

**Calendar No. 513**

107TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
107-219

---

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED  
PROGRAMS APPROPRIATION BILL, 2003

---

JULY 24, 2002.—Ordered to be printed

---

Mr. LEAHY, from the Committee on Appropriations,  
submitted the following

**REPORT**

[To accompany S. 2779]

The Committee on Appropriations reports the bill (S. 2779) making appropriations for Foreign Operations and related programs for the fiscal year ending September 30, 2003, and for other purposes, reports favorably thereon and recommends that the bill do pass.

*Amounts in new budget authority*

Fiscal year 2002 appropriations .....	\$15,440,780,000
Fiscal year 2003 budget estimate .....	16,165,932,000
Amount of bill as reported to Senate .....	16,395,200,000
Bill as recommended to Senate compared to:	
2002 appropriations .....	+ 954,420,000
Budget estimate .....	+ 252,268,000

## CONTENTS

---

	Page
Summary of total budget authority in the bill .....	4
Introduction .....	4
Accrual funding of retirement costs and postretirement health benefit .....	4
Title I—Export assistance:	
Export-Import Bank of the United States .....	6
Overseas Private Investment Corporation .....	6
Trade and Development Agency .....	7
Title II—Bilateral economic assistance:	
Bilateral assistance .....	8
Child Survival and Health Programs Fund .....	8
Development assistance .....	13
International disaster assistance .....	30
Transition initiatives .....	30
Development credit authority .....	30
Operating expenses .....	30
Payment to the Foreign Service retirement and disability fund .....	31
Operating expenses of the United States Agency for International Development .....	31
Capital investment fund .....	31
Operating expenses of the Office of Inspector General .....	31
Other bilateral economic assistance:	
Economic Support Fund .....	31
Assistance for Eastern Europe and the Baltic States .....	34
Assistance for the Independent States of the former Soviet Union .....	36
Independent Agencies:	
Peace Corps .....	40
African Development Foundation .....	40
Inter-American Foundation .....	40
Department of State:	
International narcotics control and law enforcement .....	40
Andean Counterdrug Initiative .....	41
Migration and refugee assistance .....	43
Emergency refugee and migration assistance fund .....	45
Nonproliferation, antiterrorism, demining, and related programs .....	46
Department of the Treasury:	
International affairs technical assistance .....	47
Debt restructuring .....	47
Title III—Military assistance:	
International military education and training .....	48
Foreign military financing .....	49
Peacekeeping operations .....	50
Title IV—Multilateral economic assistance:	
International Financial Institutions Summary .....	51
International Bank for Reconstruction and Development .....	52
Global Environment Facility .....	52
Multilateral Investment Guarantee Agency .....	52
Inter-American Development Bank .....	52
Asian Development Fund .....	52
African Development Bank .....	52
Africa Development Fund .....	52
European Bank for Reconstruction and Development .....	53
International Fund for Agriculture Development .....	53
International Organizations and Programs .....	53
Title V—General provisions .....	56

	Page
Compliance with paragraph 7, rule XVI of the standing rules of the Senate ....	59
Compliance with paragraph 7(c), rule XXVI of the standing rules of the Senate .....	59
Compliance with paragraph 12, rule XXVI of the standing rules of the Senate .....	60
Budget impact statement .....	61

SUMMARY TABLE: AMOUNTS IN NEW BUDGET AUTHORITY

Item	Budget request	Committee recommendation	Committee recommendation compared with budget estimate increase (+) or decrease (-)
Export Assistance .....	\$399,281,000	\$399,281,000	.....
Bilateral Economic Assistance .....	9,700,704,000	10,136,111,000	+ \$435,407,000
Military Assistance .....	4,295,450,000	4,272,250,000	- 23,200,000
Multilateral Assistance .....	1,747,497,000	1,587,558,000	- 159,939,000

### INTRODUCTION

In fiscal year 2002, the Committee appropriated \$15,440,780,000 for foreign operations and related programs. This year, the Committee has provided \$16,395,200,000, of which \$16,350,000 is for discretionary spending and \$45,200,000 is for mandatory spending.

#### ACCRUAL FUNDING OF RETIREMENT COSTS AND POST-RETIREMENT HEALTH BENEFITS

The President's Budget included a legislative proposal under the jurisdiction of the Senate Committee on Governmental Affairs to charge to individual agencies, starting in fiscal year 2003, the fully accrued costs related to retirement benefits of Civil Service Retirement System employees and retiree health benefits for all civilian employees. The Budget also requested an additional dollar amount in each affected discretionary account to cover these accrued costs.

The authorizing committee has not acted on this legislation, therefore the Senate Appropriations Committee has reduced the dollar amounts of the President's request shown in the "Comparative Statement of New Budget Authority Request and Amounts Recommended in the Bill", as well as in other tables in this report, to exclude the accrual funding proposal.

The Committee further notes that administration proposals requiring legislative action by the authorizing committees of Congress are customarily submitted in the budget as separate schedules apart from the regular appropriations requests. Should such a proposal be enacted, a budget amendment formally modifying the President's appropriation request for discretionary funding is subsequently transmitted to the Congress.

The Senate Appropriations Committee joins with the House Appropriations Committee in raising concern that this practice, which has always worked effectively for both Congress and past administrations, was not followed for the accrual funding proposal. In this case, the Office of Management and Budget (OMB) decided to include accrual amounts in the original discretionary appropriations language request. These amounts are based on legislation that has yet to be considered and approved by the appropriate committees of Congress. This led to numerous misunderstandings both inside

and outside of Congress of what was the “true” President’s budget request. The Committee believes that, in the future, OMB should follow long-established procedures with respect to discretionary spending proposals that require legislative action.

TITLE I  
EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

SUBSIDY APPROPRIATION

Appropriations, 2002 .....	\$727,323,000
Budget estimate, 2003 .....	541,400,000
Committee recommendation .....	541,400,000

ADMINISTRATIVE EXPENSES

Appropriations, 2002 .....	\$63,000,000
Budget estimate, 2003 .....	68,300,000
Committee recommendation .....	68,300,000

The Committee provides \$541,400,000 for a subsidy appropriation for the Export-Import Bank. This is the same as the request and \$185,923,000 below the fiscal year 2002 level. Because of a re-assessment of international lending risk, the fiscal year 2003 appropriation will allow the Export-Import Bank to support approximately an additional \$1,000,000,000 in exports over the fiscal year 2002 level. The Committee provides \$68,300,000 for administrative expenses, which is equal to the request and \$5,300,000 above the fiscal year 2002 level.

The Committee directs the Export-Import Bank, no later than 120 days after enactment of this Act, to report to the Committee on Appropriations the number of employees for which it utilizes the authority provided in this Act that permits the Bank to notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992. This report is to include the positions, job descriptions, and salaries, including consulting fees, of the individuals for which this authority is exercised.

OVERSEAS PRIVATE INVESTMENT CORPORATION

SUBSIDY APPROPRIATION

DIRECT LOANS

Appropriations, 2002 .....	.....
Budget estimate, 2003 .....	\$24,000,000
Committee recommendation .....	24,000,000

ADMINISTRATIVE EXPENSES

Appropriations, 2002 .....	\$38,608,000
Budget estimate, 2003 .....	39,885,000
Committee recommendation .....	39,885,000

The Committee provides a subsidy appropriation for the Overseas Private Investment Corporation (OPIC) for direct and guaranteed loan credit programs of \$24,000,000, which is equal to the

budget request. In fiscal year 2002, no money was provided for a subsidy appropriation, as \$24,000,000 in carryover was available for use.

The Committee includes \$39,885,000 for administrative expenses. This level is equal to the administration's budget request.

#### TRADE AND DEVELOPMENT AGENCY

Appropriations, 2002 .....	\$50,024,000
Budget estimate, 2003 .....	44,696,000
Committee recommendation .....	44,696,000

The Committee provides \$44,696,000 for the Trade and Development Agency (TDA). This amount is \$5,328,000 below the fiscal year 2002 level and equal to the request.

The Committee agrees with the objectives of the orientation visits hosted by TDA, but would like more information on the amount of funds spent for these purposes. Therefore, the Committee requests that no later than 120 days after enactment, TDA submit a report detailing the total amount of funds spent in fiscal year 2002 on each orientation visit, the number of people participating in each of these visits, and the itinerary of each visit.

TITLE II  
 BILATERAL ECONOMIC ASSISTANCE  
 FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Appropriations, 2002 .....	\$3,579,880,000
Budget estimate, 2003 .....	3,782,924,000
Committee recommendation .....	4,172,424,000

The amounts listed in the above table for fiscal year 2002 appropriations, the fiscal year 2003 budget estimate and the Committee recommendation, include funds appropriated or requested under child survival and health programs, development assistance, USAID operating expenses, USAID Inspector General operating expenses, mandatory retirement expenses, international disaster assistance, transition initiatives and credit programs.

CHILD SURVIVAL AND HEALTH PROGRAMS FUND

Appropriations, 2002 .....	\$1,433,500,000
Budget estimate, 2003 .....	.....
Committee recommendation .....	1,780,000,000

The Committee provides \$1,780,000,000 for the “Child Survival and Health Programs Fund” of which \$350,000,000 is for child survival and maternal health. These funds are available for programs and activities to reduce child mortality and morbidity, combat infectious diseases including HIV/AIDS, and address a wide range of other public health problems around the world. The Committee reiterates its strong support for a comprehensive approach to global health, with an emphasis on building local capacity in developing countries to conduct effective surveillance and deliver basic health services.

After several years of discussions, the Committee believed that the administration would request, and Congress would appropriate, funds managed by USAID in two separate accounts, “Child Survival and Health Programs Fund” and “Development Assistance.” While recognizing that there are some shortcomings with this approach, the Committee has continued to appropriate funds in both accounts in order to maintain more effective oversight and accounting of funds.

HIV/AIDS

It is widely recognized that the HIV/AIDS pandemic poses the gravest threat to global health. For reasons expressed in prior reports, the Committee believes that the response of the international community to this crisis has been woefully inadequate.



For fiscal year 2003, the Committee provides a total of \$750,000,000 for programs to combat HIV/AIDS. Of this amount, \$500,000,000 is from the "Child Survival and Health Programs Fund" and \$50,000,000 is from the "Economic Support Fund" (ESF), "Assistance for Eastern Europe and the Baltic States" (SEED), and "Assistance for the Independent States of the Former Soviet Union" (FSU) accounts. Of the amount provided under the "Child Survival and Health Programs Fund," \$200,000,000 is for a United States contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The Committee believes that the first priority for these funds should be to support HIV/AIDS prevention programs, to reduce the number of new infections and save lives. However, the Committee believes that USAID needs to devote significantly more resources to treatment programs (including programs to facilitate access by infected persons to anti-retroviral drugs) which have also been shown to be important in preventing the spread of HIV. The Committee is aware of the concern that some HIV/AIDS affected countries, especially those in sub-Saharan Africa, lack the capacity to effectively use additional funds for the prevention and treatment of HIV/AIDS. The Committee believes that where local capacity is lacking, USAID should urgently target resources to build that capacity.

The Committee believes strongly that the magnitude of the HIV/AIDS crisis requires that USAID pursue all available options and authorities to ensure the most cost-effective utilization of available resources to produce the greatest possible impact in stemming the pandemic.

*Media Training.*—The Committee believes that more education about the causes, effects, and treatment of HIV/AIDS is needed in many areas, especially sub-Saharan Africa and southeast Asia. One promising way to increase knowledge about the disease is through a program started in fiscal year 2002 to promote accurate and unbiased media reporting on the prevention of HIV/AIDS and the care of people suffering from the disease. The Committee recommends that these efforts be expanded and that USAID make available at least \$2,000,000 in fiscal year 2003.

*UNAIDS.*—The Committee supports the work of UNAIDS, which plays a key coordination role in the global effort to design national AIDS plans, expand access to HIV drugs, set standards for vaccine trials, and collect data that is critical in combating the HIV/AIDS pandemic.

*Microbicides.*—The Committee provides not less than \$18,000,000 to support the development of microbicides as a means of combating HIV/AIDS. The Committee recognizes the urgent public health need to develop new HIV prevention options and the emerging scientific opportunities in the field. The Committee supports USAID's research in this area and urges the Office of HIV/AIDS, in conjunction with other USAID offices and appropriate Federal agencies, to fully implement USAID's comprehensive strategy to support the development and use of microbicides.

*Safe Blood.*—The Committee encourages USAID to support the efforts of Safe Blood for Africa, which assists African nations through training and technical assistance, to develop systems to

ensure that blood supplies are screened for HIV/AIDS and other communicable diseases.

*Lott Carey International.*—The Committee recognizes Lott Carey International's (LCI) work to establish programs to help mitigate the devastation caused by HIV/AIDS in Africa and the Caribbean, including education, building health care infrastructure, and caring for orphans, widows, and other family members affected by HIV/AIDS. The Committee urges USAID to seriously consider supporting proposals from LCI.

*Enhanced Testing.*—The Committee believes that USAID should support wider use of new methods of testing for HIV/AIDS that improve the accuracy and timeliness of the results.

*Mother to Child Transmission.*—The Committee continues to strongly support additional assistance for programs to prevent HIV/AIDS transmission from mother-to-child.

*Nurse Training.*—The Committee continues to support training for nurses to cope with the HIV/AIDS crisis in sub-Saharan Africa. Because of the acute shortage of African doctors, nurses are often the first and only contact that people have with the health care system.

#### OTHER INFECTIOUS DISEASES

The Committee provides \$185,000,000 for programs to combat other infectious diseases, to strengthen disease surveillance, and to reduce anti-microbial resistance in developing countries. This is the 6th year of a congressional initiative begun in fiscal year 1998, which has resulted in additional appropriations of over \$400,000,000 for these activities.

*Tuberculosis.*—The Committee recommends not less than \$75,000,000 to combat tuberculosis (TB), including at least \$65,000,000 from the "Child Survival and Health Programs Fund" and at least \$10,000,000 from the ESF, SEED, and FSU accounts. The Committee expects funds for TB from the ESF, SEED, and FSU accounts to be obligated and disbursed rapidly. The Committee supports DOTS TB programs and other multilateral efforts, including the Global Fund to Combat TB.

*Malaria.*—The Committee recommends not less than \$75,000,000 from the "Child Survival and Health Programs Fund" for programs to combat malaria, a debilitating disease that afflicts an estimated 500 million people each year, of whom one million die, mostly African children. The Committee is aware of Medicines for Malaria Venture, a public-private partnership to develop new anti-malaria drugs, which are urgently needed. The Committee recommends that USAID provide direct support to this initiative. The Committee also supports the Centers for Disease Control program of malaria research centers, which are an important part of international efforts to combat malaria.

#### UNITED NATIONS CHILDREN'S FUND (UNICEF)

The Committee supports efforts to reach the child survival goals set by the World Summit for Children. In order to implement these goals, the Committee provides \$120,000,000 from under the "Child Survival and Health Programs Fund" for a contribution to

UNICEF. This does not preclude USAID from providing additional funding for specific UNICEF projects as may be appropriate.

#### IMMUNIZATIONS

The Committee is aware that at least 3 million children die each year because they do not receive life-saving immunizations. Last year, Congress provided funding for The Vaccine Fund, which supports the international, public and private partnership recommendations of the Global Alliance for Vaccines and Immunization. The Committee strongly supports continued funding for this program and recommends up to \$60,000,000 for The Vaccine Fund in fiscal year 2003.

#### IODINE DEFICIENCY DISORDERS

The Committee is aware that iodine deficiency disorder (IDD) is the leading preventable cause of mental retardation in children. Problems associated with IDD are particularly of concern in Africa, south Asia, the former Soviet republics and southeast Europe. Private funding raised by Kiwanis International and implemented by UNICEF is helping to prevent the mental retardation of millions of children each year. In order to help meet the IDD goals, the Committee recommends that USAID provide a total of at least \$2,250,000 from the "Child Survival and Health Programs Fund", and \$1,000,000 from the FSU and SEED accounts for the Kiwanis/UNICEF IDD partnership program.

#### VITAMIN A AND OTHER MICRONUTRIENTS

The Committee supports increased funding for the vitamin A deficiency program. Vitamin A is a low cost solution to easily preventable diseases and blindness. Like last year, the Committee recommends at least \$30,000,000 for the overall USAID micronutrient program, of which at least \$20,000,000 should be for programs related to vitamin A deficiency.

