

opment shall assess fair and reasonable rental payments for the use of space by employees of other United States Government agencies in buildings constructed using funds appropriated under this heading, and such rental payments shall be deposited into this account as an offsetting collection: Provided further, That the rental payments collected pursuant to the previous proviso and deposited as an offsetting collection shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations.

OTHER BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

IRAQ RELIEF AND RECONSTRUCTION FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the purposes of the Foreign Assistance Act of 1961, for security, relief, rehabilitation and reconstruction in Iraq, \$18,649,000,000, to remain available until September 30, 2006, to be allocated as follows: \$3,243,000,000 for security and law enforcement; \$1,318,000,000 for justice, public safety infrastructure, and civil society, of which \$100,000,000 shall be made available for democracy building activities, and of which \$10,000,000 shall be made available to the United States Institute for Peace for activities supporting peace enforcement, peacekeeping and post-conflict peacebuilding; \$5,560,000,000 for the electric sector; \$1,890,000,000 for oil infrastructure; \$4,332,000,000 for water resources and sanitation; \$500,000,000 for transportation and telecommunications; \$370,000,000 for roads, bridges, and construction; \$793,000,000 for health care; \$153,000,000 for private sector development; and \$280,000,000 for education, refugees, human rights, and governance: Provided, That the President may reallocate up to 10 percent of any of the preceding allocations, except that the total for the allocation receiving such funds may not be increased by more than 20 percent: Provided further, That the President may increase one such allocation only by up to an additional 20 percent in the event of unforeseen or emergency circumstances: Provided further, That such reallocations shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds: Provided further, That funds appropriated under this heading shall be apportioned only to the Coalition Provisional Authority in Iraq (in its capacity as an entity of the United States Government), the Department of State, the Department of Health and Human Services, the Department of Treasury, the Department of Defense, and the United States Agency for International Development: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That of the amount appropriated in this paragraph, not less than \$6,000,000 shall be made available for administrative expenses of the Department of State Bureau of International Narcotics Control and Law Enforcement Affairs and not less than \$29,000,000 shall be made available for ad-

ministrative expenses of the United States Agency for International Development for support of the reconstruction activities in Iraq: Provided further, That of the funds appropriated under this heading, up to 10 percent of such funds that are obligated, managed, or administered by an agency of the United States Government, other than the Coalition Provisional Authority, shall be made available to such agency to fully pay for its administrative expenses: Provided further, That up to 1 percent of the amount appropriated in this paragraph may be transferred to "Operating Expenses of the Coalition Provisional Authority", and that any such transfer shall be in accordance with the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961: Provided further, That funds appropriated under this heading shall be used to protect and promote public health and safety, including for the arrest, detention and prosecution of criminals and terrorists: Provided further, That of the funds appropriated under this heading, assistance shall be made available for Iraqi civilians who have suffered losses as a result of military operations: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization, may be credited to this Fund and used for such purposes: Provided further, That the Administrator of the Coalition Provisional Authority shall seek to ensure that programs, projects and activities funded under this heading, comply fully with USAID's "Policy Paper: Disability" issued on September 12, 1997: Provided further, That the Coalition Provisional Authority shall work, in conjunction with relevant Iraqi officials, to ensure that a new Iraqi constitution preserves full rights to religious freedom and tolerance of all faiths: Provided further, That of the funds appropriated under this heading, \$100,000,000 shall be transferred to and consolidated with funds appropriated by this Act for "Economic Support Fund" for assistance for Jordan, \$100,000,000 of such funds shall be transferred to and consolidated with funds appropriated by this Act for "International Disaster and Famine Assistance" for assistance for Liberia, and \$10,000,000 of such funds shall be transferred to and consolidated with funds appropriated by this Act for "International Disaster and Famine Assistance" for assistance for Sudan.

