AN ACT

To amend the Foreign Assistance Act of 1961 to rewrite the authorities of that Act in order to establish more effective assistance programs and eliminate obsolete and inconsistent provisions, to amend the Arms Export Control Act and redesignate that Act as the Defense Trade and Export Control Act, to authorize appropriations for foreign assistance programs for fiscal years 1990 and 1991, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Cooperation Act of 1989".

"TITLE VI—REGION AND COUNTRY SPECIFIC PROVISIONS

"CHAPTER 1—CARIBBEAN REGIONAL DEVELOPMENT"

"SEC. 401. SHORT TITLE.

"This chapter may be cited as the 'Caribbean Regional Development Act of 1989'.
“(6) to help advance the process of regional economic integration by channeling assistance through regional organizations to the maximum extent possible;

“(7) to support those national programs of economic adjustment that promote the policies enumerated in this section in order to help ensure that the burdens created by adjustment are not borne by the poor;

“(8) to support employment generation while avoiding the displacement of traditional lines of small-scale production; and

“(9) to preserve and reinforce traditional Caribbean culture and social values.

“(3) Development Assistance.—

“(1) Supporting indigenous democratic institutions.—In furtherance of the four basic objectives set forth in section 1102, priority in providing development assistance to the Caribbean shall be given to supporting indigenous democratic Caribbean institutions (including farmers’ unions, cooperatives, trade unions and other labor organizations, women’s groups, and community organizations) that represent, work with, and benefit the poor, and through which the poor participate in making the decisions that affect their lives and their development. Such assistance shall be channeled to the maximum extent possible through United States institutions and Caribbean regional and national institutions that directly fund such democratic Caribbean institutions.

“(2) Per capita income eligibility criteria.—In determining the eligibility of any country in the Caribbean for development assistance, the per capita income of that country shall be deemed to be no greater than the per capita income for the Caribbean as a whole.

“(c) Economic Support Assistance.—To the extent that economic support assistance made available for the Caribbean is used to promote national economic policy reforms, such reforms shall be consistent with the policies enumerated in sections 6103 through 6106.

“SEC. 6103. PRIORITY AREAS FOR ASSISTANCE.

“To implement the policies set forth in section 6102, priority in the allocation of funds for development assistance and economic support assistance for the Caribbean, and in the allocation of the local currencies accruing as a result of the use of those funds, shall be given to the following:

“(1) Food self-sufficiency.—Support to national ministries of agriculture, the appropriate specialized agencies of the Caribbean Community (CARI-COM) and the Organization of Eastern Caribbean States, the Caribbean Development Bank, and indige-
nongovernmental organizations for efforts to
achieve greater food self-sufficiency through increased
staple food production for domestic consumption, in-
cluding support for—

"(A) the gathering of agricultural data;

"(B) the coordination of agricultural re-
search;

"(C) the improvement of marketing, storage,
and transportation systems;

"(D) the provision of credit to agricultural
producers; and

"(E) improved coordination of regional plan-
ing for food self-sufficiency.

"(2) RURAL DEVELOPMENT.—Support, princip-
ally through regional institutions, for rural development
efforts designed to increase rural employment opportu-
nities, enhance the quality of rural life, and retard
rural-to-urban migration, including programs that pro-
vide access to land and necessary assistance to small
producers and cooperatives.

"(3) COMMUNITY-BASED AGRO-INDUSTRY.—
Support for locally owned cooperative and other small-
and medium-scale industries engaged in the processing
of indigenous resources, including support for the es-
establishment of a marketing network to facilitate

intra-regional trade in food through programs that in-
corporate or serve small producers.

"(4) FINANCIAL RESOURCES FOR SMALL- AND
MEDIUM-SIZED FARM AND MANUFACTURING ENTER-
PRISES.—Provision of financial resources to small- and
medium-sized farm and manufacturing enterprises
through—

"(A) the creation and capitalization of appro-
priate financial mechanisms; and

"(B) measures to encourage Caribbean com-
ercial banks and credit unions to provide risk
capital to such enterprises.

"(5) EXPANSION OF TOURISM.—Support for the
expansion of tourism in the Caribbean through its fuller
integration into the local economy, by providing assist-
ance—

"(A) to appropriate governmental and non-
governmental regional organizations for the design
and coordination of programs for—

"(i) the expansion of the use of local
goods and services;

"(ii) the development and implementa-
tion of a marketing strategy for tourism in
the Caribbean; and
(iii) the promotion of investments in tourism integrated with the local economy; and

"(B) for training and utilizing local expertise in hotel and restaurant management and other necessary skills.

"(6) REGIONAL INTEGRATION.—Support for regional integration and institutions, including seeking the cooperation of other donor countries in promoting regional development in the Caribbean and including support for—

"(A) efforts to regionalize and coordinate activities and prevent the proliferation and duplication of regional bureaucracies;

"(B) the efforts of governmental and nongovernmental regional institutions to strengthen the infrastructure necessary to promote regional commercial activity and economic and social development;

"(C) regional research institutes; and

"(D) inter-island transportation and communication links, roads, and port facilities.

"(7) UPGRADING TECHNICAL AND MANAGERIAL SKILLS.—Support for efforts of the countries of the Caribbean to upgrade the technical and managerial skills of their people, through—

"(A) the increased utilization of local personnel, knowledge, technologies, and expertise in all development-related activities;

"(B) support, including scholarships, for training in appropriate technical fields, including administration, finance, marketing, science, technology, environmental protection, and tourism; and

"(C) support for increasing the capacity of Caribbean institutions to provide training in such fields.

"(8) NATURAL RESOURCE BASE.—Promoting those small-scale, affordable, agricultural and industrial methods suited to local environmental, resource, and climatic conditions, and supporting such actions as the establishment of protected areas, the development of environmental curricula, and programs of public education and dialogue designed to sustain and enhance the renewable natural resource base of the Caribbean.