#### POLIO ERADICATION

The Committee again recommends \$30,000,000 for the multilateral effort to eradicate polio, an extraordinary public-private effort which is in its final years of completion.

#### BLIND CHILDREN

The Committee recognizes the work being done by Helen Keller Worldwide, the International Eye Foundation, and other organizations to assist blind children in developing countries with simple and inexpensive methods of prevention and treatment. The Committee recommends that \$1,500,000 be made available for such programs in fiscal year 2003.

#### DISPLACED CHILDREN AND ORPHANS FUND

The Committee recommends \$12,000,000 for the Displaced Children and Orphans Fund, which is in addition to other funding for HIV/AIDS orphans. The Committee has again provided authority to use up to \$32,500 in program funds for displaced and orphaned children and victims of war, to enable the USAID office responsible

for the design and management of these programs to monitor and oversee their implementation. USAID is also encouraged to use other operating expense funds, as necessary, to further the effectiveness of the oversight of these programs.

#### FAMILY PLANNING/REPRODUCTIVE HEALTH

The Committee provides \$450,000,000 for family planning/reproductive health programs from all funding accounts. The Committee notes that this is equal to the amount provided in fiscal year 1995. Since then, the world's population has increased by nearly three-quarters of a billion people. The Committee believes that the United States should provide more support for family planning/reproductive health in developing countries, where 95 percent of new births will occur. This support should include expanding access to, and the use of modern family planning services, to avoid unintended pregnancies and other risks to reproductive health, including those associated with pregnancy, sexually transmitted infections and HIV/AIDS. Of this amount, \$400,000,000 is to come from the "Child Survival and Health Programs Fund", and \$50,000,000 from the ESF, SEED, and FSU accounts. The Committee expects these funds to be obligated rapidly.

The Committee is aware that unchecked population growth is a major cause of environmental degradation, and expects USAID to develop performance goals and indicators which promote cross-sectoral collaboration on community-based, population-health-environment programs, and to consult with the Committee regarding these goals and indicators.

The Committee supports organizations such as the Population Media Center, which promotes the use of mass media to educate people in developing countries about the personal benefits of family planning, encourage the use of effective measures to prevent transmission of HIV, and adopt other health measures.

#### MATERNAL HEALTH

The Committee is aware that pregnancy-related deaths exceed 600,000 annually, most of which are preventable. The Committee believes that far more should be done to address this urgent need, and recommends \$75,000,000 for maternal health activities and that additional funding be made available specifically to reduce pregnancy-related deaths.

#### HEALTH CARE INFRASTRUCTURE

The Committee strongly supports The Wheelchair Foundation, which provides assistance for needy children and adults in developing countries who have lost limbs or are otherwise disabled. The Committee is encouraged by the administration's public/private campaign for volunteer and assistance efforts, and has provided \$10,000,000 for the Foundation, to be made available on a matching dollar for dollar basis.

The Committee supports the efforts of the Polus Center in Nicaragua to develop a mobility and social access project for individuals who have lost limbs from acts of war, landmines or diseases.

The Committee recognizes the work of the Jeffrey Modell Foundation, which has established programs aimed at combating primary immunodeficiencies. The Committee recommends that USAID support the Jeffrey Modell Foundation's efforts in Central and Latin America. The Committee also notes the work of Esperanca in impoverished communities in Latin America and encourages ongoing support for these activities.

DISABILITIES

The Committee recognizes the work of Mobility International/USA and believes that USAID and the State Department should seriously consider providing \$300,000 to expand Mobility International/USA's professional exchange and other overseas programs. The Committee believes the State Department, USAID, and other U.S. Government entities should undertake additional efforts to promote equal opportunity for people with disabilities. The Committee continues to support efforts to help those in developing countries who have been disabled by a variety of causes.

LEAD-FREE CERAMICS

The Committee is aware of an initiative by Aid To Artisans, an organization that provides technical and marketing assistance to artisans in developing countries, to promote the use of lead-free pottery glazes in Mexico. The use of lead glazes poses serious health risks for people in many countries, and also inhibits the marketability of ceramic products. The Committee believes that this initiative has the potential to improve the health and welfare of millions of people in Mexico and elsewhere, and urges USAID to support it.

DEVELOPMENT ASSISTANCE

Appropriations, 2002 .....	\$1,178,000,000
Budget estimate, 2003 .....	2,739,500,000
Committee recommendation .....	1,350,000,000

The Development Assistance account consists of a wide range of poverty-reduction and long-term development activities including democracy and the rule of law, free market development, agriculture and rural development, urban programs, environment and energy, basic education, and micro-credit.

GLOBAL DEVELOPMENT ALLIANCE

The Committee supports, in principal, USAID's Global Development Alliance (GDA), to promote public-private partnerships in international development. However, the Committee has yet to receive sufficient information on this initiative, and has therefore provided that funds for the GDA Secretariat in fiscal year 2003 are subject to the regular notification procedures of the Committees on Appropriations.

The Committee encourages USAID to consider using GDA funds to build and support schools and other educational institutions in developing countries. These projects should be focused on designing and promoting tolerant, secular education curricula in countries

where the needs for basic education and increased understanding of democratic values are most acute.

#### WOMEN IN DEVELOPMENT

The Committee recommends \$15,000,000 in fiscal year 2003 for USAID's Office of Women in Development (WID). In addition to providing adequate funding, the Committee expects the Administrator of USAID to strengthen the WID Office. The Office continues to play a key role in integrating gender perspectives into USAID's programs and policies, and providing technical support, research and implementation of initiatives focused on women's economic status and legal rights, and girls' education.

The Committee strongly supports the mission of Women's Campaign International (WCI), which works to enhance the status of women through media, leadership, business, organizational, and public-service training in developing countries. The Committee recommends at least \$600,000 for WCI in fiscal year 2003.

#### CHILDREN'S BASIC EDUCATION

Educating children in developing countries is fundamental to long term development. The Committee believes that USAID should significantly broaden its support for these activities, and provides \$200,000,000 should be made available for children's basic education in fiscal year 2003. The Committee expects USAID to emphasize programs that expand access and quality of education for girls, enhance community and parental participation in schools, improve teacher training, and build local management capacity. USAID should ensure that it has sufficient education specialists to manage this increased emphasis on basic education.

The Committee supports the work of Schools3, a private voluntary initiative to build primary schools at low cost in developing countries.

#### AMERICAN SCHOOLS AND HOSPITALS ABROAD

The Committee continues to recognize the important contributions made to U.S. foreign policy by institutions funded by the American Schools and Hospitals Abroad (ASHA) program, and provides that not less than \$19,000,000 should be made available to support these institutions in fiscal year 2003. The Committee, once again, expects USAID to allocate sufficient sums to administer the ASHA program from funds provided for Operating Expenses, so it will not be necessary to expend any program funds for administrative purposes.

Although the Committee understands that ASHA funds are available for a variety of purposes, such as construction and equipment, libraries, computer technology, curriculum and staff support, and related expenses, the Committee reaffirms its intention that this assistance is not to be presumed to offer permanent budget support to ASHA recipients. The Committee strongly encourages ASHA to give priority to organizations which demonstrate a commitment to private fundraising to match government support.

By increasing ASHA funding above the fiscal year 2002 level, the Committee intends to ensure that support is provided to institu-

tions that are effective demonstration centers of American educational and medical practices. The Committee continues to be impressed with the contributions to United States interests made by several institutions and believes that they warrant further support, including Lebanese American University, International College; The Johns Hopkins University's Centers in Nanjing, China and Bologna, Italy; the Center for American Studies at Fudan University, Shanghai; the Hadassah Medical Organization; the American University of Beirut; the American University of Cairo; and the Feinberg Graduate School of the Weizmann Institute of Science.

#### VICTIMS OF TORTURE

The Committee recommends that USAID provide up to \$10,000,000 in fiscal year 2003 for centers for victims of torture that provide services consistent with the goals of the Torture Victims Relief Reauthorization Act of 1999.

#### PATRICK LEAHY WAR VICTIMS FUND

The Committee continues to strongly support the Leahy War Victims Fund, which, since 1989, has provided essential orthopedic and related medical, surgical, and rehabilitation assistance for civilians who are disabled as a direct or indirect result of civil strife or armed conflict. In addition to enabling amputees and other people with disabilities to regain mobility, the Committee supports USAID's efforts to increase their accessibility to mainstream educational, recreational and economic opportunities. The Committee expects USAID to provide \$12,000,000 for this program in fiscal year 2003.

The Committee is concerned with Afghans civilians who have suffered serious injuries as a result of the military operations, and recommends that the Fund, or other assistance in the Act that is available for Afghanistan, be used to provide rehabilitation and related assistance to these people.

The Committee continues to encourage the Fund to increase its support for initiatives in conflict-affected countries that will lead to appropriate disability laws and policies, and improvements in and the expansion of appropriate services and programs that are needed by people with conflict-related, physical disabilities.

The Committee again expresses its appreciation to the USAID employees who manage this program, and who have earned the respect of disability experts around the world.

#### SPORTS PROMOTION

The Committee is aware of the intrinsic value of sports in enhancing child development and building communities. Olympic Aid is an athlete-driven, non-profit organization using sport and recreation to achieve these goals with programs in Afghanistan, Nepal, East Timor, and several African countries. The Committee encourages USAID and the State Department to provide up to \$2,000,000 to support Olympics Aid's programs.

## COOPERATIVE ASSOCIATION FOR STATES FOR SCHOLARSHIPS

The Committee supports the work of the Cooperative Association for States for Scholarships and expects USAID to continue funding this program.

## URBAN DEVELOPMENT

The Committee is aware that urban populations in developing countries are growing at a tremendous rate, and is concerned that, despite this trend and the immense social and economic problems it poses, funding for USAID urban programs and associated technical staff have been declining. The Committee strongly recommends that additional funds be provided to USAID's Urban Programs Office to enhance these increasingly important programs.

## DEVELOPMENT AWARENESS

The Committee endorses Operation Day's Work/USA, which enables interested students to study selected countries and raise funds for basic development activities. The Committee expects USAID to continue to provide funding to expand this program.

## COMMERCIAL DEVELOPMENT PROGRAMS

The Committee strongly supports micro-credit programs for very poor people and funding for other micro-credit activities, and recommends USAID provide at least \$175,000,000 for these and other micro-credit activities. The Committee supports the development of poverty measurements, and recommends that at least half of these resources be targeted to the world's poorest people. The Committee also encourages USAID to begin a micro-credit program in Afghanistan as soon as practicable. The Committee recognizes the positive impact that microcredit programs have on the lives of women around the world.

The Committee continues to strongly support the volunteer activities of the International Executive Service Corps (IESC), and believes that USAID has underutilized the IESC's capacity to promote economic growth by assisting small and medium sized companies. The Committee believes that aggressive use of volunteer organizations such as IESC produces positive results in development programs abroad, and shares the administration's support for greater volunteerism in America.

The Committee recognizes the important role that U.S. credit unions and cooperatives can play in overseas programs. The Committee recommends \$8,000,000 for the Office of Private Voluntary Cooperation for cooperative development organizations, in order to enhance their technical capacities and build business alliances for overseas activities with U.S. cooperatives.

The Committee is aware of the efforts of the World Council of Credit Unions to further develop credit union systems in South Africa and Mexico in order to promote free-market principles and increase the ability of poor people to access credit and other banking services. The Committee recommends up to \$2,000,000 for this initiative.

The Committee provides \$1,000,000 for the U.S. Telecommunications Training Institute (USTTI). USTTI is a nonprofit joint ven-



ture between the public and private sectors dedicated to providing tuition free communications and broadcast training to professionals from around the world.

#### AGRICULTURE DEVELOPMENT PROGRAMS

The Committee supports USAID's renewed emphasis on agriculture, as it has long believed that agricultural development is critical to combating poverty. The Committee has provided that \$35,000,000 should be made available for plant biotechnology programs, with an emphasis on research projects to improve food security and nutrition in Africa and Asia. The Committee continues to believe that dairy development is an important component of U.S. foreign assistance programs and recommends that USAID increase funding above the current level.

The Committee notes that USAID is in the process of drafting an agricultural strategy paper, which the Committee expects will improve its internal planning mechanisms. The Committee recognizes that the Board on International Food and Agricultural Development (BIFAD) is an important part of this process. The Committee expects that vacant Board positions will be expeditiously filled and that USAID will provide BIFAD with sufficient resources to enable the Board to function next year.

#### INTERNATIONAL FERTILIZER DEVELOPMENT CENTER

The Committee continues to support the work of the International Fertilizer Development Center (IFDC) and provides that not less than \$2,300,000 should be made available for its core grant. The Committee also recommends an additional \$1,700,000 to support the research and development activities of IFDC.

#### COLLABORATIVE RESEARCH SUPPORT PROGRAMS

The Committee continues its strong support for the Collaborative Research Support Programs (CRSPs). Recognizing the important research and training functions of these programs, the Committee expects that funding above the fiscal year 2002 level will be provided for the CRSPs, and that the CRSPs be seriously considered for funding for a broad range of development-related activities.

#### PROTECTION OF THE ENVIRONMENT

The Committee has a long history of supporting programs, through USAID, the Department of State, and the U.S. directors to the multilateral development banks, to protect the global environment. Despite increasing amounts of resources and greater appreciation within these agencies and organizations for the importance of addressing environmental concerns, as well as many successes on the ground, the overall trend is disheartening, as from forests to oceans, the global environment is facing unprecedented threats.

The Committee believes that USAID should be at the forefront of efforts in this area, and is, therefore, extremely concerned by reports of proposed policy, personnel, programmatic and funding changes which could weaken USAID's expertise and role in environmental protection. Accordingly, the Committee directs USAID to refrain from such changes until USAID consults with the Com-

mittee on future plans concerning environmental protection and a mutually satisfactory approach can be reached.

*Energy.*—The Committee has established a fund to address a wide range of energy conservation, energy efficiency, and clean energy programs. The Committee does not believe these programs have received sufficient support at a time when the environment is under siege in many developing countries due to, among other causes, unchecked population growth, extensive resource extraction, and the burning of fossil fuels in antiquated power plants and other manufacturing processes. The Committee provides \$175,000,000 for this fund, to support programs and activities which promote energy conservation, clean energy, energy efficiency, and renewable energy technologies. The Committee also expects these funds to be used to assist developing countries to measure, monitor, report, verify, and reduce greenhouse gases and related activities. Like last year, the Committee has required the President to submit a report detailing U.S. Government support for climate change programs, efforts to promote the transfer and deployment of clean energy and energy efficiency technologies, and other information.

The Committee supports the efforts of Dakota Gasification to develop a reliable, renewable energy technology, with applications in developing nations, that would combine coal gasification with wind power. The Committee recommends that USAID give serious consideration to this project.

*Office of Energy.*—The Committee is concerned that USAID proposes to cut more than half of the budget for the Office of Energy and Information Technology. This office has served a crucial function by providing developing countries with expertise and other assistance on energy efficiency measures that can reduce costs, protect the environment, and improve the quality of life. The Committee puts a high premium on energy and environment programs, and expects the Office to be funded at no less than the fiscal year 2002 level.

*Biodiversity.*—The Committee has also established a fund to protect biodiversity and tropical forests, including activities to deter illegal logging. The Committee supports USAID's efforts in this area, but believes they fall far short of what is urgently needed to stem the onslaught of destructive practices which threaten the world's remaining tropical forests and other areas of unique biodiversity, particularly in central Africa, southeast Asia, and the Amazon basin. The Committee provides \$150,000,000 for these programs, including initiatives to enhance biodiversity in marine environments.

*Environment Offices.*—Last year, the Committee requested USAID to consult with the Committee on the future role and funding for its Office of Environment and Natural Resources and Office of Environment and Urban Programs. No such consultations took place. The Committee reiterates its request.

*East Asian Pacific Environmental Initiative.*—The Committee supports the East Asian Pacific Environmental Initiative (EAPEI), a program jointly managed by the State Department and USAID. The Committee is troubled that funds were not requested for

EAPEI, and expects the administration to provide no less than the fiscal year 2002 level of \$3,500,000 for this program.

#### PARKS IN PERIL

The Committee continues to strongly support the Parks in Peril program, which matches USAID funds with private contributions to support conservation of imperiled ecosystems in Latin America and the Caribbean.