OPERATING EXPENSES OF THE COALITION PROVISIONAL AUTHORITY

For necessary expenses of the Coalition Provisional Authority in Iraq, established pursuant to United Nations Security Council resolutions including Resolution 1483, for personnel costs, transportation, supply, equipment, facilities, communications, logistics requirements, studies, physical security, media support, promulgation and enforcement of regulations, and other activities needed to oversee and manage the relief and reconstruction of Iraq and the transition to democracy, \$933,000,000, to remain available until September 30, 2005: Provided, That the appropriation of funds under this heading shall not be construed to limit or otherwise affect the ability of the Department of Defense to furnish assistance and services, and any other support, to the Coalition Provisional Authority.

In addition, \$50,000,000, to remain available until September 30, 2005, to be used to fulfill the reporting and monitoring require-

ments of this Act and for the preparation and maintenance of public records required by this Act.

ECONOMIC SUPPORT FUND

For an additional amount for "Economic Support Fund", \$872,000,000, to remain available until December 31, 2004: Provided, That not less than \$672,000,000 is available only for accelerated assistance for Afghanistan: Provided further, That these funds are available notwithstanding section 660 of the Foreign Assistance Act of 1961, and section 620(q) of that Act or any comparable provision of law: Provided further, That these funds may be used for activities related to disarmament, demobilization, and reintegration of militia combatants, including registration of such combatants, notwithstanding section 531(e) of the Foreign Assistance Act of 1961: Provided further, That the obligation of funds made available by this Act or any prior appropriations Act for the purpose of deploying and supporting senior advisors to the United States Chief of Mission in Kabul, Afghanistan, is subject to the regular reprogramming and notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961: Provided further, That \$60,000,000 should be made available for assistance for Afghan women and girls and \$5,000,000 shall be made available for the Afghan Independent Human Rights Commission: Provided further, That not less than \$8,000,000 is available only for the provision of adequate dedicated air transport and support for civilian personnel at provincial reconstruction team sites: Provided further, That upon the receipt by the Speaker of the House of Representatives and the President of the Senate of a determination by the President that the Government of Pakistan is cooperating with the United States in the global war on terrorism, not to exceed \$200,000,000 appropriated under this heading may be used for the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and guarantees for Pakistan: Provided further, That amounts that are made available under the previous proviso for the cost of modifying direct loans and guarantees shall not be considered "assistance" for the purposes of provisions of law limiting assistance to a country.

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for International Disaster and Famine Assistance utilizing the general authorities of section 491 of the Foreign Assistance Act of 1961, to respond to or prevent unforeseen complex foreign crises in Liberia and Sudan, \$110,000,000, and by transfer not to exceed 0.5 percent of the funds appropriated under any other heading in this chapter, to remain available to the Secretary of State until September 30, 2005: Provided, That funds appropriated under this heading may be made available only pursuant to a determination by the President, after consultation with the appropriate congressional committees, that it is in the national interest and essential to efforts to reduce international terrorism to furnish assistance on such terms and conditions as he may determine for such purposes, including support for peace and humanitarian intervention operations: Provided further, That none of these

FAMILY HOUSING OPERATION AND MAINTENANCE, NAVY AND
MARINE CORPS

As proposed by the House, the conference agreement appropriates \$6,280,000 for Family Housing Operation and Maintenance, Navy and Marine Corps. The Senate bill contained no similar provision. These funds are provided for storm related damage caused by Hurricane Isabel at various sites in North Carolina and Virginia.

FAMILY HOUSING OPERATION AND MAINTENANCE, AIR FORCE

As proposed by the House, the conference agreement appropriates \$6,981,000 for Family Housing Operation and Maintenance, Air Force. The Senate bill contained no similar provision. These funds are provided for storm related damage caused by Hurricane Isabel at Langley AFB, Virginia.

GENERAL PROVISION—THIS CHAPTER

The conference agreement includes one general provision, section 1301, as proposed by the House and modified by the Senate. This provision gives the Secretary of Defense authority to use up to \$150,000,000 in operation and maintenance funds for construction projects that support Operation Iraqi Freedom or the Global War on Terrorism. The purpose of the provision is to provide troops in the field flexibility to construct emergency projects using operation and maintenance funds. The provision requires DOD to submit a quarterly report that describes the project, includes supporting documentation, and provides the amount of funds obligated for these purposes. The Senate modification requires DOD to provide Congress with notification of the project 15 days after obligation of funds.