"(9) PRIVATE SECTOR DEVELOPMENT.—Support for the diversification and promotion of Caribbean exports, for investments in the Caribbean that are appropriate to the needs of the region, and for the strength-
(10) Democratic development and the administration of justice.—Support to broaden and deepen democratic institutions and values in the Caribbean and to assist countries in areas such as the administration of justice where requested by the recipient governments.

(11) Access to human services and assistance for human resources development.—Support for the provision of basic services to the citizens of the Caribbean using, as appropriate, governmental and non-governmental entities, with emphasis on sustainability of service delivery in areas such as basic education, primary health care, child survival, family planning, and prevention and control of acquired immune deficiency syndrome (AIDS).

SEC. 4204. PROTECTION OF WORKER RIGHTS.

(a) Denial of assistance.—

(1) In general.—Assistance under this Act—

(A) may not be provided to the government of any country in the Caribbean if that government does not extend, protect, and enforce internationally recognized worker rights for workers in that country (including workers within any designated zone); and

(B) may not otherwise be provided for a country in the Caribbean if the provision of that assistance would be inconsistent with promoting respect for internationally recognized worker rights.

(2) Assistance if certain steps taken.—

Assistance may be provided to a government notwithstanding paragraph (1)(A) if that government is taking steps to adopt and implement laws that demonstrate significant, tangible, and measurable overall advancement in providing internationally recognized worker rights throughout the country (including in any designated zone).

(3) Exemptions.—Paragraph (1) does not apply with respect to development assistance or narcotics control assistance provided under this Act.

(b) Annual reports.—Each human rights report required by section 4302(d) shall address how the provisions of this section were implemented during the preceding fiscal year.

(c) Definitions.—As used in this section—
“(1) the term ‘designated zone’ has the same meaning it has for purposes of the Trade Act of 1974; and

“(2) the term ‘internationally recognized worker rights’ has the same meaning as is given that term by section 502(a)(4) of the Trade Act of 1974.

“SEC. 4105. PROTECTION OF PUBLIC HEALTH.

“The administering agency for title I shall not provide any assistance, directly or indirectly, for the use of any chemical or other substance in a country in the Caribbean if—

“(1) that use is not permitted under laws of that country relating to protection of public health, or

“(2) that use would not be permitted in the United States under laws of the United States relating to protection of public health.

“SEC. 4106. SUPPORT FOR WOMEN’S ROLE IN DEVELOPMENT.

“In providing assistance to the Caribbean, the administering agency for title I shall place emphasis on ensuring the active participation of Caribbean women in the development process, particularly through—

“(1) the promotion of greater access by women to productive resources and services, such as land, credit, and markets, thereby increasing the economic security of women and their dependents;

“(2) programs that respond to and support women’s domestic needs and activities, including the strengthening of community-based education, health, and childcare programs and other critical social services identified by poor women; and

“(3) the involvement of Caribbean women in research on the factors that contribute to their economically vulnerable situation, in programs that address these factors, and in the design and implementation of development projects.

“SEC. 4107. CONSULTATION, MONITORING, EVALUATION, AND REPORTING.

“(a) Consultation.—In all stages of the design and implementation of assistance policies, programs, and projects in the Caribbean, the administering agency for title I shall take into account the perspectives of the rural and urban poor through close and regular consultation with Caribbean organizations that work with the poor and that have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in the Caribbean, as described in section 6102(a). The agency shall reflect the results of such consultations in its annual planning documents.

“(b) Monitoring.—The administering agency for title I shall monitor socioeconomic conditions in the Caribbean.
and the effect of United States economic assistance programs
and policies on those conditions. The agency shall involve
Caribbean governments, and Caribbean nongovernmental or-
ganizations that work at the grassroots level, in such mon-
toring.

"(c) Evaluation.—Not later than 3 years after the
date of enactment of this chapter, the Office of Technology
Assessment—

"(1) shall conduct an evaluation of the perform-
ance of the administering agency for title I in carrying
out this chapter; and

"(2) shall report the result of that evaluation to
the Congress.

"(d) Annual Reports to Congress.—Each report
required by section 1921(d) shall include an analysis of—

"(1) the effectiveness of the programs conducted
under this chapter in furthering the policies set forth in
section 6102 and in carrying out each of the priorities
of section 6103, including the amounts expended on
each such program;

"(2) the nature and results of consultations under
subsection (a), and the impact of such consultations on
the programs undertaken to carry out this chapter; and

"(3) the results of the monitoring under subsection
(b).

"SEC. 419. FUNDING.

"(a) Economic Support Assistance.—Of the
amounts made available for each of the fiscal years 1990 and
1991 for economic support assistance, not less than
$80,000,000 shall be available only for assistance for the
Caribbean in accordance with this chapter.

"(b) Development Assistance.—

"(1) Caribbean Generally.—Of the amounts
made available for each of the fiscal years 1990 and
1991 for development assistance, not less than
$93,805,000 shall be available only for assistance for
the Caribbean in accordance with this chapter.

"(2) Eastern Caribbean.—Of the amounts
specified in paragraph (1), not less than $33,250,000
each fiscal year shall be available only for the Eastern
Caribbean and Belize.

"SEC. 419a. DEFINITION.

"As used in this chapter, the term 'Caribbean' includes
Anguilla, Antigua and Barbuda, the Bahamas, Barbados,
Belize, Dominica, Dominican Republic, Grenada, Guyana,
Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grena-
dines, Suriname, Trinidad and Tobago, Cayman Islands,
Montserrat, Netherlands Antilles, Saint Christopher-Nevis,
Turks and Caicos Islands, and the British Virgin Islands."