Board that the manner in which the grant agreement was approved was inconsistent with Article IV.5 or the Articles of Association of the Foundation, the Parties may require the Board to suspend disbursements pursuant to that grant agreement.

5. If the Government of Jamaica fails to suspend disbursements which may be made under Article VII.1 of the Agreement within 14 days of receiving written notification from the Government of the United States of America ("the notification period"), the Government of the United States of America may, at its discretion, require that interest payments pursuant to Debt Reduction Agreement 1 and/or Debt Reduction Agreement 2 falling due subsequent to the notification period be made in U.S. dollars and be deposited in the appropriate U.S. Government account(s).

Article X TERMINATION

1. Either Party may terminate this Agreement upon six months' written notice to the other Party.

2. No disbursements from the Fund shall occur after a Party has given notice to terminate the Agreement, unless the Parties agree to permit disbursements. The termination of this Agreement shall not prevent expenditures of funds disbursed before notice to terminate is given.

3. Upon termination of this Agreement, amounts remaining in the Fund shall, at the discretion of the Government of the United States of America, be converted into U.S. dollars and deposited into the appropriate U.S. Government account(s).

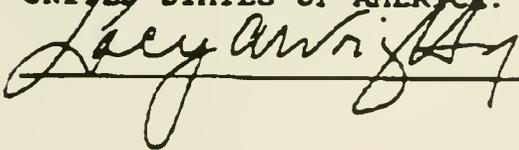
Article XI
ENTRY INTO FORCE, AMENDMENT AND OTHER ARRANGEMENTS

1. This Agreement shall enter into force upon signature and shall remain in force unless terminated by the Parties in accordance with Article X.
2. This Agreement may be amended by written agreement of the Parties.
3. Nothing in this Agreement shall prejudice other arrangements between the Parties concerning debt reduction or cooperation and assistance for environmental, conservation, or child survival or child development purposes.
4. Upon entry into force, this Agreement shall supersede the 1991 Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

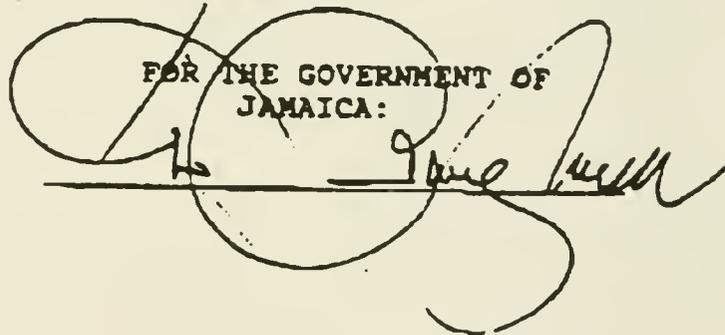
Done at Kingston, this 27th day of September, 1993, in duplicate.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



Lacey Wright

FOR THE GOVERNMENT OF
JAMAICA:



Pauline Smith

U.S. TREASURY LIBRARY



1 0096733