TITLE II—IRAQ AND AFGHANISTAN RECONSTRUCTION AND
INTERNATIONAL ASSISTANCE

CHAPTER 1

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

GENERAL LEGAL ACTIVITIES

The conference agreement includes \$15,000,000 for "Salaries and Expenses, General Legal Activities," as proposed by the House, instead of no funds as proposed by the Senate. This funding will support additional Civil Division expenses related to the administration of the September 11th Victims Compensation Program.

DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The conference agreement includes \$156,300,000 under this account as proposed by the House, instead of \$35,800,000 as proposed by the Senate. This funding will cover costs related to increased diplomatic and border security and opening a mission in Iraq. The conference agreement includes \$109,500,000 for requirements related to the provision of consular services; \$11,000,000 for increased security measures in Afghanistan; and \$35,800,000, available until September 30, 2006, for costs associated with the re-establishment of a diplomatic mission in Iraq. The conference agreement rescinds \$35,800,000 provided under Public Law 108-11, as proposed in both the House and Senate bills.

EMBASSY SECURITY, CONSTRUCTION, AND MAINTENANCE

The conference agreement includes \$43,900,000 under this account as proposed by the House, instead of no funds as proposed by the Senate. The conference agreement includes the costs of establishing a temporary embassy annex compound in Afghanistan to support embassy surge staffing requirements associated with accelerated assistance activities. The conference agreement assumes that the funding provided under this heading, when combined with funding provided elsewhere in this Act for USAID requirements, will support the acquisition and construction of a collocated temporary embassy annex compound in Afghanistan.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

The conference agreement includes \$115,500,000 under this heading, instead of \$50,000,000 as proposed by the House and \$90,500,000 as proposed by the Senate. The conference agreement includes \$50,000,000 for anticipated costs of terrorism rewards, and includes language that allows funds under this account to be transferred to, and merged with, the Diplomatic and Consular Programs account to maintain funding levels for the fiscal year 2004 Border Security program. The conference agreement also includes \$65,500,000 for costs associated with the protection of foreign missions and officials in New York City, as well as security and protection costs associated with the 2003 Free Trade in the Americas Ministerial and the 2004 Summit of the Industrialized Nations. In addition, the conference agreement includes language allowing the use of prior year funds under this heading for rewards for an indictee of the Special Court in Sierra Leone. The conferees are concerned that an indictee of the Special Court for Sierra Leone, who has been charged by the Special Court with being "most responsible" for the atrocities committed during Sierra Leone's civil war, is not yet in the custody of the Special Court. The conferees direct the Department to use all available means to bring about the handover of this indictee of the Special Court.

INTERNATIONAL ORGANIZATIONS

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The conference agreement includes \$245,000,000 for assessed costs of United Nations peacekeeping in Liberia as proposed in the House bill, instead of no funds as proposed by the Senate.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The conference agreement includes \$40,000,000 under this heading as proposed by the House, instead of no funds as proposed by the Senate. The amount provided in the conference agreement shall be only for the initiation of Middle East Television Network broadcasting to Iraq.

GENERAL PROVISION—THIS CHAPTER

The conference agreement includes language waiving provisions of existing legislation that require authorizations to be in place prior to the expenditure of any appropriated funds.

FOREIGN OPERATIONS, EXPORT FINANCING, RELATED AGENCIES APPROPRIATIONS

CHAPTER 2

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

The conference report recommends \$40,000,000 for "Operating Expenses of the United States Agency for International Development", which includes \$1,900,000 for the United States Agency for International Development (USAID), Office of Inspector General. This amount for Operating Expenses is the same as the House and Senate levels. The level for the Office of Inspector General is \$2,100,000 less than the Senate bill; the House did not address this matter. The managers have included language reserving these funds for support of relief and reconstruction in Afghanistan, including short-term costs associated with facilities required by the USAID in the existing embassy compound or in Department of Defense facilities elsewhere in Kabul until an interim, secure compound adjacent to the embassy is available. It is the managers' intention that embassy facilities and vehicles funded by USAID be used primarily by USAID personnel, and be available for other agencies only with the prior written concurrence of the USAID mission director in Kabul and, when feasible, on a reimbursable basis.

