H. R. 4943

To promote equitable and participatory development, national and regional economic integration, and food security and self-reliance in the Caribbean through responsive aid and development policies and programs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29 1988

Mr. CROCKETT (for himself, Mr. BONKER, Mr. FASCHELL, Mr. LELAND, Mr. ELLOSO, Mr. TOWNS, Mr. FAUNTWORTH, Mr. DYMALLY, Mr. RICHARDSON, Mr. BROWN of California, Mr. BUSTAMANTE, and Mr. WISNER) introduced the following bill, which was referred to the Committee on Foreign Affairs.

A BILL

To promote equitable and participatory development, national and regional economic integration, and food security and self-reliance in the Caribbean through responsive aid and development policies and programs.

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

2. SECTION 1. SHORT TITLE.

3. This Act may be cited as the "Caribbean Regional Development Act of 1988".

4. SEC. 2. FINDINGS.

5. The Congress makes the following findings:
(1) The economies of the Caribbean nations are highly dependent on markets outside the Caribbean region, and are therefore vulnerable to fluctuations in the international economy, as evidenced by deteriorating balances of trade in the region.

(2) The poorest citizens in the Caribbean, the majority of whom are women, have been hardest hit by these fluctuations and by austerity policies designed to address the impact of the fluctuations.

(3) The promotion of equitable development in the region requires support for the activities of those poorest citizens through organizations in which they actively participate.

(4) The identification and design of these activities, and of effective regional and national policies and programs that affect the population as a whole, require ongoing, broad-based consultation with, and the involvement of, Caribbean governments and nongovernmental organizations.

(5) Decreased dependency on foreign assistance, food imports, and foreign markets requires a higher degree of economic self-reliance by the Caribbean economies, based on the development of local resources for consumption and use principally by the people of the Caribbean.

(6) The food import bill of the Caribbean has risen sharply, although the region possesses the agricultural resource base from which to feed itself and to diversify its exports.

(7) Increased economic self-reliance and food self-sufficiency, and enhanced international competitiveness, can be achieved most effectively in the Caribbean through regional cooperation and integration.

SEC. 2. UNITED STATES POLICIES.

(a) In General.—It shall be the policy of the United States in providing development and other economic assistance to the Caribbean—

(1) to help the poor (including women, the landless, subsistence food producers, urban workers, the unemployed, and indigenous populations) to participate in the development of their societies through a process of equitable economic growth that enables them to increase their incomes and their access to productive resources and services, to protect and advance their rights, and to influence decisions that affect their lives;

(2) to support development that is environmentally sustainable in that it maintains and restores the renewable energy resource base of the economy and wisely uses nonrenewable resources;
(3) to promote Caribbean self-reliance by providing assistance to indigenous national and regional governmental and nongovernmental institutions that have the capacity or potential to carry out development programs effectively;

(4) to help increase the food security, reduce the food-import bill, and improve the nutritional levels of the Caribbean by supporting food production for national and regional consumption;

(5) to promote the diversification of production, the development of new products, and the integration of agricultural production with the development of industry and tourism;

(6) to help advance the process of regional economic integration by channeling assistance through regional organizations to the maximum extent possible in order to increase the capacity of such organizations to support development;

(7) to support those national programs of economic adjustment that promote the policies enumerated in this section and that maintain adequate levels of social services and economic support for poor populations in order to help ensure that the burdens created by adjustment are not borne by the poor;

(8) to avoid the displacement of traditional lines of small-scale production;

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

(10) to consult with the intended beneficiaries of United States economic assistance in the elaboration of development policies, programs, and projects.

(b) Development Assistance.—In accordance with section 102 of the Foreign Assistance Act of 1961, priority is providing development assistance to the Caribbean shall be given to supporting indigenous democratic Caribbean institutions (including farmers' unions, cooperatives, 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 (including the Inter-American Foundation) and Caribbean regional institutions that directly fund such democratic Caribbean institutions.

(c) Economic Support Fund Assistance.—(1) Assistance made available for the Caribbean under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the Economic Support Fund) shall be used for assistance for those nations in the Caribbean that are experiencing a scarcity
ty of foreign exchange, principally for the purpose of helping
those nations diversify their economies, overcome short-term
constraints to development, and promote national economic
policy reforms, consistent with the policies enumerated in
section 4 of this Act.

(2) Priority in the use of such assistance shall be given
to the purchase—
(A) of critical commodity imports by small- and
medium-sized industries, farms, and cooperatives that
have limited access to foreign exchange, and
(B) of key consumer goods in critically short
supply.

