

105TH CONGRESS
2D SESSION

S. 1758

To amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

IN THE SENATE OF THE UNITED STATES

MARCH 13, 1998

Mr. LUGAR (for himself, Mr. BIDEN, Mr. CHAFEE, Mr. LEAHY, Mr. ABRAHAM, Mr. AKAKA, Mr. ALLARD, Mr. CRAIG, Mr. COCHRAN, Mr. DEWINE, Mr. GLENN, Mr. HARKIN, Mr. INHOFE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KERREY, Mr. KERRY, Mr. KEMPTHORNE, Mr. LEVIN, Mr. MOYNIHAN, and Mr. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

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

3 **SECTION 1. DEBT REDUCTION FOR DEVELOPING COUN-**
4 **TRIES WITH TROPICAL FORESTS.**

5 The Foreign Assistance Act of 1961 (22 U.S.C. 2151
6 et seq.) is amended by adding at the end the following:

1 **“PART V—DEBT REDUCTION FOR DEVELOPING**
2 **COUNTRIES WITH TROPICAL FORESTS**

3 **“SEC. 801. SHORT TITLE.**

4 “‘This part may be cited as the ‘Tropical Forest Con-
5 servation Act of 1998’.

6 **“SEC. 802. FINDINGS AND PURPOSES.**

7 “(a) FINDINGS.—The Congress finds the following:

8 “(1) It is the established policy of the United
9 States to support and seek protection of tropical for-
10 ests around the world.

11 “(2) Tropical forests provide a wide range of
12 benefits to humankind by—

13 “(A) harboring a major share of the
14 Earth’s biological and terrestrial resources,
15 which are the basis for developing pharma-
16 ceutical products and revitalizing agricultural
17 crops;

18 “(B) playing a critical role as carbon sinks
19 in reducing greenhouse gases in the atmos-
20 phere, thus moderating potential global climate
21 change; and

22 “(C) regulating hydrological cycles on
23 which far-flung agricultural and coastal re-
24 sources depend.

25 “(3) International negotiations and assistance
26 programs to conserve forest resources have pro-

1 liferated over the past decade, but the rapid rate of
2 tropical deforestation continues unabated.

3 “(4) Developing countries with urgent needs for
4 investment and capital for development have allo-
5 cated a significant amount of their forests to logging
6 concessions.

7 “(5) Poverty and economic pressures on the
8 populations of developing countries have, over time,
9 resulted in clearing of vast areas of forest for con-
10 version to agriculture, which is often unsustainable
11 in the poor soils underlying tropical forests.

12 “(6) Debt reduction can reduce economic pres-
13 sures on developing countries and result in increased
14 protection for tropical forests.

15 “(b) PURPOSES.—The purposes of this part are—

16 “(1) to recognize the values received by United
17 States citizens from protection of tropical forests;

18 “(2) to facilitate greater protection of tropical
19 forests (and to give priority to protecting tropical
20 forests with the highest levels of biodiversity and
21 under the most severe threat) by providing for the
22 alleviation of debt in countries where tropical forests
23 are located, thus allowing the use of additional re-
24 sources to protect these critical resources and reduce
25 economic pressures that have led to deforestation;

1 “(3) to ensure that resources freed from debt in
2 such countries are targeted to protection of tropical
3 forests and their associated values; and

4 “(4) to rechannel existing resources to facilitate
5 the protection of tropical forests.

6 **“SEC. 803. DEFINITIONS.**

7 “As used in this part:

8 “(1) ADMINISTERING BODY.—The term ‘admin-
9 istering body’ means the entity provided for in sec-
10 tion 809(c).

11 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
12 TEES.—The term ‘appropriate congressional com-
13 mittees’ means—

14 “(A) the Committee on International Rela-
15 tions and the Committee on Appropriations of
16 the House of Representatives; and

17 “(B) the Committee on Foreign Relations
18 and the Committee on Appropriations of the
19 Senate.

20 “(3) BENEFICIARY COUNTRY.—The term ‘bene-
21 ficiary country’ means an eligible country with re-
22 spect to which the authority of section 806(a)(1),
23 section 807(a)(1), or paragraph (1) or (2) of section
24 808(a) is exercised.

1 “(4) BOARD.—The term ‘Board’ means the
2 board referred to in section 811.