#### BIRDS OF PREY

Although best known for its efforts to recover the Peregrine Falcon, The Peregrine Fund continues to build a record of conserving birds of prey worldwide. A significant undertaking in the pursuit of preservation is the establishment of The Peregrine Fund's Neotropical Raptor Center in Panama. From this location, The Peregrine Fund would conduct all of its work in the neo-tropics. Like last year, the Committee recommends \$500,000 to support this goal, which the Committee understands will be matched by private contributions.

#### MOUNTAIN GORILLAS

The Committee remains concerned with the survival of mountain gorillas which inhabit the high altitude jungles of Rwanda, Uganda, and the Democratic Republic of the Congo. Like last year, the Committee expects that \$1,500,000 will be provided to support groups that protect these animals, such as the Dian Fossey Gorilla Fund International and other nongovernmental organizations whose mission it is to deter poaching and protect the mountain gorilla's habitat.

#### ORANGUTANS

The Committee remains concerned with the destruction of orangutan habitat in Borneo and Sumatra, and expects USAID to provide \$1,500,000 for continued support through nongovernmental organizations, including the Orangutan Foundation and others, for activities to save the orangutan from extinction. The Committee requests to be consulted regarding the use of these funds.

#### WATER CONSERVATION

The Committee notes the small amount of funding requested for programs to provide access to reliable sources of drinking water. Water scarcity, and the serious health and environmental problems that occur from it, are reaching crisis proportions in many countries, and the Committee believes the international community should be doing more to address it. For many people in developing countries, a disproportionate amount of time each day is devoted to searching for a shrinking supply of clean water to meet basic needs, severely inhibiting efforts to promote individual and community development. The Committee is concerned that, when inquires were made to USAID about funding levels for prior and current fiscal years for clean water programs, only fiscal year 2000 figures were available. The Committee provides \$100,000,000 for drinking water supply projects, and \$450,000,000 for all water projects in

fiscal year 2003. The Committee also directs USAID to submit a report to the Committee no later than 120 days after enactment of the Act, on the status of and funding and implementation of its water projects.

The Committee strongly supports the Clean Water for the Americas Partnership, which is a public-private partnership that would help establish projects aimed at providing clean drinking water and protecting the environment. The Committee strongly recommends that USAID fund this Partnership.

The Committee continues to support the efforts of International Project WET, which has been involved for nearly two decades in international water resources management. The Committee recommends that USAID support International Project WET's efforts to expand its research, development, and implementation capabilities.

The Committee supports the Middle East Desalination Research Center (MEDRC), which has been integral to efforts to find long-term solutions to regional water problems. The Committee notes that the U.S. was one of the founding donors of the MEDRC and recommends that the Administration consider providing up to \$2,500,000 to MEDRC.

#### UNIVERSITY PROGRAMS

The Committee has, once again, received a large number of requests to fund specific activities at or through American institutions of higher education. The Committee strongly supports activities that advance international development and U.S. foreign policy goals. The Committee has reviewed the concepts proposed for funding, and recommends that USAID and/or the Department of State (as appropriate for the proposed project) actively consider proposals submitted by the following organizations.

Unless a proposal demonstrates a unique, innovative, or proprietary capability, or demonstrates special considerations that justify limited or non-competitive treatment, the Committee expects that competitive procedures will be applied with regard to the proposals on the list that follows. The Committee also expects USAID to give priority to proposals that have technical merit, realistic budgets, and achievable objectives.

No later than 60 days after the submission of the report required by section 653(a) of the Foreign Assistance Act, USAID should submit a report to the Committee on the status of each activity identified below. Such a report should include: (1) the status of the funding proposal by the organization associated with each activity; (2) the degree to which the proposal is consistent with and would advance international development and U.S. foreign policy goals for the country or region in which the activity would take place; (3) the degree to which matching or other funds would be provided by the organization to complement the Federal contribution; (4) to the extent known at the time, any decision by USAID or the Department of State on funding the activity, including the funding level; and (5) any other relevant information deemed important by USAID or the Department of State. The Committee also expects to receive a second report on the status of these proposals no later than May 1, 2003.

In last year's report, the Committee noted that USAID had not been responsive to a number of proposals put forward by universities and directed USAID to improve its performance in this regard. The Committee is disappointed with USAID's slow pace in responding to the Committee's latest directives for handling university requests. For example, it took months for USAID to publish a brochure detailing basic information that could be helpful to universities interested in submitting proposals. In addition, USAID's initial efforts to set up a communications system, from which information on university projects could be easily accessed, were woefully inadequate. If USAID is not more responsive to Committee directives concerning university proposals, the Committee will have to consider modifying its approach.

With the foregoing in mind, the Committee recommends the following proposals for USAID's active consideration:

*Africa-America Institute.*—A program by the African Technology for Education and Workforce Development Initiative (AFTECH) to establish a distance learning program between U.S. universities and African universities.

*Alliance of Louisiana Universities.*—A proposal of the Louisiana/Honduras Alliance, composed of five Louisiana Universities (University of New Orleans, Louisiana State University Agricultural Center, Loyola University, Tulane University, and Southeastern Louisiana University) and entities in Honduras, to develop a plan to deliver long-term capacity-building assistance in Honduras.

*Ave Maria College of the Americas.*—A proposal to create a scholarship program targeted at women and rural students.

*Columbia University.*—A proposal, to be managed by the International Research Institute for Climate Prediction, for drought monitoring, health care, food security, and climate change activities.

*Connecticut State University System.*—A proposal to work with Mico and Sam Sharpe Colleges to enhance teacher education programs in the Caribbean region.

*Dartmouth College.*—A joint proposal by a consortium of public and private organizations to enhance information technology development in Lithuania.

*Delaware Technical and Community College.*—A proposal to develop an environmental training center in Bulgaria.

*EARTH University.*—A proposal to support EARTH University, an institution partnered with 23 universities in the United States, to further develop its Center for Sustainability and Biodiversity in Costa Rica, which is working on enhancing sustainable agriculture, developing medicines using tropical plants, and preserving natural resources in Central America.

*Eastern Michigan University.*—A proposal to establish a center for Middle East Studies and Research.

*Emory University.*—A proposal implemented by the Atlanta-Tbilisi partnership and executed in conjunction with several other Georgia universities to further develop health care infrastructure in the Republic of Georgia.

*Historically Black Colleges.*—A proposal to support the efforts of these institutions to develop a virtual university consortium and establish an Institute for Emerging Democracies.

*Johns Hopkins University.*—A proposal in conjunction with University of Alabama at Birmingham and the Gorgas Memorial Institute to improve tuberculosis control.

*Kansas State University.*—A proposal for the Cereal Genome Initiative to use genomics technologies to develop grain production.

*La Roche College.*—A proposal to expand programs to educate young people from conflict, post-conflict, and developing regions of the world.

*Louisiana State University.*—A proposal to develop a commercial law program with several Latin American countries.

*Louisiana State University A&M College.*—A proposal to provide independent media training to local governmental officials from developing countries.

*Louisiana State University A&M College.*—A proposal to develop mariculture and aquiculture resources with the University of Namibia.

*Montana State University, Billings.*—A proposal to expand programs in international business in order to enable MSU–Billings to offer additional courses in accounting and e-commerce in foreign countries.

*Montana State University, Billings.*—A proposal to develop an online Master of Health Administration Degree Program with October 6 University in Egypt.

*Morehouse School of Medicine.*—A proposal to establish an interchange of medical knowledge and technical capability to improve health care infrastructure in Africa.

*San Diego State University.*—A proposal to help implement a cooperative program to address water scarcity and climate change in south Asia.

*San Diego State University.*—A proposal to work in collaboration with the Peres Center for Peace to promote sustainable and efficient use of alternative water resources in agricultural development in the Middle East.

*St. Thomas University.*—A proposal to further develop the African democracy network in order to work on issues involving democracy, human rights, and gender issues.

*South Dakota State University.*—A proposal to enhance research and education with Russian and Central Asian governments and non-governmental organizations on agricultural development.

*Suffolk University.*—A proposal to enhance course offerings at its Senegal campus.

*University of Alabama at Birmingham.*—A proposal in conjunction with Johns Hopkins University and the Gorgas Memorial Institute to improve tuberculosis control.

*University of Alaska.*—A program with Alaska Pacific University and the North Slope Borough and the Northwest Arctic Borough to provide training and technical assistance to strengthen Chukotka's economy, develop market driven systems and improve social conditions, particularly for indigenous people in the region.

*University of Arkansas Medical School.*—A collaborative effort with the Volgograd City Health Department, Volgograd Medical Academy, and other public-private partners in the community to enhance various health care delivery systems in the region.

*University of Georgia.*—A proposal to establish a training program for legal professionals, journalists, and government officials from developing countries.

*University of Idaho.*—A proposal to help restore the food production and food distribution system in Afghanistan.

*University of Iowa.*—A proposal to continue basic education initiatives in East Timor.

*University of Kentucky.*—A program relating to the development of crop insurance in Romania.

*University of Kentucky.*—A proposal for coal mine safety programs in the former Soviet Union.

*University of Louisville.*—A collaborative program with the University of Alabama-Birmingham, the Medical University of South Carolina, and Clemson University for research on plant materials in the rain forests of Dominica.

*University of Louisville.*—A proposal for the continued funding of a program in partnership with Rand Afrikaans University to work with impoverished communities in South Africa on economic reform.

*University of Massachusetts, Boston.*—A proposal to conduct further research on international conflict.

*University of Miami.*—A proposal for the Cuba Transition Project.

*University of Mississippi.*—A project by the National Center for Physical Acoustics to help improve mine detection technologies.

*University of Mississippi.*—A project by the Center for Marine Resources and Biotechnology to perform environmental research, biowaste treatment, and a hydrographic survey of coastal zones in Central America.

*University of Missouri, Columbia.*—A proposal to build capacity for sustainable community development training and application in Afghanistan.

*University of Missouri, Columbia.*—A proposal to develop South African indigenous plants as value-added crops and therapeutics for diseases.

*University of Nebraska.*—A proposal by the Medical Center's Office of International Health Care Services to combat a range of infectious diseases.

*University of Nebraska, Omaha.*—A proposal to further expand efforts to provide basic education in Afghanistan.

*University of Notre Dame.*—A proposal by the Kroc Institute for International Peace Studies to promote institution building in Muslim societies.

*University of Northern Iowa.*—A proposal for University of Northern Iowa's Orava Project to enhance democracy-building in Central and Eastern Europe through educational reform.

*University of Northern Iowa.*—A proposal concerning the Global Health Corps program, which trains university students to conduct community health programs in under-served areas in developing countries.

*University of Northern Iowa.*—A proposal for the Russo-American Institute to deepen cultural understanding and promote professional collaboration through exchange programs with Moscow International University and other Russian universities.

*University of South Alabama.*—A proposal to enhance the Birth Defects Monitoring Program in the Rivine and Volyn oblasts in the Ukraine, which will allow the program to begin monitoring environmentally linked birth defects.

*Western Kentucky University.*—A proposal for the continued funding of an international journalist training program.

*Western Kentucky University.*—A collaborative program on educational and cultural exchanges focused on astronomy.

*Western Kentucky University.*—A collaborative program with Tel Aviv University on the development of a worldwide astronomy network.

## COUNTRY ISSUES

### AFGHANISTAN

The Committee notes the many positive changes in Afghanistan in the past year: the brutal Taliban regime has been toppled; a Loya Jirga was convened which selected a government to serve until elections at the end of 2003; and international relief efforts have started to have a noticeable impact in some portions of the country.

The Committee, however, also recognizes that enormous social, economic, and political challenges remain. These include a lack of security, food scarcity, insufficient assistance for refugees and internally displaced persons, and reconstruction after decades of conflict. The Committee is extremely concerned that, if more is not done by the United States and the international community to address these issues, Afghanistan will be increasingly at risk of relapsing into civil strife and a haven for international terrorists.

The Committee is, therefore, perplexed that, despite calls for a Marshall Plan for Afghanistan and the critical importance to U.S. national security, the administration did not submit a formal fiscal year 2003 budget request for Afghanistan. The Committee has been informally advised that the administration plans to spend approximately \$98,000,000 for Afghanistan in funds from the Foreign Operations, Export Financing, and Related Programs Appropriations Act. The Committee believes that, even with supplemental funds, this amount is inadequate to address Afghanistan's immediate needs and recommends that not less than \$157,000,000 should be available for these purposes.

The Committee continues to be troubled by the security situation throughout Afghanistan as the lack of security continues to create severe impediments to relief and reconstruction efforts and has resulted, at various times, in the scaling back or cessation of critical humanitarian and development operations around the country. A more detailed discussion of this issue is under the "Peacekeeping Operations" heading in this report. The Committee is also aware of the concerns raised by some parts of the administration and non-governmental organizations regarding military personnel engaging in humanitarian activities while outfitted in civilian clothing. The Committee urges a solution to this issue which is acceptable to all parties involved.

The Committee notes that while conditions for women in Afghanistan have improved from what existed under Taliban rule, serious



obstacles, including illiteracy, joblessness, violence specifically targeting women, lack of access to health care, and the lack of clearly defined legal rights, continue to hinder the progress of Afghan women. The Committee recognizes the difficulties inherent in implementing assistance programs in Afghanistan, but is nonetheless concerned about the slow pace and relatively small amount of assistance devoted specifically to improving the lives and opportunities of Afghan women.

The Committee believes that the Afghan Ministry of Women's Affairs is uniquely positioned to become the primary center of capacity to carry out women-focused development in Afghanistan, and commends USAID for the support it has given to the Ministry thus far. The Committee has provided \$5,000,000 to enable the Ministry to establish multi-service women's centers throughout Afghanistan, and to initiate programs to improve girl's and women's education and health, protect their legal rights, and expand their economic opportunities.

The Committee also supports the United Nations Fund for Women's reconstruction activities in Afghanistan.

The Committee recognizes the vast energy needs in Afghanistan and believes that the private sector in the United States, through organizations such as the International Energy Advisory Group, is well positioned to complement USAID's efforts in this area.

#### BURMA

The Committee commends Burmese democracy leader Daw Aung San Suu Kyi and the National League for Democracy (NLD) for their unwavering commitment and dedication to democracy and human rights in Burma. The Committee remains gravely concerned with the abuses inflicted upon the people of Burma by the repressive State Peace and Development Council (SPDC), including the rape and killing of ethnic minorities, the imprisonment and torture of political opponents, and forced and child labor. The Committee, like the NLD, is deeply concerned about the welfare of the people of Burma, and has continued its support of humanitarian and democracy efforts.

The Committee supports \$1,000,000 for HIV/AIDS programs and activities in Burma, and suggests an additional \$500,000 be made available in commodities from the United States Agency for International Development's HIV/AIDS Commodity Promotion Fund. The Committee directs that all HIV/AIDS programs in Burma be carried out in consultation with the leadership of the National League for Democracy, and that no assistance be provided to the State Peace and Development Council. Given the SPDC's mismanagement of Burma's resources, including the investment of hundreds of millions of dollars into arms purchases and nuclear technology from Russia and China, the Committee suggests the State Department consider a matching requirement from the SPDC for funds provided to Burma to combat a rampant HIV/AIDS infection rate.

The Committee counsels the State Department to be measured in its response to the SPDC's ongoing campaign to improve its image abroad, and believes that the SPDC should be judged not by what it says, but rather by what it does.

## CAMBODIA

The Committee regrets that the Government of Cambodia failed to hold legitimate local elections in February 2002, adequately investigate and prosecute human rights abuses, or fully implement reforms necessary for the country's economic, political, legal, and social development. Moreover, the Government of Cambodia continued to abuse the constitutional rights and dignity of its citizens, and the lack of the rule of law stifles economic development and perpetuates human suffering, as demonstrated by Cambodia's low ranking in the United Nations Development Program's 2001 Human Development Report.

As the Committee believes that the Cambodian leadership should be held accountable for its poor governance and human rights record, restrictions on assistance to the Government of Cambodia have been continued and strengthened. The Committee suggests that international financial institutions, particularly the World Bank and the Asian Development Bank, conduct independent audits of their loans and grants to that country, including contributions to the Government of Cambodia's Social Fund.

The Committee is concerned that Cambodia may become a haven for international terrorists and other criminal undesirables.