(3) Preference in the purchase of commodity imports,
which are purchased either with funds made available to na-
tions in the Caribbean under chapter 4 of part II of the For-
eign Assistance Act of 1961 or with local currencies accruing
as a result of the use of those funds, shall be given to com-
modities produced within the Caribbean region.

SEC. 4. PRIORITY AREAS FOR ASSISTANCE.

(a) Criteria for Allocation of Funds.—To im-
plement the policies set forth in section 3, priority in the
allocation of funds under chapter 1 of part I and under chap-
ter 4 of part II of the Foreign Assistance Act of 1961, 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 na-
tional ministries of agriculture, the appropriate special-
ized agencies of the Caribbean Community (CARI-
COM) and the Organization of Eastern Caribbean
States, the Caribbean Development Bank, and indige-
nous nongovernmental organizations for efforts to
achieve greater food self-sufficiency through increased
staple food production for domestic consumption, in-
cluding support for—
(A) the updating and completion of agricul-
tural censuses;
(B) the coordination of research designed to
improve crop yields and quality, to increase the
availability of locally produced livestock and live-
stock feed, to develop new products, and to identi-
fy, multiply, and distribute local seed material to
farmers for crop production;
(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, particularly through
the implementation of the Regional Food and Nu-
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irritation Strategy approved by the member governments of the Caribbean Community in 1983.

(2) INTEGRATED RURAL DEVELOPMENT.—Support, through the Caribbean Development Bank and such other mechanisms as the governments of nations in the Caribbean may recommend, for integrated rural development efforts designed to increase farm employment opportunities, enhance the quality of rural life, and retard rural-to-urban migration, including programs of agrarian reform that distribute land and provide necessary assistance to small producers and cooperatives.

(3) COMMUNITY-BASED AGRO-INDUSTRIES.—Support for small- and medium-scale, locally owned cooperative and community-based agro-industries engaged in the processing of indigenous resources for local consumption and for export, including support for—

(A) the establishment of a marketing network to facilitate intraregional trade in food through programs, including those of the Caribbean Food Corporation, cooperatives, and other organizations, that incorporate or serve small producers and that make marketing services more accessible to such industries;

(B) the development and introduction of production technology appropriate for such industries;

(C) programs that ensure the availability of credit to such industries; and

(D) the provision of the necessary training for the management and production personnel required by such industries.

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

(A) the creation and capitalization of appropriate financial mechanisms, including preferential credit facilities (commonly referred to as "soft-loan windows") in the Caribbean Development Bank and in national development banks; and

(B) measures to encourage Caribbean commercial banks and credit unions to provide risk capital to such enterprises.

(5) EXPANSION OF TOURISM.—Support for the expansion of tourism in the Caribbean and for the increased development impact of tourism through its fuller integration into the local economy, by providing assistance—
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(A) to appropriate governmental and nongovernmental regional organizations for the design and coordination of programs for—

(i) the expansion of the use of local goods and services, particularly local foods and cuisines, by Caribbean hotels and by the tourism industry in general;

(ii) the development and implementation of a marketing strategy for tourism in the Caribbean; and

(iii) the development of tourism as an integral part of Caribbean development and the promotion of investments in tourism that will maximize the impact of tourism on such development; and

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

6 REGIONAL INTRODUCTION.—Support for regional integration and institutions, including seeking the cooperation of other donor nations in promoting regional development in the Caribbean and including support for—

(A) efforts to regionalize and coordinate activities, to prevent the proliferation and duplica-

tion of regional bureaucracies, and to promote complementarity of regional efforts;

(B) the efforts of the Caribbean Development Bank and other governmental and nongovernmental regional institutions to strengthen the regional infrastructure necessary to promote commercial activity and economic and social development through—

(i) the replenishment of the Multilateral Clearing Facility of the Caribbean Community to facilitate intraregional trade; and

(ii) the provision of financial resources to the Caribbean Food Corporation on terms that allow for the construction of food-packaging facilities and the development of other food-marketing infrastructure;

(C) regional research institutes that perform research that would contribute to the region’s development (as described in this section); 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, 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;

(C) assistance in the identification, evaluation, selection, and development of appropriate technologies that promote small- and medium-scale agro-industries and food production, and training in the use of such technologies;

(D) assistance for product identification, research, development, promotion, and marketing;

and

(E) support for increasing the capacity of Caribbean institutions, including universities, technical institutes, and trade schools, to provide training in such fields.