3 “(5) DEVELOPING COUNTRY WITH A TROPICAL
4 FOREST.—The term ‘developing country with a trop-
5 ical forest’ means—

6 “(A)(i) a country that has a per capita in-
7 come of \$725 or less in 1994 United States dol-
8 lars (commonly referred to as ‘low-income coun-
9 try’), as determined and adjusted on an annual
10 basis by the International Bank for Reconstruc-
11 tion and Development in its World Development
12 Report; or

13 “(ii) a country that has a per capita in-
14 come of more than \$725 but less than \$8,956
15 in 1994 United States dollars (commonly re-
16 ferred to as ‘middle-income country’), as deter-
17 mined and adjusted on an annual basis by the
18 International Bank for Reconstruction and De-
19 velopment in its World Development Report;
20 and

21 “(B) a country that contains at least one
22 tropical forest that is globally outstanding in
23 terms of its biological diversity or represents
24 one of the larger intact blocks of tropical for-
25 ests left, on a continental or global scale.

1 “(6) ELIGIBLE COUNTRY.—The term ‘eligible
2 country’ means a country designated by the Presi-
3 dent in accordance with section 805.

4 “(7) TROPICAL FOREST AGREEMENT.—The
5 term ‘Tropical Forest Agreement’ or ‘Agreement’
6 means a Tropical Forest Agreement provided for in
7 section 809.

8 “(8) TROPICAL FOREST FACILITY.—The term
9 ‘Tropical Forest Facility’ or ‘Facility’ means the
10 Tropical Forest Facility established in the Depart-
11 ment of the Treasury by section 804.

12 “(9) TROPICAL FOREST FUND.—The term
13 ‘Tropical Forest Fund’ or ‘Fund’ means a Tropical
14 Forest Fund provided for in section 810.

15 **“SEC. 804. ESTABLISHMENT OF THE FACILITY.**

16 “‘There is established in the Department of the
17 Treasury an entity to be known as the ‘Tropical Forest
18 Facility’ for the purpose of providing for the administra-
19 tion of debt reduction in accordance with this part.

20 **“SEC. 805. ELIGIBILITY FOR BENEFITS.**

21 “(a) IN GENERAL.—To be eligible for benefits from
22 the Facility under this part, a country shall be a develop-
23 ing country with a tropical forest—

24 “(1) whose government meets the requirements
25 applicable to Latin American or Caribbean countries

1 under paragraphs (1) through (5) and (7) of section
2 703(a) of this Act; and

3 “(2) that has put in place major investment re-
4 forms, as evidenced by the conclusion of a bilateral
5 investment treaty with the United States, implemen-
6 tation of an investment sector loan with the Inter-
7 American Development Bank, World Bank-sup-
8 ported investment reforms, or other measures, as
9 appropriate.

10 “(b) ELIGIBILITY DETERMINATIONS.—

11 “(1) IN GENERAL.—Consistent with subsection
12 (a), the President shall determine whether a country
13 is eligible to receive benefits under this part.

14 “(2) CONGRESSIONAL NOTIFICATION.—The
15 President shall notify the appropriate congressional
16 committees of his intention to designate a country as
17 an eligible country at least 15 days in advance of
18 any formal determination.

19 **“SEC. 806. REDUCTION OF DEBT OWED TO THE UNITED**
20 **STATES AS A RESULT OF CONCESSIONAL**
21 **LOANS UNDER THE FOREIGN ASSISTANCE**
22 **ACT OF 1961.**

23 “(a) AUTHORITY TO REDUCE DEBT.—

24 “(1) AUTHORITY.—The President may reduce
25 the amount owed to the United States (or any agen-

1 cy of the United States) that is outstanding as of
2 January 1, 1998, as a result of concessional loans
3 made to an eligible country by the United States
4 under part I of this Act, chapter 4 of part II of this
5 Act, or predecessor foreign economic assistance leg-
6 islation.

7 “(2) AUTHORIZATION OF APPROPRIATIONS.—

8 For the cost (as defined in section 502(5) of the
9 Federal Credit Reform Act of 1990) for the reduc-
10 tion of any debt pursuant to this section, there are
11 authorized to be appropriated to the President—

12 “(A) \$25,000,000 for fiscal year 1999;

13 “(B) \$75,000,000 for fiscal year 2000; and

14 “(C) \$100,000,000 for fiscal year 2001.

15 “(3) CERTAIN PROHIBITIONS INAPPLICABLE.—

16 “(A) IN GENERAL.—A reduction of debt
17 pursuant to this section shall not be considered
18 assistance for purposes of any provision of law
19 limiting assistance to a country.

