

107TH CONGRESS  
1ST SESSION

# S. 988

To provide that countries receiving foreign assistance be conducive to United States business.

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IN THE SENATE OF THE UNITED STATES

JUNE 5, 2001

Mr. CAMPBELL introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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## A BILL

To provide that countries receiving foreign assistance be conducive to United States business.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “International Anti-Cor-  
5 ruption Act of 2001”.

6 **SEC. 2. LIMITATIONS ON FOREIGN ASSISTANCE.**

7 (a) REPORT AND CERTIFICATION.—

8 (1) IN GENERAL.—Not later than March 1 of  
9 each year, the President shall submit to the appro-  
10 priate committees a certification described in para-

1 graph (2) and a report for each country that re-  
2 ceived foreign assistance under part I of the Foreign  
3 Assistance Act of 1961 during the fiscal year. The  
4 report shall describe the extent to which each such  
5 country is making progress with respect to the fol-  
6 lowing economic indicators:

7 (A) Implementation of comprehensive eco-  
8 nomic reform, based on market principles, pri-  
9 vate ownership, equitable treatment of foreign  
10 private investment, adoption of a legal and pol-  
11 icy framework necessary for such reform, pro-  
12 tection of intellectual property rights, and re-  
13 spect for contracts.

14 (B) Elimination of corrupt trade practices  
15 by private persons and government officials.

16 (C) Moving toward integration into the  
17 world economy.

18 (2) CERTIFICATION.—The certification de-  
19 scribed in this paragraph means a certification as to  
20 whether, based on the economic indicators described  
21 in subparagraphs (A) through (C) of paragraph (1),  
22 each country is—

23 (A) conducive to United States business;

24 (B) not conducive to United States busi-  
25 ness; or

1 (C) hostile to United States business.

2 (b) LIMITATIONS ON ASSISTANCE.—

3 (1) COUNTRIES HOSTILE TO UNITED STATES  
4 BUSINESS.—

5 (A) GENERAL LIMITATION.—Beginning on  
6 the date the certification described in sub-  
7 section (a) is submitted—

8 (i) none of the funds made available  
9 for assistance under part I of the Foreign  
10 Assistance Act of 1961 (including unobli-  
11 gated balances of prior appropriations)  
12 may be made available for the government  
13 of a country that is certified as hostile to  
14 United States business pursuant to such  
15 subsection (a); and

16 (ii) the Secretary of the Treasury  
17 shall instruct the United States Executive  
18 Director of each multilateral development  
19 bank to vote against any loan or other uti-  
20 lization of the funds of such institution to  
21 or by any country with respect to which a  
22 certification described in clause (i) has  
23 been made.

24 (B) DURATION OF LIMITATIONS.—Except  
25 as provided in subsection (c), the limitations de-

1           scribed in clauses (i) and (ii) of subparagraph  
2           (A) shall apply with respect to a country that  
3           is certified as hostile to United States business  
4           pursuant to subsection (a) until the President  
5           certifies to the appropriate committees that the  
6           country is making significant progress in imple-  
7           menting the economic indicators described in  
8           subsection (a)(1) and is no longer hostile to  
9           United States business.

10           (2) COUNTRIES NOT CONDUCTIVE TO UNITED  
11           STATES BUSINESS.—

12                   (A) PROBATIONARY PERIOD.—A country  
13           that is certified as not conducive to United  
14           States business pursuant to subsection (a),  
15           shall be considered to be on probation beginning  
16           on the date of such certification.

17                   (B) REQUIRED IMPROVEMENT.—Unless  
18           the President certifies to the appropriate com-  
19           mittees that the country is making significant  
20           progress in implementing the economic indica-  
21           tors described in subsection (a) and is com-  
22           mitted to being conducive to United States  
23           business, beginning on the first day of the fiscal  
24           year following the fiscal year in which a country

1 is certified as not conducive to United States  
2 business pursuant to subsection (a)(2)—

3 (i) none of the funds made available  
4 for assistance under part I of the Foreign  
5 Assistance Act of 1961 (including unobli-  
6 gated balances of prior appropriations)  
7 may be made available for the government  
8 of such country; and

9 (ii) the Secretary of the Treasury  
10 shall instruct the United States Executive  
11 Director of each multilateral development  
12 bank to vote against any loan or other uti-  
13 lization of the funds of such institution to  
14 or by any country with respect to which a  
15 certification described in subparagraph (A)  
16 has been made.

17 (C) DURATION OF LIMITATIONS.—Except  
18 as provided in subsection (c), the limitations de-  
19 scribed in clauses (i) and (ii) of subparagraph  
20 (B) shall apply with respect to a country that  
21 is certified as not conducive to United States  
22 business pursuant to subsection (a) until the  
23 President certifies to the appropriate commit-  
24 tees that the country is making significant  
25 progress in implementing the economic indica-

1           tors described in subsection (a)(1) and is con-  
2           ducive to United States business.

3           (c) EXCEPTIONS.—

4           (1) NATIONAL SECURITY INTEREST.—Sub-  
5           section (b) shall not apply with respect to a country  
6           described in subsection (b) (1) or (2) if the Presi-  
7           dent determines with respect to such country that  
8           making such funds available is important to the na-  
9           tional security interest of the United States. Any  
10          such determination shall cease to be effective 6  
11          months after being made unless the President deter-  
12          mines that its continuation is important to the na-  
13          tional security interest of the United States.

14          (2) OTHER EXCEPTIONS.—Subsection (b) shall  
15          not apply with respect to—

16                (A) assistance to meet urgent humani-  
17                tarian needs (including providing food, medi-  
18                cine, disaster, and refugee relief);

19                (B) democratic political reform and rule of  
20                law activities;

21                (C) the creation of private sector and non-  
22                governmental organizations that are inde-  
23                pendent of government control; and

24                (D) the development of a free market eco-  
25                nomic system.

**1 SEC. 3. TOLL-FREE NUMBER.**

2 The Secretary of Commerce shall make available a  
3 toll-free telephone number for reporting by members of the  
4 public and United States businesses on the progress that  
5 countries receiving foreign assistance are making in imple-  
6 menting the economic indicators described in section  
7 2(a)(1). The information obtained from the toll-free tele-  
8 phone reporting shall be included in the report required  
9 by section 2(a).

**10 SEC. 4. DEFINITIONS.**

11 In this Act:

12 (1) **APPROPRIATE COMMITTEES.**—The term  
13 “appropriate committees” means the Committee on  
14 International Relations of the House of Representa-  
15 tives and the Committee on Foreign Relations of the  
16 Senate.

17 (2) **MULTILATERAL DEVELOPMENT BANK.**—  
18 The term “multilateral development bank” means  
19 the International Bank for Reconstruction and De-  
20 velopment, the International Development Associa-  
21 tion, and the European Bank for Reconstruction and  
22 Development.

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