Should United States military air transport remain scarce or unavailable to support reconstruction in Afghanistan, and to the extent required by security conditions in the field, a portion of this

appropriation may be used for dedicated contract air service within Afghanistan and access to neighboring countries. The conferees expect the Department of State Coordinator for Afghan Assistance and USAID to consult with the Committees prior to obligating funds for this purpose.

The conference report provides for operating expenses of USAID in Iraq elsewhere in this chapter.

CAPITAL INVESTMENT FUND

The conference report recommends \$16,600,000 for the Capital Investment Fund of the United States Agency for International Development to remain available until expended, instead of \$60,000,000 as proposed by the Senate. The House bill did not address this matter.

The conferees have provided full funding for an interim secure facility in Kabul, Afghanistan, primarily for the use of United States Agency for International Development, Department of State, and other federal agencies that are implementing and evaluating United States reconstruction and security assistance for Afghanistan.

The conference agreement includes language requiring the Administrator of the United States Agency for International Development to assess fair and reasonable rental payments for the use of space by employees of other United States Government agencies in buildings constructed using funds appropriated under this heading, and provides that such rental payments shall be deposited into this account as an offsetting collection. Such rental payments shall be available for obligation only pursuant to the regular reprogramming notification procedures of the Committees on Appropriations.

IRAQ RELIEF AND RECONSTRUCTION FUND

(INCLUDING TRANSFERS OF FUNDS)

The conference report recommends \$18,649,000,000, to remain available until September 30, 2006, for the "Iraq Relief and Reconstruction Fund" (the Fund), the same level as recommended by the House and \$200,000,000 above the Senate. This figure represents a reduction of \$1,655,000,000 below the request and an increase of \$16,174,000,000 above the level provided in the fiscal year 2003 Emergency Wartime Supplemental Appropriations Act when this account was created. The supplemental request proposed an appropriation of \$20,304,000,000 to remain available until expended.

The conference report provides \$1,890,000,000 for the oil infrastructure function instead of \$2,100,000,000 as proposed by the House and \$1,900,000,000 as proposed by the Senate.

The following table provides amounts for functional categories and programs within categories. The total amount for these functional categories is reflected in the bill language as proposed by both the House and Senate. The following table provides the baseline for the financial plan required in section 2207 of this Act.

IRAQ RELIEF AND RECONSTRUCTION FUND

(Budget authority, dollars in millions) ¹

Category and description	Supplemental request	Conference agreement
Security and law enforcement:		
Police training and technical assistance	950	950
Traffic police	50	50
Border Enforcement	150	150
Facilities Protection Services	67	67
Subtotal, Law enforcement	1,217	1,167
Establishment of the New Iraqi Army (NIA)		
(NIA Facilities)	(745)	(745)
(NIA Equipment)	(879)	(879)
(NIA Operations and Training)	(375)	(375)
Iraq Civil Defense Corps	76	76
(Operations and Personnel)	(58.4)	(58.4)
(Equipment)	(17.2)	(17.2)
Subtotal, National Security	2,076	2,076
Total, Security and Law Enforcement	3,293	3,243
Justice, Public Safety Infrastructure and Civil Society:		
Witness Protection Program	100	75
Other technical investigative methods	10	10
Penal facilities	400	100
Reconstruction and modernization of detention facilities	109	109
Facilities protection, mine removal, fire service, and public safety facility and equipment repairs	500	400
(Demining)	(61)	(61)
Public safety training and facilities	274	199
National Security Communications Network	150	90
Investigations of crimes against humanity	100	75
Judicial security and facilities	200	150
Democracy building activities		100
United States Institute of Peace		10
Total, Justice, Public Safety Infrastructure and Civil Society	1,843	1,318
Electric Sector:		
Generation	2,900	2,810
Transmission	1,550	1,550
Network infrastructure	1,000	1,000
Automated monitoring and control system	150	150
Institutional strengthening	25	25
Security	50	50
Total, Electric Sector	5,675	5,560
Oil Infrastructure:		
Infrastructure	1,200	1,200
Emergency supplies of refined petroleum products	900	690
Total, Oil Infrastructure	2,100	1,890
Water Resources and Sanitation:		
Potable water	2,830	2,830
Water conservation	30	30
Sewerage	697	675
Solid waste management/trash trucks	153	153
Other solid waste management		22
Subtotal, Public Works Projects	3,710	3,557