20 “(B) ADDITIONAL REQUIREMENT.—The
21 authority of this section may be exercised not-
22 withstanding section 620(r) of this Act or sec-
23 tion 321 of the International Development and
24 Food Assistance Act of 1975.

25 “(b) IMPLEMENTATION OF DEBT REDUCTION.—

1 “(1) IN GENERAL.—Any debt reduction pursu-
2 ant to subsection (a) shall be accomplished at the di-
3 rection of the Facility by the exchange of a new obli-
4 gation for obligations of the type referred to in sub-
5 section (a) outstanding as of the date specified in
6 subsection (a)(1).

7 “(2) EXCHANGE OF OBLIGATIONS.—

8 “(A) IN GENERAL.—The Facility shall no-
9 tify the agency primarily responsible for admin-
10 istering part I of this Act of an agreement en-
11 tered into under paragraph (1) with an eligible
12 country to exchange a new obligation for out-
13 standing obligations.

14 “(B) ADDITIONAL REQUIREMENT.—At the
15 direction of the Facility, the old obligations that
16 are the subject of the agreement shall be can-
17 celed and a new debt obligation for the country
18 shall be established relating to the agreement,
19 and the agency primarily responsible for admin-
20 istering part I of this Act shall make an adjust-
21 ment in its accounts to reflect the debt reduc-
22 tion.

23 “(c) ADDITIONAL TERMS AND CONDITIONS.—The
24 following additional terms and conditions shall apply to
25 the reduction of debt under subsection (a)(1) in the same

1 manner as such terms and conditions apply to the reduc-
 2 tion of debt under section 704(a)(1) of this Act:

3 “(1) The provisions relating to repayment of
 4 principal under section 705 of this Act.

5 “(2) The provisions relating to interest on new
 6 obligations under section 706 of this Act.

7 **“SEC. 807. REDUCTION OF DEBT OWED TO THE UNITED**
 8 **STATES AS A RESULT OF CREDITS EXTENDED**
 9 **UNDER TITLE I OF THE AGRICULTURAL**
 10 **TRADE DEVELOPMENT AND ASSISTANCE ACT**
 11 **OF 1954.**

12 “(a) **AUTHORITY TO REDUCE DEBT.—**

13 “(1) **AUTHORITY.—**Notwithstanding any other
 14 provision of law, the President may reduce the
 15 amount owed to the United States (or any agency of
 16 the United States) that is outstanding as of January
 17 1, 1998, as a result of any credits extended under
 18 title I of the Agricultural Trade Development and
 19 Assistance Act of 1954 (7 U.S.C. 1701 et seq.) to
 20 a country eligible for benefits from the Facility.

21 “(2) **AUTHORIZATION OF APPROPRIATIONS.—**

22 For the cost (as defined in section 502(5) of the
 23 Federal Credit Reform Act of 1990) for the reduc-
 24 tion of any debt pursuant to this section, there are
 25 authorized to be appropriated to the President—

1 “(A) \$25,000,000 for fiscal year 1999;

2 “(B) \$50,000,000 for fiscal year 2000; and

3 “(C) \$50,000,000 for fiscal year 2001.

4 “(b) IMPLEMENTATION OF DEBT REDUCTION.—

5 “(1) IN GENERAL.—Any debt reduction pursu-
6 ant to subsection (a) shall be accomplished at the di-
7 rection of the Facility by the exchange of a new obli-
8 gation for obligations of the type referred to in sub-
9 section (a) outstanding as of the date specified in
10 subsection (a)(1).

11 “(2) EXCHANGE OF OBLIGATIONS.—

12 “(A) IN GENERAL.—The Facility shall no-
13 tify the Commodity Credit Corporation of an
14 agreement entered into under paragraph (1)
15 with an eligible country to exchange a new obli-
16 gation for outstanding obligations.

17 “(B) ADDITIONAL REQUIREMENT.—At the
18 direction of the Facility, the old obligations that
19 are the subject of the agreement shall be can-
20 celed and a new debt obligation shall be estab-
21 lished for the country relating to the agreement,
22 and the Commodity Credit Corporation shall
23 make an adjustment in its accounts to reflect
24 the debt reduction.

1 “(c) ADDITIONAL TERMS AND CONDITIONS.—The
 2 following additional terms and conditions shall apply to
 3 the reduction of debt under subsection (a)(1) in the same
 4 manner as such terms and conditions apply to the reduc-
 5 tion of debt under section 604(a)(1) of the Agricultural
 6 Trade Development and Assistance Act of 1954 (7 U.S.C.
 7 1738c):

8 “(1) The provisions relating to repayment of
 9 principal under section 605 of such Act.

