

103^D CONGRESS
1ST SESSION

H. R. 346

To require that the United States Government hold certain discussions and report to the Congress with respect to the secondary boycott of Israel by Arab countries.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. SCHUMER introduced the following bill; which was referred jointly to the Committees on Ways and Means and Foreign Affairs

A BILL

To require that the United States Government hold certain discussions and report to the Congress with respect to the secondary boycott of Israel by Arab countries.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Procompetitiveness
5 and Antiboycott Act of 1993”.

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 The Congress finds that—

8 (1) the boycott of Israel by Arab countries has
9 distorted international trade and investment;

1 (2) the secondary boycott of Israel by Arab
2 countries has put at a competitive disadvantage
3 those United States business enterprises that refuse
4 to comply with the Arab boycott of Israel;

5 (3) the secondary boycott has stifled foreign in-
6 vestment in Israel;

7 (4) business enterprises that comply with the
8 boycott of Israel by Arab countries contribute to the
9 distortion of international commerce and investment;
10 and

11 (5) it is in the interest of all countries to have
12 free trade and a liberal climate for investment.

13 **SEC. 3. OECD REPORT.**

14 (a) DISCUSSIONS AT THE OECD.—The United
15 States Ambassador to the Organization for Economic Co-
16 operation and Development (OECD) shall enter into dis-
17 cussions with representatives from other countries that are
18 members of OECD concerning—

19 (1) the extent to which business enterprises,
20 both public and private, comply with the boycott of
21 Israel by Arab countries;

22 (2) the effectiveness, with respect to the second-
23 ary boycott, of antiboycott laws of those countries
24 that currently have or have had such laws;

1 (3) the extent to which the secondary boycott
2 has skewed global trade and investment, as well as
3 regional trade and investment in the Middle East;

4 (4) the extent to which business enterprises not
5 complying with the boycott of Israel by Arab coun-
6 tries are placed at a competitive disadvantage as a
7 result of the secondary boycott;

8 (5) the extent to which the secondary boycott
9 contradicts OECD trade and investment policy; and

10 (6) the development of a set of guidelines, com-
11 parable to the prohibitions set forth in section 8(a)
12 of the Export Administration Act of 1979 on actions
13 taken to comply with, further, or support a boycott
14 imposed by a foreign country, that countries that
15 are members of OECD can agree on as a way to
16 eliminate compliance with the boycott of Israel by
17 Arab countries.

18 (b) REPORT TO CONGRESS.—The United States Am-
19 bassador to the OECD shall submit to the Congress, not
20 later than 6 months after the date of the enactment of
21 this Act, a report on the progress of the discussions de-
22 scribed in subsection (a).

23 **SEC. 4. GATT REPORT.**

24 (a) IN GENERAL.—The United States Trade Rep-
25 resentative shall enter into discussions with representa-

1 tives from countries that are members of the General
2 Agreement on Tariffs and Trade (GATT) to determine the
3 extent to which—

4 (1) the secondary boycott has distorted trade;

5 (2) members of and observers to the GATT en-
6 courage actions, including the furnishing of informa-
7 tion or entering into implementing agreements,
8 which have the effect of furthering or supporting the
9 boycott of Israel by Arab countries;

10 (3) the GATT can and should work to eliminate
11 the secondary boycott; and

12 (4) provisions of the GATT, specifically Articles
13 I and XI, can be used to eliminate compliance with
14 the boycott of Israel by Arab countries and what ad-
15 ditional measures, including penalties, can be ap-
16 plied to countries imposing and complying with the
17 boycott of Israel by Arab countries.

18 (b) REPORT TO CONGRESS.—The United States
19 Trade Representative shall submit to the Congress, not
20 later than 6 months after the date of the enactment of
21 this Act, a report on the discussions described in sub-
22 section (a).

1 **SEC. 5. PRESIDENTIAL REPORT.**

2 Not later than 90 days after the date of the enact-
3 ment of this Act, the President shall submit a report to
4 the Congress on—

5 (1) what progress has been made in terminating
6 the secondary boycott, and

7 (2) what progress has been made in terminating
8 the compliance by countries other than Arab coun-
9 tries with the boycott of Israel by Arab countries.

10 **SEC. 6. BOYCOTT REPORT.**

11 Not later than 90 days after the date of the enact-
12 ment of this Act, the Secretary of Commerce, in consulta-
13 tion with the Secretary of State and the Secretary of the
14 Treasury, shall submit to the Congress a report on those
15 OECD member countries that encourage or fail to discour-
16 age compliance with the boycott of Israel by Arab coun-
17 tries. Such report shall include—

18 (1) a list of foreign countries which encourage
19 or fail to discourage compliance with the boycott of
20 Israel by Arab countries; and

21 (2) for each foreign country included in the list
22 under paragraph (1), a description of the policies,
23 regulations, practices, and laws of the government of
24 that country which encourage or fail to discourage
25 compliance with the boycott of Israel by Arab coun-
26 tries.

1 **SEC. 7. DEFINITIONS.**

2 For purposes of this Act—

3 (1) the term “secondary boycott” means the
4 boycott by the governments of Arab countries of—

5 (A) business enterprises which—

6 (i) provide goods or services to Israeli
7 nationals or business enterprises organized
8 under the laws of Israel or owned or con-
9 trolled by Israeli nationals, or

10 (ii) invest in Israel or business enter-
11 prises described in clause (i);

12 (B) ships that call at Israeli ports; or

13 (C) goods and services of people or entities
14 which support the State of Israel; and

15 (2) a business enterprise complies with the boy-
16 cott of Israel by Arab countries when, as a condition
17 of doing business directly or indirectly within a
18 country or with the government of, a national of, or
19 a business enterprise organized under the laws of, a
20 country, that business enterprise—

21 (A) agrees to refrain from doing business
22 with or in Israel or with the government or na-
23 tionals of Israel or business enterprises orga-
24 nized under the laws of Israel or owned or con-
25 trolled by Israeli nationals; or

1 (B) agrees to furnish information about its
2 past, present, or future business relationships
3 with Israel or with the government or nationals
4 of Israel or business enterprises described in
5 subparagraph (A).

○