The Committee remains concerned about illegal logging in Cambodia, and encourages USAID to support programs in community forest management, which can contribute to forest preservation as well as promote democratic development at the local level.

The Committee commends the work of the Documentation Center of Cambodia, and expects that at least \$275,000 will be provided to the Center in fiscal year 2002, with funds from USAID and the State Department's Bureau for Democracy, Human Rights and Labor. The Committee recommends that at least this amount be provided for the Center in fiscal year 2003, including, if warranted, to purchase a suitable motor vehicle to facilitate the Center's investigative work throughout rural Cambodia.

## CHINA

The Committee provides \$25,000,000 for programs to support democracy, human rights and the rule of law in China, Hong Kong and Tibet, of which not less than \$15,000,000 shall be made available for programs in China to be administered by the Bureau of Democracy Human Rights and Labor at the State Department. These funds are in addition to such sums provided to the Bureau in the President's fiscal year 2003 request. The Committee expects that of the remaining funds, up to \$3,000,000 will be provided to the National Endowment for Democracy, and the balance will be provided to other nongovernmental and academic organizations to support programs relating to China, Tibet, and Hong Kong. The Committee strongly endorses activities targeted toward freedom of expression in the media and on the internet, the rule of law, labor reform, and grassroots elections in China.

## CYPRUS

The Committee provides \$15,000,000 from the ESF account for Cyprus to be used for scholarships, bicomunal projects, and meas-

ures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus. The Committee intends that these resources be made available to maximize leverage to improve prospects for a peaceful settlement in Cyprus.

The Committee notes the work of the Cyprus Institute of Neurology and Genetics, which is a bicomunal program aimed at providing specialized services in neurology, genetics, and molecular medicine. The Committee is particularly pleased with the progress that the Institute has made to enhance efforts on biomedical research, stroke prevention, gene therapy and brain development research on Cyprus.

#### GUATEMALA

The Committee continues to be concerned with the unsolved murders of American citizens in Guatemala, including Larry Lee, Steven Michael Gartman, Juan Antonio Zimeri, David James Erf, Robert Orville Edeleman, Sister Barbara Ann Ford, Carlos Humberto Melgar, and Suzanne Spalding Hendricks. The Committee again requests the Department of State to make every effort to obtain the cooperation of Guatemalan law enforcement authorities in bringing to justice the perpetrators of these crimes.

#### INDONESIA

The Committee is concerned with the political situation in Indonesia, as that country struggles to consolidate its democratic transition. While mindful of the many difficult and complex challenges Indonesia faces, the Committee is nonetheless heartened by certain positive developments, and supports increased assistance to Indonesia to strengthen democracy and the rule of law, and promote equitable economic development.

The Committee is aware of reports that individuals involved in international terrorism have sought refuge in Indonesia, and commends the Indonesian Government for its efforts to apprehend these individuals and to cooperate more fully with the U.S. in combating terrorism.

The Committee is also aware of continued reports of violence waged by the Indonesian military and police against citizens in Aceh, Papua New Guinea, and other troubled areas of the country, and strongly condemns these human rights violations. The Committee is deeply concerned with reports of intimidation, harassment, and arbitrary arrest of human rights workers and other civilians.

The Committee sees little evidence that the Indonesian military is serious about reform, and encourages the Government of Indonesia and Indonesian civil society to continue to make military reform a top priority. Regrettably, the ongoing special trials of lower ranking officers for abuses in East Timor suffer from serious deficiencies, and the Indonesian military has sought to intimidate judges and prosecutors. The Committee is also concerned about the Indonesian military's continued involvement in illegal business practices and other activities, including prostitution, contraband smuggling, and illegal logging which threatens Indonesia's unique ecosystems.

The Committee supports assistance to promote reform of the Indonesian military, particularly in the areas of human rights, financial transparency, and accountability. The Committee encourages the Government of Indonesia and Indonesian civil society to continue to make this reform a top priority. The Committee has included restrictions under section 568 of the Act, until the President certifies that the Indonesian Minister of Defense is suspending and the Indonesian Government is prosecuting and punishing human rights violators within the Indonesian Armed Forces.

The Committee has supported efforts by the Department of Defense to resume certain contacts, including at a senior level, with the Indonesian military. The Committee is also aware that the administration has offered to sell spare parts for C-130 aircraft to Indonesia, which the Committee supports.

In addition, the Committee has supported expanded support for the Indonesian police, to enable it to assume its rightful role in maintaining internal security.

#### LAOS

The Committee strongly supports the administration's request of \$2,000,000 from "Development Assistance" and the "Child Survival and Health Programs Fund" for activities to meet basic human needs in Laos. The Committee continues to be concerned by the repressive policies of the Government of Laos.

#### LEBANON

The Committee believes that economic development in Lebanon should be a priority for U.S. foreign policy in the Middle East, and provides \$35,000,000 in ESF assistance for Lebanon. However, none of these funds may be made available for the central Government of Lebanon.

The Committee supports the work of American educational institutions in Lebanon and encourages USAID and the State Department make available a portion of these funds for scholarships and direct support of these institutions.

The Committee is deeply disappointed that past efforts to secure the return of American children abducted to Lebanon have been unsuccessful. The Committee is aware of cases in which the Lebanese Government has failed to enforce the orders of the Lebanese civil courts. These unresolved cases will continue to be an obstacle to closer relations between the United States and Lebanese governments. The Committee calls on the Lebanese Government to ensure that the rule of law is upheld.

#### MONGOLIA

The Committee supports the administration's \$12,000,000 request for assistance for Mongolia for fiscal year 2003.

#### NICARAGUA

The Committee recognizes the important work of the Fabretto Children's Foundation, which provides essential opportunities for children in Nicaragua to escape poverty. The Committee rec-

ommends that USAID provide up to \$1,500,000 to support four Fabretto programs in Nicaragua.

The Committee also supports efforts to improve mass transportation systems in Nicaragua and other Central American countries, where cities are overwhelmed with migrants from rural areas seeking employment.

#### NIGERIA

The Committee is aware that a Judicial Commission of Inquiry is currently investigating the causes of inter-communal conflict in Benue, Nassarawa, Taraba, and Plateau states. However, the Committee is also aware that the commission has no prosecutorial powers, and therefore its work does not represent an effective measure to bring to justice individuals responsible for gross violations of human rights.

#### SIERRA LEONE

The Committee notes the progress that Sierra Leone is making towards restoring peace and democratic rule. The Committee particularly commends the efforts of the British Government and the United Nations to end the armed conflict, demobilize combatants, hold free and fair elections, and repatriate refugees.

The Committee recognizes that the Government of Sierra Leone faces enormous challenges to rebuild the country, and has provided \$9,000,000 in ESF assistance, in addition to funds from "Development Assistance" and funds budgeted for the "Countries in Transition" program, for these purposes. The Committee expects that assistance provided above the budget request for Sierra Leone will not result in cuts to programs for other African countries.

The Committee strongly supports the efforts of the Special Court for Sierra Leone and the Truth and Reconciliation Committee (TRC) to hold accountable those involved in atrocities committed during the conflict. The Committee strongly urges the Special Court to pursue those most responsible for these heinous acts, even if they are not living in Sierra Leone. The Committee is encouraged that the Special Court and TRC have indicated that they will assist broader efforts to restore the rule of law throughout the country, and expects at least \$5,000,000 in ESF assistance to be provided to the tribunal in fiscal year 2003 and that substantial support will be provided to the TRC.

To help combat the numerous, well-documented problems associated with the trade in conflict diamonds that have plagued Sierra Leone and other parts of Africa, the Committee has included language, similar to last year, concerning conflict diamonds.

The Committee also directs the Secretary of State, no later than 120 days after enactment of the Act, to submit a report that identifies: (1) countries that have exported rough or polished diamonds to the United States that are implementing effective measures to curtail the trade in conflict diamonds (and include a description of such measures); (2) countries that have failed to implement effective measures to curtail the trade in conflict diamonds; and (3) a description of additional U.S. financial, technical, or other measures which could help countries implement effective measures to curtail the trade in conflict diamonds, including technological

means for determining the origin of diamonds and tracking the trade in diamonds.

#### TIBET

The Committee recommends \$3,000,000 in ESF assistance for programs that provide training and education to Tibetans in democracy and human rights, preserve cultural traditions, and promote economic development and environmental conservation in Tibetan communities. The Committee is aware of the valuable assistance the Bridge Fund has provided to promote Tibetan-owned and operated businesses and educational, cultural, and natural resource conservation projects in Tibet.

#### INTERNATIONAL DISASTER ASSISTANCE

Appropriations, 2002 .....	\$235,500,000
Budget estimate, 2003 .....	235,500,000
Committee recommendation .....	255,500,000

With the large number of humanitarian emergencies around the world, the Committee believes that, even with supplemental funds, the administration's fiscal year 2003 request is inadequate to effectively respond to these emergency needs, especially in Afghanistan. Therefore, the Committee has provided \$255,500,000 for "International Disaster Assistance" programs, which is \$20,000,000 above the budget request and \$20,000,000 above the fiscal year 2002 level. The Committee recognizes, however, that even this increase is likely to fall short of what is needed.

The Committee believes that the Modular Command Post System (MCPS), a mobile communications, command and control facility, can be of value in responding to international disasters around the world. The Committee urges USAID and the Department of State to consider using the MCPS in complex relief operations.

#### TRANSITION INITIATIVES

Appropriations, 2002 .....	\$50,000,000
Budget estimate, 2003 .....	55,000,000
Committee recommendation .....	65,000,000

The Committee commends the work of USAID's Office of Transition Initiatives (OTI), which is on the ground in countries around the world providing essential assistance to bridge the gap between emergency relief and long-term development. The Committee expects that a portion of the funds provided above the budget request will be used for operations in Afghanistan.

#### DEVELOPMENT CREDIT AUTHORITY

##### OPERATING EXPENSES

Appropriations, 2002 .....	\$7,500,000
Budget estimate, 2003 .....	7,591,000
Committee recommendation .....	7,591,000

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY  
FUND

Appropriations, 2002 .....	\$44,880,000
Budget estimate, 2003 .....	45,200,000
Committee recommendation .....	45,200,000

The Foreign Service retirement and disability fund is a mandatory expense of USAID.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR  
INTERNATIONAL DEVELOPMENT

Appropriations, 2002 .....	\$549,000,000
Budget estimate, 2003 .....	572,087,000
Committee recommendation .....	571,087,000

The Committee provides \$571,087,000 for operating expenses of the United States Agency for International Development. The Committee remains concerned about USAID's deficient financial, procurement, and personnel management systems, and recognizes that solving these problems will be costly. At the same time, the Committee believes that USAID's greatest resource is its staff, many of whom have developed extraordinary expertise in their areas of responsibility. The Committee is concerned that USAID has lost some of its most experienced professionals over the years due to misguided management decisions, and it does not want to see those mistakes repeated.

CAPITAL INVESTMENT FUND

Appropriations, 2002 .....	\$95,000,000
Budget estimate, 2003 .....	65,000,000
Committee recommendation .....	65,000,000

The Committee has earmarked funds to upgrade USAID's information technology systems, which is long overdue and necessary to the effective management of USAID's mission-based operations. However, the Committee continues to be concerned with the lack of coordination between USAID and the State Department's Office of Overseas Buildings Operations, regarding construction of new USAID facilities. The Committee has provided ample funding for new building construction for the foreseeable future. The Committee is concerned about the potential cost of these building projects and expects to be consulted as plans progress.

OPERATING EXPENSES OF THE OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2002 .....	\$31,500,000
Budget estimate, 2003 .....	33,046,000
Committee recommendation .....	33,046,000

The Committee provides \$33,046,000 for operating expenses of the Office of the Inspector General.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

Appropriations, 2002 .....	\$2,199,000,000
Budget estimate, 2003 .....	2,290,000,000
Committee recommendation .....	2,250,000,000

## MIDDLE EAST COUNTRIES

In 1998, the United States reached agreements with the Governments of Israel and Egypt to reduce the levels of ESF assistance for these countries over a 10-year schedule. In accordance with this schedule, the Committee provides \$600,000,000 for Israel and \$615,000,000 for Egypt for fiscal year 2003. The Committee provides \$250,000,000 for assistance for Jordan, which reflects the amount requested by the administration. The Committee provides \$75,000,000 for assistance to the Palestinian people in the West Bank and Gaza, and notes that restrictions on the use of funds provided under the Act remain unchanged from prior years.

The Committee remains concerned with the situation in the Middle East, and, in particular, with the welfare of the Israeli and Palestinian people. The Committee encourages continued efforts by all parties to achieve lasting peace in the region.

The Committee is disappointed that this will be the last year of funding for the U.S.-Israel Cooperative Development Program and hopes that USAID will continue to utilize the expertise, including that of Israel's Center for International Cooperation (MASHAV), accumulated by this program.

The Committee believes that continued political, legal, and economic reform programs should continue in the West Bank and Gaza. The Committee recognizes that calls for reform already exist within Palestinian civil society, and supports the provision of assistance to those groups and associations, including from the United States, advocating greater transparency, accountability, and political pluralism. The Committee notes that rule of law programs would enhance these reforms and encourages the administration to support technical assistance programs in the West Bank and Gaza, if practicable.

The Committee recognizes that Egypt is a vital and strategic ally of the United States and plays an important role in the Middle East peace process. However, the Committee remains concerned with challenges to the rule of law, human rights, and democracy in Egypt. The Committee commends the Department of State for undertaking a review of assistance programs for Egypt.

The Committee notes with appreciation Jordan's constructive role in the peace process and efforts to implement economic reforms.

## CONFLICT RESOLUTION

The Committee recommends at least \$7,000,000 from the Development Assistance, SEED, and ESF accounts to support conflict resolution programs and activities, including those which bring together youth of different ethnic, religious, and political backgrounds from areas of civil conflict and war. The Committee believes that the following programs are among those deserving of support—

- Seeds of Peace, a widely respected organization which promotes understanding between teenagers in the Middle East, Cyprus, and the Balkans;
- The Foundation for Security and Sustainability, a public institute chartered to further understanding about resource scarcity



- and environmental problems and provide opportunities to avert and better prepare for potential crises;
- The Arava Institute for Environmental Studies, which manages programs that bring Arabs and Israelis together to promote better relations and solve common environmental problems;
  - The International Crisis Group, whose analysts in the field identify potentially explosive problems, produce objective assessments, and prescribe policy responses to prevent or reduce the level of violence resulting from complex crises; and
  - The Jerusalem International YMCA, which brings together Christian, Jewish and Muslim young people in a positive environment that promotes peace, respect and understanding.

#### CHILD SOLDIERS

The Committee recognizes the serious problems associated with child soldiers around the world, as they are used as combatants, camp laborers, sex slaves, and runners, under horrendous conditions. To help address this issue, the Committee recommends \$5,000,000 for programs for war-affected youth in such countries as Afghanistan, Angola, Colombia, Sierra Leone, Sri Lanka, and The Democratic Republic of the Congo.

#### WAR CRIMES TRIBUNALS

The Committee continues to strongly support the war crimes tribunals in Yugoslavia, Rwanda, and Sierra Leone. The Committee expects the administration to ensure that the tribunals have sufficient budgets, staff, and equipment, and provides \$30,000,000 in drawdown authority for war crimes tribunals established or authorized by the U.N. Security Council with U.S. support, including the tribunal in Sierra Leone. The Committee also urges the administration, where appropriate, to support commissions or judicial bodies that complement the activities of these tribunals. The Committee notes that drawdowns made under this section are unrelated to the establishment of an international criminal court.

#### IRAQ OPPOSITION

The Committee supports activities targeted toward bringing about a transition to democracy in Iraq, and commends, in particular, the “Future of Iraq” program. The Committee is pleased that the administration is working with Iraqi nationals from civil society, ex-military officers, international experts, and representatives from a multitude of NGOs to establish political pluralism and the rule of law in a post-Saddam Iraq. The Committee supports the State Department Inspector General’s efforts to bring increased transparency and accountability to this program.

In addition to other Iraqi opposition programs, the Committee recognizes efforts to improve educational programs at the Universities of Sulaimani, Dohuk, and Irbil, to continue development efforts in parts of Northern Iraq that are not under the control of Saddam Hussein’s government. The Committee recommends that the administration consider providing funding to these universities in order to support a range of initiatives, including expanding the

availability of information technologies, learning materials, and university-sponsored literacy programs.