10 “(2) The provisions relating to interest on new
 11 obligations under section 606 of such Act.

12 **“SEC. 808. AUTHORITY TO ENGAGE IN DEBT-FOR-NATURE**
 13 **SWAPS AND DEBT BUYBACKS.**

14 “(a) LOANS AND CREDITS ELIGIBLE FOR SALE, RE-
 15 Duction, OR CANCELLATION.—

16 “(1) DEBT-FOR-NATURE SWAPS.—

17 “(A) IN GENERAL.—Notwithstanding any
 18 other provision of law, the President may, in
 19 accordance with this section, sell to any eligible
 20 purchaser described in subparagraph (B) any
 21 concessional loans described in section
 22 806(a)(1) or any credits described in section
 23 807(a)(1), or on receipt of payment from an eli-
 24 gible purchaser described in subparagraph (B),
 25 reduce or cancel such loans (or credits) or por-

1 tion thereof, only for the purpose of facilitating
2 a debt-for-nature swap to support eligible activi-
3 ties described in section 809(d).

4 “(B) ELIGIBLE PURCHASER DESCRIBED.—

5 A loan or credit may be sold, reduced, or can-
6 celed under subparagraph (A) only to a pur-
7 chaser who presents plans satisfactory to the
8 President for using the loan or credit for the
9 purpose of engaging in debt-for-nature swaps to
10 support eligible activities described in section
11 809(d).

12 “(C) CONSULTATION REQUIREMENT.—Be-

13 fore the sale under subparagraph (A) to any eli-
14 gible purchaser described in subparagraph (B),
15 or any reduction or cancellation under such
16 subparagraph (A), of any loan or credit made
17 to an eligible country, the President shall con-
18 sult with the country concerning the amount of
19 loans or credits to be sold, reduced, or canceled
20 and their uses for debt-for-nature swaps to sup-
21 port eligible activities described in section
22 809(d).

23 “(D) AUTHORIZATION OF APPROPRIA-

24 TIONS.—For the cost (as defined in section
25 502(5) of the Federal Credit Reform Act of

1 1990) for the reduction of any debt pursuant to
2 subparagraph (A), amounts authorized to ap-
3 propriated under sections 806(a)(2) and
4 807(a)(2) shall be made available for such re-
5 duction of debt pursuant to subparagraph (A).

6 “(2) DEBT BUYBACKS.—Notwithstanding any
7 other provision of law, the President may, in accord-
8 ance with this section, sell to any eligible country
9 any concessional loans described in section 806(a)(1)
10 or any credits described in section 807(a)(1), or on
11 receipt of payment from an eligible country, reduce
12 or cancel such loans (or credits) or portion thereof,
13 only for the purpose of facilitating a debt buyback
14 by an eligible country of its own qualified debt, only
15 if the eligible country uses an additional amount of
16 the local currency of the eligible country, equal to
17 not less than 40 percent of the price paid for such
18 debt by such eligible country, or the difference be-
19 tween the price paid for such debt and the face value
20 of such debt, to support eligible activities described
21 in section 809(d).

22 “(3) TERMS AND CONDITIONS.—Notwithstand-
23 ing any other provision of law, the President shall,
24 in accordance with this section, establish the terms

1 and conditions under which loans and credits may be
2 sold, reduced, or canceled pursuant to this section.

3 “(4) ADMINISTRATION.—

4 “(A) IN GENERAL.—The Facility shall no-
5 tify the administrator of the agency primarily
6 responsible for administering part I of this Act
7 or the Commodity Credit Corporation, as the
8 case may be, of eligible purchasers described in
9 paragraph (1)(B) that the President has deter-
10 mined to be eligible under paragraph (1), and
11 shall direct such agency or Corporation, as the
12 case may be, to carry out the sale, reduction, or
13 cancellation of a loan pursuant to such para-
14 graph.

15 “(B) ADDITIONAL REQUIREMENT.—Such
16 agency or Corporation, as the case may be,
17 shall make an adjustment in its accounts to re-
18 flect the sale, reduction, or cancellation.

19 “(b) DEPOSIT OF PROCEEDS.—The proceeds from
20 the sale, reduction, or cancellation of any loan sold, re-
21 duced, or canceled pursuant to this section shall be depos-
22 ited in the United States Government account or accounts
23 established for the repayment of such loan.