(Budget authority, dollars in millions) ¹

Category and description	Supplemental request	Conference agreement
Pumping stations and generators	150	150
Irrigation and drainage systems	130	130
Major irrigation projects	130	130
Dam repair, rehab, and new construction	125	125
Umm Qasr to Basra water pipeline and treatment plant	200	200
Marsh projects	100	
Basra Channel Flushing	40	40
Subtotal, Water Resources projects	875	775
Total, Water Resources and Sanitation	4,585	4,332
Transportation and Telecommunications Projects:		
Airports	165	165
Umm Qasr Port rehab	45	45
Railroad rehab and restoration	303	300
Iraqi Telecom and Postal Corporation	124	100
(Postal IT ZIP Codes)	(9)	(-)
Iraqi Communications systems	109	95
(Business practices for Iraqi TV and radio)	(10)	(-)
(Numbering scheme 911 initiative)	(4)	(-)
Iraqi Communications operations	89	75
Undistributed reduction, transportation and telecommunications		-280
Total, Transportation and Telecommunications Projects	835	500
Roads, Bridges, and Construction:		
Housing construction	100	
Public buildings construction and repair	130	130
Roads and bridges	240	240
Total, Roads, Bridges, and Construction	470	370
Health care:		
Nationwide hospital and clinic improvements ²	393	493
Equipment procurement and modernization	300	300
Initiate 700m Basrah hospital project	150	
Health care partnerships	7	
Total, Health Care	850	793
Private Sector Development:		
American-Iraqi Enterprise Fund	200	
Expanded network of Employment Centers	8	8
Training	145	100
Micro-Small-Medium Enterprises		45
Total, Private Sector Development	353	153
Education, Refugees, Human Rights, Democracy, and Governance:		
Migration and Refugee Assistance	105	105
Local Information Centers	90	
Property Claims Tribunal	30	30
Banking system modernizations	30	30
Business training courses	20	
Human rights	15	15
Education		90
Civic programs	10	10
Total, Education, Refugees, Human Rights, and Governance	300	300
Transfer/financing		210

(Budget authority, dollars in millions)¹

Category and description	Supplemental request	Conference agreement
Total, Iraq Relief and Reconstruction Fund	20,304	18,649

¹ Figures in parenthesis are included in amounts above.² Includes \$50 million for pediatric facility in Basra.

The table above indicates programs that were supported in the House and Senate and those that raised questions and concerns and were reduced or eliminated, such as the procurement of trash trucks, development of business courses, zip code and 911 projects, housing projects, and the construction of two prisons for \$400,000,000 at \$50,000 per bed.

The conferees have included bill language providing that the Iraq Relief and Reconstruction Fund shall be used to protect and promote public health and safety, including the arrest, detention and prosecution of criminals and terrorists.

The conference report includes bill language, as proposed by the House that allows, but limits reallocations between functional categories, so that any category can be reduced by not more than 10 percent or increased by more than 20 percent. Acknowledging the unique circumstances in Iraq, the conferees have included language that the President may increase one such allocation by up to an additional 20 percent in the event of unforeseen or emergency circumstances. Transfers and reallocations between program, project and activities in the table above, if necessary, would be made subject to the standard notification procedures of the Committees on Appropriations. The conferees note that within the functional categories none of the funds provided are available to support any program, project or activity for which funds have been denied or restricted unless the Appropriations Committees are notified 15 days in advance and approve such reprogramming of funds.

Under section 2207 of the general provisions of this chapter, the conference report includes a requirement by the Office of Management and Budget, in consultation with the CPA and the Committees on Appropriations, to submit a financial plan beginning on January 5, 2004 and quarterly thereafter. This financial plan is similar to that proposed by the House under the heading "Iraq Relief and Reconstruction Fund".