DEMOCRACY, TRANSPARENCY, AND THE RULE OF LAW IN MUSLIM COUNTRIES

The Committee provides \$15,000,000 for programs and activities which foster democracy, human rights, women’s development, press freedoms, and the rule of law in countries with a significant Muslim population. Of these funds, the Committee provides \$10,000,000 for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor. The Committee also provides \$3,000,000 for professional training for journalists.

FREE AND INDEPENDENT MEDIA

The Committee strongly supports programs to promote free, independent and professional media in developing nations. The Committee expects USAID and the State Department to fund new, and bolster ongoing, media programs and activities in predominately Muslim countries, including Afghanistan, Pakistan, Egypt and Indonesia. The Committee expects that funding will be used primarily to support programs that provide skills development and promote a deeper understanding of the United States. The Committee believes that free, independent and professional media will provide objective news and credible information throughout the Muslim world, which may help to counterbalance political and religious extremism and terrorism.

PARTNERSHIP TO ELIMINATE SWEATSHOPS

The Committee supports the Partnership to Eliminate Sweatshops, which facilitates cooperation among corporations, consumers, non-governmental organizations, universities, organized labor, and others to address unacceptable working conditions around the world through a variety of approaches. The Committee recommends that \$5,000,000 be made available for this program.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

Appropriations, 2002 .....	\$621,000,000
Budget estimate, 2003 .....	495,000,000
Committee recommendation .....	555,000,000

The Committee provides \$555,000,000 for Eastern Europe and the Baltic States, which is \$60,000,000 above the administration’s fiscal year 2003 request but \$66,000,000 below the fiscal year 2002 level. While the Committee supports and encourages the graduation of countries from receiving U.S. foreign assistance, several countries in this region, which are vital to U.S. interests, continue to require substantial support to further implement critically needed democratic reforms and to promote economic development. The Committee expects that of the additional funds provided, Bosnia-Herzegovina, Serbia, Macedonia, and Kosovo will receive assistance above the fiscal year 2003 requested levels. The Committee also notes the progress that the Baltic States have made in implementing reforms and strengthening the rule of law, and recommends that up to \$5,000,000 be provided to the Baltic States.

## INTERNATIONAL LEGAL AND ECONOMIC INITIATIVES

The Committee notes the efforts by the American Bar Association (ABA) to strengthen democracy through programs that promote the rule of law in Central and Eastern Europe. The Committee recommends that USAID support these ABA-CEELI projects, especially in Belarus, Bosnia, and Kosovo. The Committee also notes the work of the International Real Property Foundation in the region.

The Committee notes the work of the Center for Economic Research and Graduate Education Institute, which promotes economic growth and reform in Central and Eastern Europe.

## KOSOVO

The Committee continues to support reconstruction, reform, and reconciliation efforts in Kosovo, and expects that not less than \$100,000,000 should be made available for assistance for Kosovo under the heading "Assistance for Eastern Europe and the Baltic States". The Committee remains deeply concerned with Serbia's support of parallel security structures in northern Kosovo, including criminal "bridgewatchers" over the river Ibar who were responsible for injuring 26 United Nations Mission in Kosovo police officers in April 2002. The Committee has required that assistance for Serbia provided under this Act be reduced by an amount equivalent to Serbia's calendar year 2002 support for these parallel structures. The Committee has also provided \$2,000,000 to support the National Albanian American Council's training program for Kosovar women.

## SERBIA

The Committee recommends up to \$115,000,000 for assistance for Serbia for fiscal year 2003. The Committee remains committed to assisting reformers in the Republic of Serbia as they continue to recover from the devastation of the Milosevic era. The Committee is pleased that Kosovo-Albanian political prisoners have finally been released, and that selected persons indicted by the International Criminal Tribunal for the former Yugoslavia (ICTY) have surrendered and/or been transferred to The Hague. The Committee strongly encourages further economic, political, and legal reforms, and intends to closely follow the development of a free and independent media.

The Committee notes, however, that while Milosevic has been out of office since October 5, 2000, many of his unfortunate legacies continue, including an unreformed State security apparatus and military, a politicized judiciary, and political and financial support to hardliners in Bosnia's Republic Srpska and northern Kosovo. The Committee has provided \$750,000 for programs to promote reconciliation between ethnic groups throughout the region, and expects that USAID will adequately fund programs that educate the people of Serbia on past crimes committed by the Milosevic regime.

While the Committee notes some progress in Serbia's cooperation with the ICTY, such as the issuance of arrest warrants for indictees, the Committee is very concerned that a predictable, consistent record of cooperation has not yet been established. Federal

Yugoslav officials continue to flaunt the authority of the ICTY. The pace of surrenders and transfers of indictees, the continuing freedom of several notorious indictees, and highly circumscribed access to documents and witnesses, suggests that conditioning U.S. assistance is still, regrettably, necessary. It is unacceptable that, according to reliable reports, General Ratko Mladic, who is among those most responsible for the brutality that terrorized the people of the former Yugoslavia during much of the 1990s, continues to live freely in Serbia. The Committee has therefore continued, with modifications, the March 31 certification requirement contained in last year's Act.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

Appropriations, 2002 .....	\$784,000,000
Budget estimate, 2003 .....	755,000,000
Committee recommendation .....	765,000,000

The Committee provides \$765,000,000 for Assistance for the Independent States of the Former Soviet Union, which is \$19,000,000 below the fiscal year 2002 level but \$10,000,000 above the administration's fiscal year 2003 request.

RUSSIAN FAR EAST

The Committee was pleased to learn that the State Department and USAID provided \$20,617,000 for the Russian Far East programs, which was above the amount earmarked in fiscal year 2002. The Committee has again earmarked these funds and encourages the administration to continue funding at the fiscal year 2002 level.

PUBLIC HEALTH PROGRAMS

The Committee is aware of the Primary Health Care Initiative of the World Council of Hellenes, which was instituted in the former Soviet republics to provide desperately needed basic health care. This program, which is alleviating suffering of people through thousands of visits each month, also enhances U.S. relations with these countries. The Committee recommends at least \$2,000,000 for this program in fiscal year 2003.

The Committee continues to follow the work of the Eurasian Medical Education Program of the American College of Physicians, to enhance the medical capabilities of Russian physicians in the treatment of tuberculosis, cardiovascular disease, and diabetes. This exchange program has been carried out in four regions of the Russian Federation, and volunteer American physicians have shared experience and knowledge with their Russian colleagues to the benefit of the Russian medical profession and the Russian people. The Committee, once again, expresses its support for this program and requests to be consulted regarding future funding for it.

ORPHANS

The Committee continues to support USAID's Russian orphans strategy, which focuses on programs to reduce the number of children entering state orphanages and works with orphanage officials to meet the immediate medical and basic needs of these children.

The Committee applauds the work of Holt International Children's Services, Kidsave International, and Mercy Corps International.

The Committee expects USAID to work with non-profit groups, especially those with contacts in the Russian Far East, including Rotary International, the Anchorage Interfaith Council, and the Municipality of Anchorage. The Committee recommends \$4,000,000 for this program in fiscal year 2003.

#### EDUCATIONAL EXCHANGES

The Committee recommends up to \$3,000,000 for the Russian, Eurasian, and East European Research and Training Program (Title VIII). The Committee is supportive of the portion of this program dedicated to the FSU, especially the Central Asian republics, and expects funding to be limited to research and other activities related to Russia and Eurasia.

The Committee continues to support the East Central European Scholarship Program, with its emphasis on providing training for participants from the countries of southeast Europe.

The Committee supports continued funding for exchanges with secondary school educators, particularly the Partners in Education and Teaching Excellence Awards programs and the Secondary School Excellence program. The Committee encourages the administration to consider supporting these programs.

The Committee also recognizes the efforts by the American Councils for International Education and the Institute for Experimental Learning to begin a program to bring individuals from Central Asia to participate in internships. The Committee recommends that USAID and the State Department consider supporting proposals from these organizations.

#### LEGAL EDUCATION

The Committee strongly supports distance learning legal education programs that have been initiated in central and eastern Europe. The Committee recommends that USAID expand these programs and urges the Agency to seriously consider undertaking similar efforts in Central Asia.

The Committee also supports continued funding for the Russian American Rule of Law Consortium, an outgrowth of the successful Vermont/Karelia Rule of Law Project, which promotes the development of the rule of law in the Russian Federation. The Consortium manages a growing number of partnerships between the legal communities in other U.S. states and Russian regions.

#### VIOLENCE AGAINST WOMEN

The Committee, once again, commends USAID, the State Department, and the Justice Department for its programs to reduce domestic violence in Russia. As in prior years, the Committee believes the administration should continue to consult closely with and provide direct support to the Russian Association of Crisis Centers for Women to further strengthen local capacity to respond to this endemic problem. Emphasis should be given to strengthening police and prosecutorial capacity in this area. In addition, American grant recipients, including police trainers, should have expertise in do-

mestic violence issues, and Russian NGOs should be consulted in the design, evaluation, and monitoring of these programs. The Committee recommends funding for these activities at not less than the current level, and requests the State Department to submit a report by April 1, 2003, summarizing the actions taken, results to date, and future plans for this initiative.

#### ARMENIA

The Committee provides \$90,000,000 under the heading "Assistance for the Independent States of the Former Soviet Union" and \$3,000,000 under the heading "Foreign Military Financing" for assistance for Armenia. The Committee recommends \$750,000 for Armenia under the heading "International Military Education and Training."

The Committee encourages the efforts of the administration, the Minsk Group, and all parties to the Nagorno-Karabakh conflict to continue negotiations toward a peaceful resolution of the dispute. The Committee supports a mutually acceptable negotiated solution, and continues to endorse confidence-building measures among all parties to the conflict, which may include such activities as joint commissions relating to water resources, refugee resettlement, landmine clearance, and joint activities relating to parliamentary, journalist, and rule of law training. The Committee encourages Turkey to reconsider establishing a rail link between Kars, Turkey and Gyumri, Armenia. The Committee believes that such action would make a positive contribution to America's efforts to prevent and respond to international terrorism and the economic development of both Turkey and Armenia. The Committee encourages the State Department and USAID to consider utilizing the American University of Armenia as a learning center for students from the region.

#### UKRAINE

The Committee supports the administration's request for assistance for Ukraine, which is \$14,000,000 below the fiscal year 2002 requested level. The Committee continues to believe that the independence and sovereignty of Ukraine is of crucial strategic importance to the United States and stability in Europe. The Committee notes Ukraine's reported continued economic growth in 2001, including a rise in industrial production and decline in the annual inflation rate, but remains concerned with an investment climate that is less than favorable to foreign businesses, particularly the lack of transparent and fair resolution of business disputes.

While the Committee condemns the violence and irregularities that marred parliamentary elections earlier this year, it applauds the success of Ukrainian reformers at the polls. The Committee believes that assistance provided by the Act should support and bolster the ability of reformers to successfully press for, and implement, much needed economic, political, and legal reforms.

The Committee continues to be extremely concerned with the unresolved murders of Ukrainian journalists Georgy Gongadze and Ihor Alexandrov and is dismayed by the State Department's report to Congress that "little or no progress" has been made in resolving these cases. The Committee continues to believe that the successful

and credible resolution of these cases is essential to demonstrate the Government of Ukraine's commitment to the rule of law.

The Committee is disturbed by reports of Iraqi efforts to obtain weapons technology from Ukraine, and directs that within 60 days of enactment of the Act, the State Department submit a report to the appropriate congressional committees detailing the sale or transfer, if any, of weapons technology and armaments from Ukraine to Iraq. Should these reports prove credible, the Committee expects the State Department to consult with the appropriate congressional committees regarding the imposition of immediate and severe restrictions on United States assistance for Ukraine.

The Committee provides \$30,000,000 for nuclear reactor safety initiatives and \$3,000,000 for coal mine safety programs and activities in Ukraine. The Committee also recognizes the growing physical security and environmental threats associated with unexploded ordnance and excess weapons stockpiles in Ukraine, and suggests that the State Department evaluate environmentally-safe, commercially available disposal technologies for demining activities, the clearance of unexploded ordnance, and the destruction of excess weapon stockpiles.

The Committee supports efforts to improve nuclear safety in Ukraine and recognizes the important work of the International Nuclear Safety Program, including the Computer Information Systems component of this program.

#### GEORGIA

The Committee provides \$87,000,000 for assistance for Georgia, and commends Georgia for its support for U.S. efforts to prevent and respond to international terrorism. The Committee continues to support the enhancement of Georgia's border control capabilities, and appreciates the timely and effective response of Georgian authorities to the unauthorized deployment of Russian troops in the Kodori gorge region earlier this year. Like last year, the Committee remains concerned with the high incidence of corruption in Georgia and the limited progress by Russia in closing military bases in Georgia.

The Committee provides not less than \$3,000,000 for a small business development project relating to private sector technology start-ups for Georgia.

#### NAGORNO-KARABAKH

The Committee continues to be concerned about the plight of the victims of the Nagorno-Karabakh conflict, and expects that the remainder of the \$20,000,000 in humanitarian assistance, initially provided in fiscal year 1998, will be promptly disbursed. The Committee expects that should these funds be obligated and expended before the end of fiscal year 2003, up to \$5,000,000 should be made available to address ongoing humanitarian needs in Nagorno-Karabakh.

## INDEPENDENT AGENCIES

## PEACE CORPS

Appropriations, 2002 .....	\$275,000,000
Budget estimate, 2003 .....	317,228,000
Committee recommendation .....	285,000,000

The Committee strongly supports the Peace Corps' mission and is receptive to the President's proposal to increase the number of volunteers in the field over the next 5 years. The Committee is concerned, however, that the quality, effectiveness, and security of volunteers may be compromised if this expansion is not carefully planned. The Committee requests more information about the significant decline of volunteers in the field to 5,648 during fiscal year 2002, and is concerned that the Peace Corps may be overly-ambitious in budgeting for 8,200 volunteers in the field by the end of fiscal year 2003.

The Committee recommends \$285,000,000 for the Peace Corps, which is a \$10,000,000 increase over last year's level. The Committee is confident that ample resources are being made available to support a prudent expansion of the number of volunteers, as the fiscal year 2000 budget of \$270,000,000 supported a program of nearly 6,000 volunteers. The Committee looks forward to receiving a comprehensive analysis of how the Peace Corps intends to expand its programs over the next 5 years while maintaining the quality and integrity of its mission.

The Committee is pleased that the Peace Corps has initiated a program in East Timor and supports efforts to place additional volunteers there in fiscal year 2003.

## AFRICAN DEVELOPMENT FOUNDATION

Appropriations, 2002 .....	\$16,542,000
Budget estimate, 2003 .....	16,689,000
Committee recommendation .....	17,689,000

The Committee provides \$17,689,000 for the African Development Foundation (ADF). The Committee commends the work of the ADF, which provides critical, small-scale support for projects which benefit some of sub-Saharan Africa's most impoverished communities.

## INTER-AMERICAN FOUNDATION

Appropriations, 2002 .....	\$13,106,950
Budget estimate, 2003 .....	14,185,000
Committee recommendation .....	16,385,000

The Committee provides \$16,385,000 for the Inter-American Foundation (IAF), which is \$2,976,050 above the fiscal year 2002 level. The Committee commends the progress the IAF has made in addressing past management deficiencies.

## DEPARTMENT OF STATE

## INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT

Appropriations, 2002 .....	\$217,000,000
Budget estimate, 2003 .....	196,713,000
Committee recommendation .....	196,713,000



The Committee provides \$196,713,000 for International Narcotics and Law Enforcement (INL), which is equal to the administration's request. The Committee is perplexed by the administration's decision to cut funding for INL programs in anti-corruption, financial crimes, border controls, and other law enforcement efforts, at a time when the need for these activities is increasingly apparent.

TRAFFICKING IN PERSONS

The Committee provides up to \$20,000,000 in INL funds for programs and activities to counter trafficking in persons. The Committee remains strongly committed to assisting women and children who are the most innocent victims of this gross human rights violation, which also contributes to the spread of HIV/AIDS. The Committee believes that these funds should be used to combat all three components of anti-trafficking: addressing the root causes of trafficking, protecting and providing services for victims, and prosecuting traffickers. The Committee believes that the issue of human trafficking is sufficiently well-understood that these funds should not be used for additional studies or conferences to assess needs, but rather directed largely to NGOs to implement programs to prevent trafficking, assist victims, and prosecute traffickers.