24 **“SEC. 809. TROPICAL FOREST AGREEMENT.**

25 “(a) AUTHORITY.—

1 “(1) IN GENERAL.—The Secretary of State is
2 authorized, in consultation with other appropriate
3 officials of the Federal Government, to enter into a
4 Tropical Forest Agreement with any eligible country
5 concerning the operation and use of the Fund for
6 that country.

7 “(2) CONSULTATION.—In the negotiation of
8 such an Agreement, the Secretary shall consult with
9 the Board in accordance with section 811.

10 “(b) CONTENTS OF AGREEMENT.—The requirements
11 contained in section 708(b) of this Act (relating to con-
12 tents of an agreement) shall apply to a Agreement in the
13 same manner as such requirements apply to an Americas
14 Framework Agreement.

15 “(c) ADMINISTERING BODY.—

16 “(1) IN GENERAL.—Amounts disbursed from
17 the Fund in each beneficiary country shall be admin-
18 istered by a body constituted under the laws of that
19 country.

20 “(2) COMPOSITION.—

21 “(A) IN GENERAL.—The administering
22 body shall consist of—

23 “(i) one or more individuals appointed
24 by the United States Government;

1 “(ii) one or more individuals ap-
2 pointed by the government of the bene-
3 ficiary country; and

4 “(iii) individuals who represent a
5 broad range of—

6 “(I) environmental nongovern-
7 mental organizations of, or active in,
8 the beneficiary country;

9 “(II) local community develop-
10 ment nongovernmental organizations
11 of the beneficiary country; and

12 “(III) scientific or academic or-
13 ganizations or institutions of the ben-
14 eficiary country.

15 “(B) ADDITIONAL REQUIREMENT.—A ma-
16 jority of the members of the administering body
17 shall be individuals described in subparagraph
18 (A)(iii).

19 “(3) RESPONSIBILITIES.—The requirements
20 contained in section 708(c)(3) of this Act (relating
21 to responsibilities of the administering body) shall
22 apply to an administering body described in para-
23 graph (1) in the same manner as such requirements
24 apply to an administering body described in section
25 708(c)(1) of this Act.

1 “(d) ELIGIBLE ACTIVITIES.—Amounts deposited in a
2 Fund shall be used to provide grants to preserve, main-
3 tain, and restore the tropical forests in the beneficiary
4 country, including one or more of the following activities:

5 “(1) Establishment, restoration, protection, and
6 maintenance of parks, protected areas, and reserves.

7 “(2) Development and implementation of sci-
8 entifically sound systems of natural resource man-
9 agement, including land and ecosystem management
10 practices.

11 “(3) Training programs to strengthen conserva-
12 tion institutions and increase scientific, technical,
13 and managerial capacities of individuals and organi-
14 zations involved in conservation efforts.

15 “(4) Restoration, protection, or sustainable use
16 of diverse animal and plant species.

17 “(5) Mitigation of greenhouse gases in the at-
18 mosphere.

19 “(6) Development and support of the livelihoods
20 of individuals living in or near a tropical forest, in-
21 cluding the cultures of such individuals, in a manner
22 consistent with protecting such tropical forest.

23 “(e) GRANT RECIPIENTS.—

24 “(1) IN GENERAL.—Grants made from a Fund
25 shall be made to—

1 “(A) nongovernmental environmental, con-
2 servation, and indigenous peoples organizations
3 of, or active in, the beneficiary country;

4 “(B) other appropriate local or regional
5 entities of, or active in, the beneficiary country;
6 and

7 “(C) in exceptional circumstances, the gov-
8 ernment of the beneficiary country.

9 “(2) PRIORITY.—In providing grants under
10 paragraph (1), priority shall be given to projects
11 that are run by nongovernmental organizations and
12 other private entities and that involve local commu-
13 nities in their planning and execution.

14 “(f) REVIEW OF LARGER GRANTS.—Any grant of
15 more than \$100,000 from a Fund shall be subject to veto
16 by the Government of the United States or the govern-
17 ment of the beneficiary country.

18 “(g) ELIGIBILITY CRITERIA.—In the event that a
19 country ceases to meet the eligibility requirements set
20 forth in section 805(a), as determined by the President
21 pursuant to section 805(b), then grants from the Fund
22 for that country may only be made to nongovernmental
23 organizations until such time as the President determines
24 that such country meets the eligibility requirements set
25 forth in section 805(a).