The conferees have reinstated bill language, enacted in the fiscal year 2003 Iraq Relief and Reconstruction Fund but not included in the supplemental request, which specifies agencies that may receive apportionment from the Fund. Consistent with previous language, the conference report again lists the Department of Defense, the Department of Health and Human Services, the Department of State, the Department of Treasury and the United States Agency for International Development. The managers have added the Coalition Provisional Authority (CPA) to this list, and allow the CPA to receive direct apportionment of IRRF funds for the first time, with the understanding that the CPA establishes a Chief Financial Officer operating in accordance with the responsibilities and functions specified in the Chief Financial Officer Act.

The conferees have included bill language, similar to that in the Senate bill, that requires the Administrator of the CPA to seek

to ensure that programs in Iraq comply with the "Policy Paper: Disability."

The conference agreement includes a provision, similar to one in P.L. 108-11, which requires assistance to be made available to Iraqi civilians who have suffered losses as a result of military operations. The managers support medical, rehabilitation, shelter, microcredit, and other appropriate assistance to these individuals and expect all relevant agencies and organizations to coordinate efforts in providing this assistance.

The conferees have provided \$29,000,000 for the ongoing operating costs of USAID and \$6,000,000 for the State Department Bureau of International Narcotics Control and Law Enforcement. The managers expect the Office of Management and Budget to ensure that agencies supporting the CPA and the reconstruction effort in Iraq are fully financed for administrative expenses through the funds appropriated in the Iraq Relief and Reconstruction Fund, in an amount equal to up to 10 percent of programs administered. The conference report also includes bill language providing that up to 1 percent of the total appropriated for the Fund may be transferred to "Operating Expenses of the Coalition Provisional Authority."

The conference agreement includes bill language, similar to that included in House and Senate bills that the CPA shall work, in conjunction with relevant Iraqi officials, to ensure that a new Iraqi constitution preserves full rights to religious freedom and tolerance of all faiths. The conferees also expect that the CPA will work with Iraqis to include the guarantee of a number of other fundamental rights and individual freedoms, particularly basic human rights that were violated or denied during the tyrannical regime of Saddam Hussein.

The conference agreement includes language similar to that contained in the Senate bill providing \$100,000,000 for democracy building activities in Iraq. The managers endorse Senate report language on the use of these funds, and believe that elections are essential to restoring Iraqi sovereignty. The conferees expect the Committees on Appropriations to be consulted on the use of democracy building and governance funds in Iraq. The conference report also includes bill language providing \$10,000,000 for the United States Institute for Peace for activities to support peace enforcement, peacekeeping and post-conflict peacebuilding.

The managers include \$70,000,000 for education \$10,000,000 to support women's programs, and endorse Senate report language recommending \$20,000,000 for media outreach activities in Iraq.

Finally, the managers have provided for the transfer of \$210,000,000 to support other high priority foreign assistance programs, including \$100,000,000 for Jordan, \$100,000,000 for Liberia, and \$10,000,000 for Sudan.

OPERATING EXPENSES OF THE COALITION PROVISIONAL AUTHORITY

The conference report recommends \$983,000,000 for "Operating Expenses of the Coalition Provisional Authority" under this new heading as proposed by the House, instead of providing for administrative costs of the Coalition Provisional Authority (CPA) in Iraq within the total amount under the heading "Operation and

Maintenance, Army” as requested in the supplemental request and included in the Senate bill. The conference agreement provides an amount that is \$125,000,000 above the House bill, reflecting \$75,000,000 for the expenses of a new CPA Inspector General and office as provided in Title III of this Act, and \$50,000,000 for reporting and monitoring requirements and other supporting costs. The conferees have included language to ensure that the Department of Defense is able to continue to furnish assistance and services and any other support to the CPA.

The CPA currently oversees the reconstruction of Iraq, especially the non-military programs described in the Iraq Relief and Reconstruction Fund section of this report, from building waste water treatment systems to renovating health care centers to training law enforcement officials to providing computer training for Iraqi youth.

The conference report acknowledges CPA’s leadership and role. The managers expect to be kept updated on the progress of reconstruction efforts, roles and missions of supporting agencies, and implementation of programs funded by this Act.