INTERNATIONAL LAW ENFORCEMENT ACADEMIES

The Committee continues to support the work that the International Law Enforcement Academies (ILEA) provide to the international community. The Committee is pleased that the administration doubled funding for these programs from fiscal year 2001 to 2002, but notes that the administration's request for the ILEA programs has remained constant for fiscal year 2003 even though it is considering opening an additional center in Latin America. The Committee urges the administration to provide adequate resources for each of these centers and to complete a new facility for the Roswell Center as soon as possible.

MARITIME INTERDICTION

The Committee continues to believe that both the Bahamas and Costa Rica play important roles in combating the flow of illegal narcotics, especially through maritime interdiction. The Committee directs the State Department to submit a report, no later than 120 days after the date of enactment of the Act, on the procurement needs of the governments of the Bahamas and Costa Rica to implement an effective counternarcotics strategy. This report is to examine these needs, including an assessment of the procurement of high speed boats, within the context of the projected budget for counternarcotics programs in fiscal year 2004.

ANDEAN COUNTERDRUG INITIATIVE

Appropriations, 2002 .....	\$625,000,000
Budget estimate, 2003 .....	731,000,000
Committee recommendation .....	637,000,000

The Committee has provided \$637,000,000 for the Andean Counterdrug Initiative, which is \$12,000,000 above last year's level. In addition, the Committee provides authority for the trans-

fer of up to an additional \$35,000,000 from the "International Narcotics Control and Law Enforcement" account for the Andean Counterdrug Initiative. The Committee has also provided up to \$88,000,000 from the "International Narcotics Control and Law Enforcement" and "Foreign Military Financing Program" accounts for equipment (including up to \$71,000,000 for helicopters) and training for the Colombian Armed Forces for pipeline security in Arauca department. Including the amounts provided for fiscal year 2003, U.S. assistance to the Andean region for counterdrug and counterterrorism activities will total more than \$2,600,000,000 over a period of 3 years. This amount does not include funding from the Department of Defense and other Federal agencies.

The Committee is disappointed with the results of "Plan Colombia," which has fallen far short of expectations. Neither the Colombian government nor other international donors have lived up to their financial commitments, and the amount of coca and poppy under cultivation has increased. In addition, peace negotiations have collapsed, the armed conflict has intensified, and the country is preparing for a wider war which few observers believe can be won on the battlefield. It is estimated that one million Colombians have been displaced from their homes. Alternative economic development programs have produced few tangible results, and the Colombian government's role in this effort has not inspired confidence. The Committee expects the Colombian government to significantly improve its efforts in social and economic development.

The Committee has, in hearings and briefings, expressed its concerns about the administration's strategy in Colombia and the lack of clearly defined objectives or benchmarks for measuring success. However, despite setbacks, the Committee supports efforts to strengthen democracy and the rule of law, improve security and promote economic development in Colombia. The Committee provides the authority, requested by the administration, to support Colombia's unified campaign against narcotics trafficking and paramilitary and guerrilla terrorist organizations.

The Committee has again included conditions tying the obligation of funds to progress on human rights, and expects to see significant improvements before further certifications are made. The Committee condemns the abuses of human rights by all parties to the conflict, particularly paramilitaries and the FARC who are responsible for the large majority of atrocities against civilians. The Committee is alarmed by the recent surge in terrorist attacks, and the continued failure of Colombian security forces to apprehend the leaders of paramilitary organizations, for whom hundreds of arrest warrants are outstanding. The Committee is convinced that a special unit of the Colombian Armed Forces dedicated to the apprehension of the leaders of paramilitary organizations is urgently needed, and has included authority and adequate funding from the "International Narcotics Control and Law Enforcement" and "Foreign Military Financing Program" accounts to train and equip such a unit.

The Committee has retained limits imposed in fiscal year 2001 on the number of U.S. military on duty, and U.S. civilian personnel employed, in Colombia.

The Committee has again included conditions on the aerial spraying of herbicide, to ensure that any use of such chemicals or related equipment or services is consistent with Colombian laws, the Colombian Environmental Management Plan for aerial spraying, and Environmental Protection Agency regulations. The Committee is concerned that the manner in which the herbicide is being used in Colombia, where large areas are sprayed in proximity to people's homes and food crops, varies significantly from the manner of use of herbicides in the United States. The Committee is increasingly concerned that monitoring and enforcement of compliance with Colombian and United States laws and regulations may not meet U.S. standards. The Committee needs to be satisfied that, based on objective scientific analysis and other factors, the aerial spraying does not pose unreasonable risks or adverse effects to humans or the environment, and that effective monitoring and enforcement mechanisms exist to ensure its proper use.

The Committee is aware of an initiative in Colombia, the Colombia Military Project, which promotes dialogue and analysis among civilians and retired military officers about the conflict and the implications of peace processes for the Armed Forces. Topics include a cease fire, decommissioning of weapons, demobilization, and the reinsertion into civil society of ex-combatants. Given that any successful peace process requires the active support of the Armed Forces, the Committee believes that the State Department should seriously consider providing financial support to the Colombia Military Project.

The Committee is increasingly concerned that developments in Colombia may lead to a significant spill-over of refugees, insurgents, and narcotics traffickers into the territory of Colombia's neighbors, and expects the administration's allocation of resources for the Andean Counterdrug Initiative to reflect these volatile conditions.

The Committee is aware of Colombia's extraordinary national parks and reserves, which encompass some of the world's most biologically diverse tropical forests. These areas, which are among Colombia's greatest natural resource and a potential source of income from eco-tourism, are increasingly threatened by coca farmers and illegal loggers. The Committee provides \$3,500,000 for training, equipment and other assistance to protect these parks and reserves.

MIGRATION AND REFUGEE ASSISTANCE

Appropriations, 2002 .....	\$705,000,000
Budget estimate, 2003 .....	704,565,000
Committee recommendation .....	782,000,000

In fiscal year 2002, the Committee reduced the amount provided for Migration and Refugee Assistance (MRA) because an additional \$100,000,000 had been provided in supplemental funding. At that time, the Committee clearly stated that this reduction was not to be interpreted as a lack of support for the MRA account or to be used as a baseline when formulating the fiscal year 2003 request. Thus, the Committee is disappointed with the amount that the administration requested for this account.

The Committee recognizes that, even with supplemental funding, the crisis in Afghanistan has severely strained the MRA budget. In addition, a number of other urgent humanitarian crises around the world, including those in Africa, southeast Asia, the North Caucasus, and Colombia, have left millions of people at risk of starvation, exposure, and disease. Therefore, the Committee provides \$782,000,000 for the Migration and Refugee Assistance account.

#### RESETTLEMENT IN ISRAEL

The Committee provides \$60,000,000 for the resettlement of migrants from the former Soviet Union, Eastern Europe, and other areas to Israel. This is equal to the amount appropriated in fiscal year 2002. The Committee notes that while Israel has accepted more than 1 million refugees since 1989, over the past year there has been a modest decline in the number of refugees from the former Soviet Union resettling in Israel. Should this decline continue, the Committee anticipates that funding for this program will be decreased in fiscal year 2004.

#### UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

The Committee strongly supports the work of the United Nations High Commissioner for Refugees (UNHCR), which provides assistance to millions of refugees and internally displaced persons. The Committee is deeply concerned by the large budget shortfall that currently confronts UNHCR, and while the Committee commends UNHCR for making a number of necessary spending reductions, it is alarmed that this shortfall is beginning to adversely impact field operations in a number of regions.

The Committee has, therefore, increased funding for the Migration and Refugee Assistance account with the expectation that the United Senate will increase its contribution to UNHCR should the need arise. However, the Committee notes that U.S. contributions now exceed 25 percent of the total UNHCR budget and that other international donors are not contributing sufficient amounts or following through on outstanding pledges. The Committee urges UNHCR to use the U.S. contribution to leverage additional support from other nations.

The Committee continues to be concerned by allegations that refugees in Africa were sexually abused by employees of UNHCR and nongovernmental organizations in the field. While the Committee recognizes that the United Nations has initiated an investigation and implemented measures to prevent a recurrence, including hiring protection staff, the Committee urges the United Nations to ensure that its investigation is thorough and completed in a timely manner, and that those responsible for these acts are punished. The Committee also urges appropriate nongovernmental organizations to take similar action.

#### THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST

The Committee recognizes the important contribution of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), to provide basic humanitarian services to

approximately 3.8 million refugees in the region. The Committee is concerned, however, with reports that some individuals involved in international terrorism have come from refugee camps administered by UNRWA. The Committee urges UNRWA to cooperate with efforts to prevent and respond to acts of international terrorism.

PROTECTION OF INTERNATIONAL HUMANITARIAN RELIEF WORKERS

The Committee is extremely disappointed that the State Department ignored a directive in Senate Report 107–58, which was subsequently endorsed in House Report 107–345, to submit a report to the Committee on Appropriations on the efforts of United States and international humanitarian organizations to improve the safety of relief workers. The Committee directs this report to be submitted no later than 30 days after enactment of the Act.

TIBETAN REFUGEES

Like last year, the Committee supports continued funding to assist Tibetan refugees and recommends \$2,000,000 for this purpose. The Committee, again, requests that the State Department coordinate with USAID in determining responsibility for long term assistance for Tibetan refugees.

NORTH KOREAN REFUGEES/ASYLUM SEEKERS

The Committee remains deeply concerned with the abuses inflicted upon the people of North Korea by the repressive Stalinist regime, and notes that extrajudicial killings, torture, starvation and a failed economy have caused thousands of North Koreans to seek refuge in the People’s Republic of China. The Committee recommends the State Department utilize increased funding provided in the Act to safeguard the human rights and dignity of North Korean refugees and asylum seekers, whether through the establishment of camps, contributions to organizations, or other means. The Committee is deeply troubled by the horrific fate that awaits those who are forcibly repatriated to North Korea.

REFUGEES AND INTERNALLY DISPLACED PERSONS IN AFRICA

The Committee notes the dire situation of the more than 4 million refugees and IDPs throughout Africa living in deplorable conditions. The Committee urges the administration to work with international organizations, including the World Food Program and UNHCR, as well as other governments to provide additional assistance to the region in fiscal year 2003.

EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Appropriations, 2002 .....	\$15,000,000
Budget estimate, 2003 .....	15,000,000
Committee recommendation .....	32,000,000

The Committee notes that the Emergency Refugee and Migration Assistance (ERMA) fund has been drawn down several times over the past year. The Committee is concerned that, despite some supplemental funding, the ERMA account has been reduced to substantially lower than anticipated levels. The Committee provides

\$32,000,000 for ERMA, which is \$17,000,000 more than the amount requested.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING, AND RELATED PROGRAMS

Appropriations, 2002 .....	\$313,500,000
Budget estimate, 2003 .....	372,400,000
Committee recommendation .....	376,400,000

The Committee provides \$376,400,000 for the Nonproliferation, Anti-terrorism, Demining, and Related Programs account, which is \$4,000,000 above the amount requested for fiscal year 2003. The Committee continues its strong support for these programs which are critical to efforts by the United States to combat the proliferation of weapons of mass destruction, prevent and respond to international terrorism, and help improve border security.

COMPREHENSIVE TEST BAN TREATY PREPARATORY COMMISSION

The Committee fully funds the request of \$18,200,000 for a contribution to the Comprehensive Test Ban Treaty Preparatory Commission. These funds help leverage donations from other nations for the International Monitoring System, which is designed to collect data from seismic, hydroacoustic, infrasound, and radionuclide stations around the world, enhancing U.S. capabilities for detecting and monitoring nuclear tests.

INTERNATIONAL ATOMIC ENERGY AGENCY

The Committee is concerned that the request for a contribution to the International Atomic Energy Agency (IAEA) is insufficient, as the IAEA is facing increasing demands on its budget to execute a range of programs that are critical to U.S. security interests. The Committee provides \$3,500,000 above the amount requested for the IAEA.

HUMANITARIAN DEMINING

The Committee supports the State Department's Humanitarian Demining Program to clear landmines and other unexploded ordnance that continue to endanger people in over 60 countries. The Committee provides \$57,000,000 for these activities. Of this amount, up to \$10,000,000 may be made available for the Slovenia Trust Fund, on a dollar-for-dollar matching basis.

The Committee notes that several country recipients of demining funds from the NADR account also receive large amounts of assistance from the ESF, SEED, or FSU accounts. The Committee is concerned about pressures on the NADR budget which contains a limited amount of humanitarian demining funds, and believes that demining programs in these countries should be funded jointly from both NADR and these other accounts.

SMALL ARMS AND LIGHT WEAPONS

The Committee is aware that small arms and light weapons, including mortars, rocket propelled grenades, and heavy machine guns, have been used by international terrorist organizations, contributed to human rights violations, fueled conflicts, and impeded

development efforts. The Committee provides \$4,000,000 in fiscal year 2003 for the Small Arms Destruction Initiative, which provides assistance to countries that have requested help in eliminating stockpiles of these weapons. This is \$1,000,000 above the fiscal year 2002 level.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL TRAINING

Appropriations, 2002 .....	\$6,500,000
Budget estimate, 2003 .....	10,000,000
Committee recommendation .....	10,500,000

The Committee strongly supports the Department of the Treasury's International Affairs Technical Assistance program and provides \$10,500,000 for fiscal year 2003. This amount is \$500,000 above the budget request and the fiscal year 2002 level. The Committee appreciates the responsiveness of the Treasury Department to Committee requests for information concerning its international affairs programs.

DEBT RESTRUCTURING

Appropriations, 2002 .....	\$229,000,000
Budget estimate, 2003 .....	.....
Committee recommendation .....	40,000,000

The administration did not request funding for the Heavily Indebted Poor Country Trust Fund, as the U.S. pledge was fulfilled last year.

The Committee notes that the administration requested transfer authority of up to \$40,000,000 from "Development Assistance" to implement the Tropical Forest Conservation Act of 1998 (TFCA). The Committee is disappointed that only transfer authority was requested, and instead provides \$40,000,000 for the Treasury Department for this purpose. The Committee continues to be alarmed that the world's tropical forests are being destroyed at an alarming rate, and believes that the TFCA is an effective mechanism for protecting endangered forests.

TITLE III  
MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Appropriations, 2002 .....	\$70,000,000
Budget estimate, 2003 .....	80,000,000
Committee recommendation .....	80,000,000

The Committee continues its strong support for the International Military Education and Training (IMET) program and has provided \$80,000,000 for this account which has increased by a total of 60 percent over the last 3 years. The Committee believes that, by capitalizing on the worldwide respect for the U.S. Armed Forces, the IMET program offers a unique opportunity to establish valuable contacts with foreign militaries and promote American values.

The Committee agrees with the general premise that IMET can help reform foreign militaries. However, the Committee believes that, in certain instances, where militaries are rife with corruption, flaunt the rule of law, or fail to hold accountable members who commit atrocities, IMET assistance is of limited value. Absent a commitment on the part of foreign militaries to reform, IMET training can accomplish little, and it can associate the American people with the very abuses IMET seeks to prevent. Rightly or wrongly, many perceive IMET participation as bestowing a degree of legitimacy from the United States on the actions of the foreign militaries and governments. When making decisions to provide IMET, the administration should consider the impact that these signals will have on larger U.S. foreign policy interests and target this assistance accordingly.

The Committee directs the State Department, in conjunction with the Department of Defense, to provide a report not later than 120 days after enactment of the Act, containing the number of civilians from non-governmental organizations that participated in the IMET program during fiscal year 2002. The report should also include the professional backgrounds of these individuals, their nationality, and the type of IMET program in which they participated.

The Committee is aware that previously enacted legislation, including the Security Assistance Act of 2000 (Public Law 106-280), authorized assistance levels above the administration's fiscal year 2003 request for IMET assistance for Greece and Turkey and encouraged joint training of Greek and Turkish officers to the maximum extent practicable. The Committee continues to be supportive of these initiatives, which could help strengthen ties between two important NATO allies, and encourages the administration to fund these programs at the highest appropriate level.