1 **“SEC. 810. TROPICAL FOREST FUND.**

2 “(a) ESTABLISHMENT.—Each beneficiary country
3 that enters into a Tropical Forest Agreement under sec-
4 tion 809 shall be required to establish a Tropical Forest
5 Fund to receive payments of interest on new obligations
6 undertaken by the beneficiary country under this part.

7 “(b) REQUIREMENTS RELATING TO OPERATION OF
8 FUND.—The following terms and conditions shall apply
9 to the Fund in the same manner as such terms as condi-
10 tions apply to an Enterprise for the Americas Fund under
11 section 707 of this Act:

12 “(1) The provision relating to deposits under
13 subsection (b) of such section.

14 “(2) The provision relating to investments
15 under subsection (c) of such section.

16 “(3) The provision relating to disbursements
17 under subsection (d) of such section.

18 **“SEC. 811. BOARD.**

19 “(a) ENTERPRISE FOR THE AMERICAS BOARD.—The
20 Enterprise for the Americas Board established under sec-
21 tion 610(a) of the Agricultural Trade Development and
22 Assistance Act of 1954 (7 U.S.C. 1738i(a)) shall, in addi-
23 tion to carrying out the responsibilities of the Board under
24 section 610(c) of such Act, carry out the duties described
25 in subsection (c) of this section for the purposes of this
26 part.

1 “(b) ADDITIONAL MEMBERSHIP.—

2 “(1) IN GENERAL.—The Enterprise for the
3 Americas Board shall be composed of an additional
4 four members appointed by the President as follows:

5 “(A) Two representatives from the United
6 States Government, including a representative
7 of the International Forestry Division of the
8 United States Forest Service.

9 “(B) Two representatives from private
10 nongovernmental environmental, scientific, and
11 academic organizations with experience and ex-
12 pertise in preservation, maintenance, and res-
13 toration of tropical forests.

14 “(2) CHAIRPERSON.—Notwithstanding section
15 610(b)(2) of the Agricultural Trade Development
16 and Assistance Act of 1954 (7 U.S.C. 1738i(b)(2)),
17 the Enterprise for the Americas Board shall be
18 headed by a chairperson who shall be appointed by
19 the President from among the representatives ap-
20 pointed under section 610(b)(1)(A) of such Act or
21 paragraph (1)(A) of this subsection.

22 “(c) DUTIES.—The duties described in this sub-
23 section are as follows:

24 “(1) Advise the Secretary of State on the nego-
25 tiations of Tropical Forest Agreements.

1 “(2) Ensure, in consultation with—

2 “(A) the government of the beneficiary
3 country,

4 “(B) nongovernmental organizations of the
5 beneficiary country,

6 “(C) nongovernmental organizations of the
7 region (if appropriate),

8 “(D) environmental, scientific, and aca-
9 demic leaders of the beneficiary country, and

10 “(E) environmental, scientific, and aca-
11 demic leaders of the region (as appropriate),

12 that a suitable administering body is identified for
13 each Fund.

14 “(3) Review the programs, operations, and fis-
15 cal audits of each administering body.

16 **“SEC. 812. CONSULTATIONS WITH THE CONGRESS.**

17 “The President shall consult with the appropriate
18 congressional committees on a periodic basis to review the
19 operation of the Facility under this part and the eligibility
20 of countries for benefits from the Facility under this part.

21 **“SEC. 813. ANNUAL REPORTS TO THE CONGRESS.**

22 “(a) IN GENERAL.—Not later than December 31 of
23 each fiscal year, the President shall prepare and transmit
24 to the Congress an annual report concerning the operation

1 of the Facility for the prior fiscal year. Such report shall
2 include—

3 “(1) a description of the activities undertaken
4 by the Facility during the previous fiscal year;

5 “(2) a description of any Agreement entered
6 into under this part;

7 “(3) a report on any Funds that have been es-
8 tablished under this part and on the operations of
9 such Funds; and

10 “(4) a description of any grants that have been
11 provided by administering bodies pursuant to Agree-
12 ments under this part.

13 “(b) SUPPLEMENTAL VIEWS IN ANNUAL REPORT.—
14 Not later than December 15 of each fiscal year, each mem-
15 ber of the Board shall be entitled to receive a copy of the
16 report required under subsection (a). Each member of the
17 Board may prepare and submit supplemental views to the
18 President on the implementation of this part by December
19 31 for inclusion in the annual report when it is transmit-
20 ted to Congress pursuant to this section.”.

○