8) Natural resource base.—Promoting those agricultural and industrial methods suited to local environmental, resource, and climatic conditions, and supporting actions designed to sustain and enhance the renewable natural resource base of the Caribbean, by providing assistance—

(A) for programs that place an emphasis on small-scale, affordable, resource-conserving, local activities in such areas as sustainable agriculture and agroforestry and that utilize appropriate technologies, such as organic fertilizers, terracing, contour cultivation, and tree planting;

(B) for the development of new and renewable sources of energy, including the use of biogas, wind, solar, and geothermal resources;

(C) for programs focusing on expanding the development and use of local plants in preventive and curative medicine;

(D) for establishing wildlife preserves;

(E) for developing—

(i) environmental curricula for use in the formal education system, and

(ii) materials for public education campaigns;

(F) to Caribbean institutions (such as the Caribbean Conservation Society and the Faculty of Agriculture of the University of the West Indies) to make available technical and material resources needed to implement subparagraphs (A) and (E); and
(g) for conferences that enable farmers, workers, scientists, policymakers, and others to meet with their regional and international counterparts to discuss and develop expertise in environmental issues.

(b) Protection of Worker Rights.—

(1) Denial of Assistance.—(A) Assistance may not be provided under part I of the Foreign Assistance Act of 1961—

(i) to any government or economic enterprise in the Caribbean that does not extend, protect, and enforce internationally recognized worker rights (as defined in section 502(a)(4) of the Trade Act of 1974) for its workers; or

(ii) for the construction of any physical infrastructure in the Caribbean for use by any economic enterprise that does not extend, protect, and enforce internationally recognized worker rights for its workers.

(B) In implementing subparagraph (A)(i), the Agency for International Development shall take reasonable steps to ensure that physical infrastructure which is constructed in the Caribbean with assistance provided under part I of the Foreign Assistance Act of 1961 is not thereafter used by any economic enterprise that does not extend, protect, and enforce internationally recognized worker rights for its workers.

(2) Petitions.—(A) For purposes of assisting in the implementation of paragraph (1), any person may submit to the Agency for International Development a petition presenting evidence that a government or economic enterprise in the Caribbean which is the beneficiary of assistance under part I of the Foreign Assistance Act of 1961 does not extend, protect, and enforce internationally recognized worker rights.

(B) If a petition submitted under subparagraph (A) presents credible evidence that a government or economic enterprise in the Caribbean which is the beneficiary of assistance under part I of the Foreign Assistance Act of 1961 does not extend, protect, and enforce internationally recognized worker rights, the Agency for International Development shall conduct a public hearing for the presentation of written and oral evidence with respect to the issue raised by the petition.

(C) The Administrator of the Agency for International Development shall submit a copy of any petition submitted under subparagraph (A) to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, te-
(c) PROTECTION OF PUBLIC HEALTH.—The Agency for International Development shall not provide any assistance, directly or indirectly, for the use of any chemical or other substance in a nation in the Caribbean if—

(1) that use is not permitted under laws of that nation 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.

(d) SUPPORT FOR WOMEN'S ROLE IN DEVELOPMENT.—In providing the United States assistance described in subsection (a), emphasis shall be placed 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 and in programs that address these factors.

SEC. 5. 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 Agency for International Development 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 3(a). Particular attention shall be paid to the incorporation of Caribbean women in project identification, design, management, implementation, and evaluation. The Agency shall reflect the results of such consultations in its annual planning documents.

(b) Monitoring.—The Agency for International Development shall monitor socioeconomic conditions in the Caribbean and the effect of United States economic assistance programs and policies on those conditions, and particularly on the region's most vulnerable groups. The Agency shall in-
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1. involve Caribbean governments, and Caribbean nongovernmental organizations that work at the grassroots level, in such monitoring.

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

(1) shall conduct an evaluation of the performance of the Agency for International Development in carrying out this Act; and

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

(d) REPORTS TO CONGRESS.—(1) The Administrator of the Agency for International Development shall report annually to the Congress on—

(A) the effectiveness of the programs conducted under this Act in furthering the policies set forth in section 3;

(B) the specific programs undertaken to carry out section 4, the amounts expended on each such program, and the specific results of each such program;

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

(D) the results of the monitoring under subsection (b).

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(2) The reports required by this subsection shall be submitted as a discrete section of the annual congressional presentation materials on economic assistance.

SEC. 6. DEFINITION.

As used in this Act, 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 Grenadines, Suriname, Trinidad and Tobago, Cayman Islands, Montserrat, Netherlands Antilles, Saint Christopher-Nevis, Turks and Caicos Islands, and the British Virgin Islands.