## FOREIGN MILITARY FINANCING

## GRANT PROGRAM LEVEL

Appropriations, 2002 .....	\$3,650,000,000
Budget estimate, 2003 .....	4,107,200,000
Committee recommendation .....	4,067,000,000

The Committee provides \$4,067,000,000 in Foreign Military Financing grant programs for fiscal year 2003. This is \$417,000,000 above the fiscal year 2002 allocation, and \$40,200,000 below the administration's request. The Committee expects to provide approximately \$300,000,000 in fiscal year 2002 supplemental support for many of the same countries that will receive assistance in fiscal year 2003.

## MIDDLE EAST COUNTRIES

The Committee provides the administration's request of \$2,100,000,000 in FMF for Israel and \$1,300,000,000 for Egypt. The Committee also provides the request level of \$198,000,000 for Jordan.

## TURKEY

The Committee supports military assistance for Turkey without the 10-to-7 ratio of assistance to Greece, because these funds will be used only to support Turkey's command of the International Security Assistance Force in Afghanistan and for its military role, in cooperation with the United States and Greece, in Operation Enduring Freedom and other efforts against international terrorism.

## BALTIC STATES

The Committee continues to endorse the measures that Lithuania, Latvia, and Estonia have taken to bring their militaries in line with Western standards. The Committee strongly supports full funding of the administration's request for IMET and FMF for the Baltic States.

## TUNISIA

The Committee supports the administration's request of \$5,000,000 in FMF and \$1,500,000 in IMET assistance for Tunisia.

## FOREIGN MILITARY TRAINING REPORT

The Committee commends the administration's efforts to improve the transparency and accessibility of the fiscal year 2001–2002 Foreign Military Training Report. The Committee expects next year's report to be similar in content and in the amount of information that is classified. The Committee expects to be consulted on the format and contents of the report, if the administration anticipates making significant changes in its format or content.

## PATROL BOATS

The Committee recommends \$5,000,000 for the Government of Malta to purchase additional coastal patrol boats. The Committee also urges the Administration to seriously consider a request from

the Government of El Salvador to purchase additional high-speed, aluminum patrol boats.

NON-LETHAL EQUIPMENT

The Committee is concerned that, too often, foreign soldiers and law enforcement officials, because they lack the proper training and equipment, have failed to deal effectively with civil unrest and rioting, resulting in unnecessary bloodshed. The Committee believes that the administration, in consultation with the Committees on Appropriations, should consider providing up to \$7,000,000 from the “Foreign Military Financing Program” and “International Narcotics Control and Law Enforcement” accounts to help governments train and equip units with non-lethal weapons. This assistance should be provided only after thorough vetting of participants and consistent with existing laws on human rights.

PEACEKEEPING OPERATIONS

Appropriations, 2002 .....	\$135,000,000
Budget estimate, 2003 .....	108,250,000
Committee recommendation .....	125,250,000

The Committee notes that the primary justification that the administration has used to oppose expanding the mandate of the International Security Assistance Force (ISAF) in Afghanistan is its commitment to train the Afghan national army to handle security in the country. While the Committee believes that properly training and equipping the army is essential to long term security and stability in Afghanistan, the Committee is deeply concerned with the current security situation in that country, the progress of the training program, and the paucity of funds that appear to have been budgeted for this purpose in fiscal year 2003. The Committee understands that the situation in Afghanistan remains fluid and dynamic, and, therefore, recommends that \$7,000,000 from the “Peacekeeping Operations” account be made available to support efforts to establish an effective Afghan national army. In addition, the Committee strongly urges the administration to consider a wide range of options, including expanding the mandate of the ISAF, to deal with the immediate security needs in Afghanistan.

The Committee is concerned that the administration’s request proposes cuts in important peacekeeping missions in Africa. The Committee recommends that \$10,000,000 of the funds provided above the request should be used to restore some of these reductions.

TITLE IV  
MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS SUMMARY

Appropriations, 2002 .....	\$1,174,796,000
Budget estimate, 2003 .....	1,437,097,000
Committee recommendation .....	1,357,097,000

The Committee recommends the total amount of paid-in capital funding shown above to provide for contributions to the International Bank for Reconstruction and Development, International Development Association, Multilateral Investment Guarantee Agency, the Global Environment Facility (GEF), the Inter-American Development Bank's Inter-American Investment Corporation and Multilateral Investment Fund, the Asian Development Fund, the African Development Bank and Fund, the European Bank for Reconstruction and Development, and the International Fund for Agriculture Development.

*World Bank.*—The Committee continues to follow the World Bank's efforts to reform its internal grievance procedures. Despite some progress, it remains apparent that as long as the Bank and the other international financial institutions are immune from the court process, they need to do more to ensure that complaints are independently investigated and adjudicated in accordance with due process, and that managers are punished for misconduct, especially retaliation. The Committee is particularly concerned with the professionalism of the Bank's legal department, and questions its ability to carry out its responsibilities fairly and effectively. Among other things, the Bank's lawyers have expended resources prolonging cases that should have been resolved quickly, or defended management when it would have been in the interests of the institution to represent the complainants, who often cannot afford lawyers of their own.

*World Commission on Dams.*—The Committee is concerned with the World Bank's failure to formally adopt the guidelines recommended by the World Commission on Dams (WCD), whose report, "Dams and Development," addresses a complex, controversial subject in a balanced way, including proposing comprehensive, practical and innovative guidelines for future action. The Committee again urges the Bank to continue to engage with the full range of interested parties in the implementation of the WCD's report, and to integrate these guidelines to the fullest extent practicable into the Bank's relevant operational policies and directives, including those relating to resettlement, environmental assessment, and water and energy policies.

*International Monetary Fund.*—The Committee remains concerned that the IMF has not implemented many of the rec-

ommendations of its 1994 Working Group on the Status of Women, especially those aimed at increasing the number of women in managerial positions. Last year, the Committee urged the IMF to obtain an updated regression analysis to determine what further steps are needed to correct persistent gender disparities in hiring and promotion. Regrettably, the IMF has failed to do so.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

Appropriations, 2002 .....	\$792,400,000
Budget estimate, 2003 .....	874,338,000
Committee recommendation .....	837,338,000

GLOBAL ENVIRONMENT FACILITY

Appropriations, 2002 .....	\$100,500,000
Budget estimate, 2003 .....	177,813,000
Committee recommendation .....	177,813,000

MULTILATERAL INVESTMENT GUARANTEE AGENCY

Appropriations, 2002 .....	\$5,000,000
Budget estimate, 2003 .....	3,631,000
Committee recommendation .....	2,631,000

The Committee remains concerned about the Bujagli dam proposal and expects to be consulted concerning the U.S. position prior to a vote on this project.

INTER-AMERICAN DEVELOPMENT BANK

INTER-AMERICAN INVESTMENT CORPORATION

Appropriations, 2002 .....	\$18,000,000
Budget estimate, 2003 .....	30,352,000
Committee recommendation .....	18,352,000

MULTILATERAL INVESTMENT FUND

Appropriations, 2002 .....	.....
Budget estimate, 2003 .....	\$29,591,000
Committee recommendation .....	29,591,000

ASIAN DEVELOPMENT BANK

ASIAN DEVELOPMENT FUND

Appropriations, 2002 .....	\$98,017,000
Budget estimate, 2003 .....	147,386,000
Committee recommendation .....	127,386,000

AFRICAN DEVELOPMENT BANK

Appropriations, 2002 .....	\$5,100,000
Budget estimate, 2003 .....	5,104,000
Committee recommendation .....	5,104,000

AFRICAN DEVELOPMENT FUND

Appropriations, 2002 .....	\$100,000,000
Budget estimate, 2003 .....	118,073,000
Committee recommendation .....	108,073,000

## EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Appropriations, 2002 .....	\$35,779,000
Budget estimate, 2003 .....	35,805,000
Committee recommendation .....	35,805,000

The Committee notes that Article 1 of the Agreement Establishing the European Bank for Reconstruction and Development (EBRD) states that the Bank's purpose is to foster transition toward market economies in countries that are committed to and applying the principles of multiparty democracy and pluralism. The Committee, therefore, is troubled by the EBRD's decision to hold its annual meeting next year in Tashkent, Uzbekistan, and expects the Treasury Department and the EBRD to use this opportunity to urge the Government of Uzbekistan to meet its commitments under the "Declaration on the Strategic Partnership and Cooperation Framework Between the Republic of Uzbekistan and the United States of America", by ensuring respect for human rights and freedoms, building a multiparty democracy, and implementing judicial and legal reforms.

## INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Appropriations, 2002 .....	\$20,000,000
Budget estimate, 2003 .....	15,004,000
Committee recommendation .....	15,004,000

The Committee recommends \$15,004,000 for a contribution to the International Fund for Agricultural Development (IFAD) and expects the United States to continue its strong support of IFAD during negotiations for the 6th replenishment of IFAD.

The Committee is supportive of the IFAD's new rural finance policy, and encourages IFAD to coordinate more effectively with cooperative development organizations in the United States to build sustainable, member-owned cooperatives and credit unions.

The Committee also supports IFAD's continuing participation in the enhanced Heavily-Indebted Poor Countries (HIPC) initiative. The Committee recommends that the administration explore ways to ensure that IFAD's continued participation in the enhanced HIPC initiative will not detract from its capacity to manage its development programs.

## INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Appropriations, 2002 .....	\$208,500,000
Budget estimate, 2003 .....	310,400,000
Committee recommendation .....	230,461,000

The Committee provides \$230,486,000 for the "International Organizations and Programs" account. This amount does not include funding for the Korean Peninsula Energy Development Organization and the International Atomic Energy Agency which are provided for in the Nonproliferation, Antiterrorism, Demining, and Related Programs account.

## UNITED NATIONS FUND FOR VICTIMS OF TORTURE

The Committee continues to support the United Nations Fund for Victims of Torture and recommends a U.S. contribution of \$5,000,000 in fiscal year 2003. The Committee is aware that this

Fund supports nearly 100 treatment programs and projects for victims of torture in over 50 countries. The Committee urges the State Department to seek additional contributions from other governments for the Fund.

INTERNATIONAL EFFORTS TO COMBAT THE ILLICIT TRADE IN SMALL  
ARMS AND LIGHT WEAPONS

The Committee directs the Secretary of State, no later than 120 days after the date of enactment of the Act, to transmit a report describing the activities undertaken, and the progress made, by the Department of State or other agencies and entities of the U.S. Government in implementing the goals of the Program of Action of the 2001 United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects.

UNITED NATIONS POPULATION FUND

The Committee provides \$50,000,000 for a U.S. contribution to the U.N. Population Fund (UNFPA), the same amount as in fiscal year 1995. These funds are to be made available expeditiously.

UNFPA is the world's largest multilateral family planning agency, with programs in over 140 countries including many which do not receive assistance from USAID. Last year, the President requested \$25,000,000 for UNFPA, based on a February 2001 determination by the State Department that the UNFPA's program in the People's Republic of China was not in violation of the "Kemp-Kasten Amendment" which prohibits United States funds to any organization or program which "supports or participates in the management of a program of coercive abortions or involuntary sterilization."

After lengthy negotiations and a series of compromises, the House and Senate approved up to \$34,000,000 for UNFPA. The Statement of the Managers accompanying the fiscal year 2002 Foreign Operations Conference Report made clear that the Congress intended to provide \$34,000,000 for UNFPA. Congress also continued the prohibition on the use of United States funds in China.

Allegations that UNFPA was in violation of Kemp-Kasten prompted the administration to withhold disbursement of the fiscal year 2002 funds for UNFPA and to dispatch a 3-member investigative team to China in April. The Committee is aware that coercion exists in China's family planning program, and strongly condemns these violations of human rights. However, the Committee notes that it is UNFPA's policy to neither fund, support, or promote abortions in China or elsewhere. UNFPA's programs in China have focused on improving women's reproductive health and access to modern contraceptives to reduce the incidence of abortion, as well as on activities to reduce the spread of HIV/AIDS.

The Committee is concerned that the withholding of the fiscal year 2002 funds for UNFPA—the majority of which were requested by the administration—is contrary to the intent of Congress and will adversely affect family planning/reproductive health and HIV/AIDS programs worldwide. The Committee believes the United States should be a world leader in supporting family planning/reproductive health and combating HIV/AIDS.

## UNITED NATIONS ENVIRONMENT PROGRAM

The Committee has provided \$13,486,000 for a United States contribution to the United Nations Environment Program, which plays a key role in addressing a wide range of environmental problems, including ozone depletion, the unsafe use of toxic chemicals, and land-based and marine pollution. This is \$3,461,000 over the amount requested, but \$8,000,000 below the amount contributed in 1994. The Committee recognizes that UNEP's activities are complimentary to U.S. interests in protecting the global environment, and believes the United States should more strongly support UNEP.

## WORLD FOOD PROGRAM

Traditionally, the Committee has provided funds for costs associated with the delivery and management of U.S. food donations to the World Food Program in the Foreign Operations, Export Financing, and Related Programs Appropriations Act. In its fiscal year 2003 budget, the administration requested funds for this purpose in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act. The Committee prefers to continue its past practice, and provides \$6,000,000 for the World Food Program.

The Committee is extremely concerned with the food security crisis in Southern Africa, where a combination of adverse climate conditions, mismanagement of grain reserves, and questionable government policies, particularly in Zimbabwe, have put approximately 7 million people at risk. The Committee has provided additional funds in the "International Disaster Assistance" and "Migration and Refugee Assistance" accounts to help address this crisis and urges the administration to increase food aid to the region.

## UNITED NATIONS UNIVERSITY

The Committee is aware that U.N. University contributes, through research and capacity building, to international efforts to address pressing global issues such as food security, environmental degradation, and governance. Rather than a degree-granting institution, U.N. University is an important resource for the United Nations, promoting bridges between the United Nations and the international academic community. The Committee encourages the administration to consider resuming support for U.N. University.

TITLE V  
GENERAL PROVISIONS

- SEC. 501. Obligations during last month of availability.
- SEC. 502. Private and Voluntary Organizations.
- SEC. 503. Limitation on Residence Expenses.
- SEC. 504. Limitation on Expenses.
- SEC. 505. Limitation on Representational Allowances.
- SEC. 506. Prohibition on Financing Nuclear Goods.
- SEC. 507. Prohibition Against Direct Funding for Certain Countries.
- SEC. 508. Military Coups.
- SEC. 509. Transfers Between Accounts.
- SEC. 510. Deobligation/Reobligation Authority.
- SEC. 511. Availability of Funds.
- SEC. 512. Limitation on Assistance to Countries in Default.
- SEC. 513. Commerce and Trade.
- SEC. 514. Surplus Commodities.
- SEC. 515. Notification Requirements.
- SEC. 516. Limitation on Availability of Funds for International Organizations and Programs.
- SEC. 517. Independent States of the Former Soviet Union.
- SEC. 518. Export Financing Transfer Authorities.
- SEC. 519. Special Notification Requirements.
- SEC. 520. Definition of Program, Project, and Activity.
- SEC. 521. Child Survival and Health Activities.
- SEC. 522. Notification on Excess Defense Equipment.
- SEC. 523. Authorization Requirement.
- SEC. 524. Democracy Programs.
- SEC. 525. Prohibition on Bilateral Assistance to Terrorist Countries.
- SEC. 526. Prohibition on Assistance to Foreign Governments That Export Lethal Military Equipment to Countries Supporting International Terrorism.
- SEC. 527. Debt-For-Development.
- SEC. 528. Separate Accounts.
- SEC. 529. Compensation for United States Executive Directors to International Financial Institutions.
- SEC. 530. Compliance With United Nations Sanctions Against Iraq.
- SEC. 531. Authorities for the Peace Corps, Inter-American Foundation and African Development Foundation.
- SEC. 532. Impact on Jobs in the United States.
- SEC. 533. Special Authorities.
- SEC. 534. Arab League Boycott of Israel.
- SEC. 535. Administration of Justice Activities.
- SEC. 536. Eligibility For Assistance.



- SEC. 537. Earmarks.
- SEC. 538. Ceilings and Earmarks.
- SEC. 539. Prohibition on Publicity or Propaganda.
- SEC. 540. Prohibition of Payments to United Nations Members.
- SEC. 541. Nongovernmental Organization—Documentation.
- SEC. 542. Withholding of Assistance for Parking Fines Owed By Foreign Countries.
- SEC. 543. Limitation on Assistance for the PLO for the West Bank and Gaza.
- SEC. 544. War Crimes Tribunal Drawdown.
- SEC. 545. Landmines.
- SEC. 546. Restrictions Concerning The Palestinian Authority.
- SEC. 547. Prohibition of Payment of Certain Expenses.
- SEC. 548. Special Debt Relief for the Poorest.
- SEC. 549. Authority to Engage in Debt Buybacks or Sales.
- SEC. 550. Haiti Coast Guard.
- SEC. 551. Limitation on Assistance to the Palestinian Authority.
- SEC. 552. Limitation on Assistance to Security Forces.
- SEC. 553. Protection of Tropical Forests and Biodiversity.
- SEC. 554. Energy Conservation, Energy Efficiency and Clean Energy Programs.
- SEC. 555. Afghanistan.
- SEC. 556. Zimbabwe. Sec 557. Nigeria.
- SEC. 558. Burma.
- SEC. 559. Enterprise Fund Restrictions.
- SEC. 560. Cambodia.
- SEC. 561. Foreign Military Training Report.
- SEC. 562. Korean Peninsula Energy Development Organization.
- SEC. 563. Colombia.
- SEC. 564. Illegal Armed Groups.
- SEC. 565. Prohibition on Assistance to the Palestinian Broadcasting Corporation.
- SEC. 566. Iraq.
- SEC. 567. West bank and Gaza Program.
- SEC. 568. Indonesia.
- SEC. 569. Briefings on Potensial Purchases of Defense Articles or Defense Services by Taiwan.
- SEC. 570. Restrictions on Assistance to Governments Destabilizing Sierra Leone.
- SEC. 571. Voluntary Separation Incentives.
- SEC. 572. Uzbekistan.
- SEC. 573. American Churchwomen in El Salvador.
- SEC. 574. Commercial Leasing of Defense Articles.
- SEC. 575. War Criminals.
- SEC. 576. User Fees.
- SEC. 577. Funding For Serbia.
- SEC. 578. Community Based Police Assistance.
- SEC. 579. Excess Defense Articles for Central and Southern European and Certain Other Countries.
- SEC. 580. Overseas Private Investment Corporation and Export-Import Bank Restrictions.
- SEC. 581. Requirements Relating to Private Organizations.
- SEC. 582. Corporate Responsibility.

SEC. 583. Modification to the Annual Drug Certification Procedures.

SEC. 584. Transparency of Government Receipts.

SEC. 585. Cooperation With Cuba on Counter-Narcotics Matters.

SEC. 586. Prohibition on Funding for Abortions and Involuntary Sterilization.

SEC. 587. Tibet.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE  
STANDING RULES OF THE SENATE

Rule XVI, paragraph 7 requires that every report on a general appropriation bill filed by the Committee must identify each recommended amendment, with particularity, which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

Items providing funding for fiscal year 2003 which lack authorization are as follows:

Child Survival and Health Programs Fund .....	\$1,780,000,000
Development Assistance .....	1,350,000,000
International Disaster Assistance .....	255,500,000
USAID Operating Expenses .....	571,087,000
USAID Operating Expenses, Office of Inspector General .....	33,046,000
Economic Support Fund .....	2,250,000,000
Assistance for Eastern Europe and the Baltics .....	555,000,000
Assistance for the Independent States of the Former Soviet Union .....	765,000,000
African Development Foundation .....	17,689,000
Inter-American Foundation .....	16,385,000
International Narcotics Control and Law Enforcement .....	196,713,000
Migration and Refugee Assistance .....	782,000,000
Emergency Migration and Refugee Assistance .....	32,000,000
Nonproliferation, Anti-Terrorism, Demining and Related Assistance .....	376,400,000
Treasury Technical Assistance .....	10,500,000
Debt Restructuring .....	40,000,000
International Military Education and Training .....	80,000,000
Foreign Military Financing Program .....	4,067,000,000
Peacekeeping Operations .....	125,250,000
International Organizations and Programs .....	230,461,000
International Development Association .....	837,338,000
Asian Development Fund .....	127,386,000
African Development Fund .....	108,073,000

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI, OF THE  
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on July 18, 2002, the Committee ordered reported en bloc H.R. 5010, the Department of Defense Appropriations bill, 2003, S. 2778, an original Commerce, Justice, State, and the Judiciary Appropriations bill, 2003, and S. 2779, an original Foreign Operations, Export Financing, and Related Programs Appropriations bill, 2003, each subject to amendment and each subject to the budget allocations, by a recorded vote of 29–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	

Mr. Harkin  
Ms. Mikulski  
Mr. Reid  
Mr. Kohl  
Mrs. Murray  
Mr. Dorgan  
Mrs. Feinstein  
Mr. Durbin  
Mr. Johnson  
Mrs. Landrieu  
Mr. Reed  
Mr. Stevens  
Mr. Cochran  
Mr. Specter  
Mr. Domenici  
Mr. Bond  
Mr. McConnell  
Mr. Burns  
Mr. Shelby  
Mr. Gregg  
Mr. Bennett  
Mr. Campbell  
Mr. Craig  
Mrs. Hutchison  
Mr. DeWine

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE  
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee report on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman.

With respect to this bill, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

## BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.  
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation <sup>1</sup>	Amount of bill	Committee allocation <sup>1</sup>	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees, fiscal year 2003: Subcommittee on Foreign Operations:				
Discretionary .....	16,350	16,350	16,076	<sup>2</sup> 16,074
Mandatory .....	NA	45	NA	45
Projection of outlays associated with the recommendation:				
2003 .....	.....	.....	.....	<sup>3</sup> 5,838
2004 .....	.....	.....	.....	5,467
2005 .....	.....	.....	.....	2,685
2006 .....	.....	.....	.....	1,078
2007 and future years .....	.....	.....	.....	1,065
Financial assistance to State and local governments for 2003 .....	NA	.....	NA	.....

<sup>1</sup> Levels approved by the Committee on June 27, 2002.

<sup>2</sup> Includes outlays from prior-year budget authority.

<sup>3</sup> Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2002 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2003  
 [In thousands of dollars]

Item	2002 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2002 appropriation	Budget estimate
TITLE I—EXPORT AND INVESTMENT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
Subsidy appropriation .....	727,323	541,400	541,400	-185,923	.....
Administrative expenses .....	63,000	68,300	68,300	+ 5,300	.....
Negative subsidy .....	-11,000	-13,000	-13,000	- 2,000	.....
Total, Export-Import Bank of the United States .....	779,323	596,700	596,700	-182,623	.....
OVERSEAS PRIVATE INVESTMENT CORPORATION					
Noncredit account:					
Administrative expenses .....	38,608	39,885	39,885	+ 1,277	.....
Insurance fees and other offsetting collections .....	-290,000	-306,000	-306,000	-16,000	.....
Subsidy appropriation .....	.....	24,000	24,000	+ 24,000	.....
Total, Overseas Private Investment Corporation .....	-251,392	-242,115	-242,115	+ 9,277	.....
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and development agency .....	50,024	44,696	44,696	- 5,328	.....
Total, title I, Export and investment assistance .....	577,955	399,281	399,281	-178,674	.....
TITLE II—BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
United States Agency for International Development					
Child survival and health programs fund .....	1,433,500	.....	1,780,000	+ 346,500	+1,780,000
UNICEF .....	(120,000)	.....	(120,000)	.....	(+ 120,000)
Development assistance .....	1,178,000	2,739,500	1,350,000	+ 172,000	-1,389,500
(Transfer out) .....	(-18,500)	.....	.....	(+ 18,500)	.....

International disaster assistance .....	235,500	235,500	255,500	+ 20,000	+ 20,000
Emergency supplemental .....	50,000	.....	.....	- 50,000	.....
Transition Initiatives .....	50,000	55,000	65,000	+ 15,000	+ 10,000
Development Credit Program:					
Subsidy appropriation .....	(18,500)	.....	.....	(- 18,500)	.....
(By transfer) .....	(267,500)	.....	.....	(- 267,500)	.....
(Guaranteed loan authorization) .....	7,500	7,591	7,591	+ 91	.....
Administrative expenses .....					
Subtotal, development assistance .....	2,954,500	3,037,591	3,458,091	+ 503,591	+ 420,500
Payment to the Foreign Service Retirement and Disability Fund .....	44,880	45,200	45,200	+ 320	.....
Operating expenses of the U.S. Agency for International Development .....	549,000	572,087	571,087	+ 22,087	- 1,000
(By transfer) .....	(3,500)	.....	.....	(- 3,500)	.....
Capital Investment Fund .....		95,000	65,000	+ 65,000	- 30,000
Operating expenses of the U.S. Agency for International Development Office of Inspector General .....	31,500	33,046	33,046	+ 1,546	.....
Total, U.S. Agency for International Development .....	3,579,880	3,782,924	4,172,424	+ 592,544	+ 389,500
Other Bilateral Economic Assistance .....					
Economic support fund:					
Camp David countries .....	1,375,000	1,215,000	1,215,000	- 160,000	.....
Other .....	824,000	1,075,000	1,035,000	+ 211,000	- 40,000
(Transfer out) .....	(- 3,500)	.....	.....	(+ 3,500)	.....
Subtotal, Economic support fund .....	2,199,000	2,290,000	2,250,000	+ 51,000	- 40,000
International Fund for Ireland .....	25,000	.....	.....	- 25,000	.....
Assistance for Eastern Europe and the Baltic States .....	621,000	495,000	555,000	- 66,000	+ 60,000
Assistance for the independent States of the former Soviet Union .....	784,000	755,000	765,000	- 19,000	+ 10,000
Total, Other Bilateral Economic Assistance .....	3,629,000	3,540,000	3,570,000	- 59,000	+ 30,000
INDEPENDENT AGENCIES					
Inter-American Foundation .....		14,185	16,385	+ 3,278	+ 2,200
Appropriation .....	13,107	.....	.....	.....	.....
(By transfer) .....					
African Development Foundation .....		16,689	17,689	+ 1,147	+ 1,000
Appropriation .....	16,542	.....	.....	.....	.....
(By transfer) .....					

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2002 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2003—Continued  
[In thousands of dollars]

Item	2002 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2002 appropriation	Budget estimate
Peace Corps					
Appropriation	275,000	317,228	285,000	+ 10,000	- 32,228
Department of State					
International narcotics control and law enforcement	217,000	196,713	196,713	- 20,287	.....
(By transfer)	.....	.....	(71,000)	(+ 71,000)	(+ 71,000)
Andean Counterdrug Initiative	625,000	731,000	637,000	+ 12,000	- 94,000
Migration and refugee assistance	705,000	704,565	782,000	+ 77,000	+ 77,435
United States Emergency Refugee and Migration Assistance Fund	15,000	15,000	32,000	+ 17,000	+ 17,000
Nonproliferation, anti-terrorism, demining and related programs	313,500	372,400	376,400	+ 62,900	+ 4,000
Emergency supplemental	.....	.....	.....	.....	.....
Subtotal, Department of State	1,875,500	2,019,678	2,024,113	+ 148,613	+ 4,435
Department of the Treasury					
International Affairs Technical Assistance	6,500	10,000	10,500	+ 4,000	+ 500
Debt restructuring	229,000	.....	40,000	- 189,000	+ 40,000
Subtotal, Department of the Treasury	235,500	10,000	50,500	- 185,000	+ 40,500
Total, title II, Bilateral economic assistance	9,624,529	9,700,704	10,136,111	+ 511,582	+ 435,407
Appropriations	(9,574,529)	(9,700,704)	(10,136,111)	(+ 561,582)	(+ 435,407)
Emergency appropriations	(50,000)	.....	.....	(- 50,000)	.....
Rescission	.....	.....	.....	.....	.....
(By transfer)	(22,000)	.....	(71,000)	(+ 49,000)	(+ 71,000)
(Transfer out)	(- 22,000)	.....	.....	(+ 22,000)	.....



TITLE III—MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training .....	70,000	80,000	80,000	+ 10,000	.....
Foreign Military Financing Program:					
Grants:					
Camp David countries .....	3,340,000	3,400,000	3,400,000	+ 60,000	.....
Other .....	310,000	707,200	667,000	+ 357,000	.....
Subtotal, grants .....	3,650,000	4,107,200	4,067,000	+ 417,000	.....
(Limitation on administrative expenses) .....	(35,000)	(37,000)	(35,000)	(- 2,000)	.....
Associated outlays:					
Israel .....	.....	.....	.....	.....	.....
Egypt .....	.....	.....	.....	.....	.....
Other .....	.....	.....	.....	.....	.....
(Transfer out) .....	.....	.....	(- 71,000)	(- 71,000)	.....
Total, Foreign Military Financing .....	3,650,000	4,107,200	4,067,000	+ 417,000	.....
Peacekeeping operations .....	135,000	108,250	125,250	- 9,750	.....
Total, title III, Military assistance .....	3,855,000	4,295,450	4,272,250	+ 417,250	.....
Appropriations .....	(3,855,000)	(4,295,450)	(4,272,250)	(+ 417,250)	.....
Emergency appropriations .....	.....	.....	.....	.....	.....
(Limitation on administrative expenses) .....	(35,000)	(37,000)	(35,000)	(- 2,000)	.....
TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Global Environment Facility .....	100,500	177,813	177,813	+ 77,313	.....
Contribution to the International Development Association .....	792,400	874,338	837,338	+ 44,938	.....
Contribution to Multilateral Investment Guarantee Agency .....	5,000	3,631	2,631	- 2,369	.....
(Limitation on callable capital subscriptions) .....	(25,000)	(14,825)	(14,825)	(- 10,175)	.....
Total, World Bank Group .....	897,900	1,055,782	1,017,782	+ 119,882	.....
					- 38,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2002 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2003—Continued

(In thousands of dollars)

Item	2002 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation com- pared with (+ or -)	
				2002 appropriation	Budget estimate
Contribution to the Inter-American Development Bank:					
Contribution to the Inter-American Investment Corporation .....	18,000	30,352	18,352	+ 352	- 12,000
Contribution to the Enterprise for the Americas Multilateral Investment Fund .....	.....	29,591	29,591	+ 29,591	.....
Total, contribution to the Inter-American Development Bank .....	18,000	59,943	47,943	+ 29,943	- 12,000
Contribution to the Asian Development Bank: Contribution to the Asian Development Fund .....	98,017	147,386	127,386	+ 29,369	- 20,000
Contribution to the African Development Bank:					
Paid-in capital .....	5,100	5,104	5,104	+ 4	.....
(Limitation on callable capital subscriptions) .....	(79,992)	(79,603)	(79,603)	(- 389)	.....
Contribution to the African Development Fund .....	100,000	118,073	108,073	+ 8,073	- 10,000
Total .....	105,100	123,177	113,177	+ 8,077	- 10,000
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital .....	35,779	35,805	35,805	+ 26	.....
(Limitation on callable capital subscriptions) .....	(123,238)	(123,328)	(123,328)	(+ 90)	.....
Contribution to the International Fund for Agricultural Development .....	20,000	15,004	15,004	- 4,996	.....
Total, International Financial Institutions .....	1,174,796	1,437,097	1,357,097	+ 182,301	- 80,000
International Organizations and Programs .....	208,500	310,400	230,461	+ 21,961	- 79,939
Appropriation .....	1,383,296	1,747,497	1,587,558	+ 204,262	- 159,939
Total, title IV, Multilateral economic assistance .....	(228,230)	(217,756)	(217,756)	(- 10,474)	.....
(Limitation on callable capital subscript) .....	.....	.....	.....	.....	.....
Grand total .....	15,440,780	16,142,932	16,395,200	+ 954,420	+ 252,268
Appropriations .....	(15,390,780)	(16,142,932)	(16,395,200)	(+ 1,004,420)	(+ 252,268)
Rescissions .....	.....	.....	.....	.....	.....
Emergency appropriations .....	(50,000)	.....	.....	(- 50,000)	.....

(By transfer) .....	(22,000)	.....	(71,000)	(+ 49,000)	(+ 71,000)
(Transfer out) .....	(- 22,000)	.....	(- 71,000)	(- 49,000)	(- 71,000)
(Limitation on administrative expenses) .....	(35,000)	(37,000)	(35,000)	.....	(- 2,000)
(Limitation on callable capital subscript) .....	(228,230)	(217,756)	(217,756)	(- 10,474)	.....

○