The managers note that transparency is crucial for ensuring efficient, accountable reconstruction activities in Iraq. Therefore, this recommendation provides for the first time a direct operating appropriation for the CPA, and, under the Iraq Relief and Reconstruction Fund, the organization is given the authority to receive direct apportionment of program/project funds. The conferees expect that the Office of Management and Budget will transmit to the Committees on Appropriations by January 5, 2004, a budget justification for this new Operating Expenses account, including information required by OMB Circular A-11, such as standard financial information, program and financing and object classification schedules, and personnel summary data.

The conference report does not alter the reporting relationship of the Administrator of the CPA to the President through the Secretary of Defense. However, it does further transparency by clarifying the operational cost of United States reconstruction efforts in Iraq as part of United States foreign assistance, and the scope of the non-military reconstruction efforts.

Since the CPA is less than a year old and it is possible that the organization could require additional operational resources during this year, the managers also have included bill language in the Iraq Relief and Reconstruction Fund that provides authority, if needed, to transfer up to 1 percent for CPA’s operating expenses.

ECONOMIC SUPPORT FUND

The conference report recommends \$872,000,000 for the “Economic Support Fund” as proposed by the House, instead of \$422,000,000, as proposed by the Senate, primarily for reconstruction in Afghanistan. These funds would remain available for obligation until December 31, 2004.

The recommendation reserves \$672,000,000 for accelerated assistance for Afghanistan. The managers note the increasing terrorist activity against the Government of Afghanistan, international Coalition forces, and private non-governmental organizations providing relief and reconstruction assistance within Afghani-

stan, and concludes that the pace of reconstruction, as well as that of security assistance provided elsewhere in this chapter, must respond to the tenuous security conditions, especially in the southern and eastern provinces of Afghanistan.

The conferees recognize that further expansion of the mandate of the International Security Assistance Force (ISAF) can help improve the security environment in Afghanistan, and strongly encourage the Administration to support such expansion of ISAF.

The conferees fully support most of the urgent programs included in the budget justification for Afghanistan civil reconstruction, including roads, education, health, power generation/private sector development, and provincial reconstruction teams. The conference agreement provides \$60,000,000 for Afghan women and girls to ensure that programs, projects and activities funded in this Act include the participation of women and advance the social, economic, and political rights and opportunities of women in Afghanistan.

The State Department Coordinator of Assistance to Afghanistan and the Administrator of USAID are requested to provide the Committees not later than December 15, 2003, a fiscal year 2004 strategic and financial plan, including projected quarterly obligations by sector and major project (in excess of \$250,000), for all reconstruction and related activities in Afghanistan undertaken with funds provided by prior Acts, this Act and the Foreign Operations, Export Financing and Related Programs Appropriations Act, 2004.

The conference report recommends \$181,000,000 for major and provincial roads, an endeavor that is critical to both economic development and security in Afghanistan. The conferees commend those engaged in the challenging project to reconstruct and pave the major Kabul-Kandahar road by the end of 2003, recognize the dire security threat from neo-Taliban forces along its route, and urge United States Armed Forces in Afghanistan to increase surveillance of the construction areas and support for the private and Afghan national police security forces protecting the Kandahar road. The additional funding will sustain the momentum of the Kabul-Kandahar project, by financing secondary and tertiary road development, primarily in the previously neglected southern and central regions.

The conference report provides an additional \$95,000,000 for schools and education in Afghanistan, \$55,000,000 above the request, and \$95,000,000 for private sector development and power generation, \$50,000,000 above the request. The funds are expected to support market centers-industrial parks, land titling, natural resources assessment and power generation projects. The conference agreement does not include \$10,000,000 for a venture capital fund. The conference agreement provides \$65,000,000 to repair, rehabilitate and procure electric generation and distribution infrastructure in Afghanistan. In addition to the power requirements of Kabul already requested, the conference report has provided additional funds to rehabilitate and increase power generation from the Kajaki Dam facility that is essential to successful reconstruction in the politically sensitive Kandahar and Helmand provinces.

The conference report recommends an additional \$70,000,000 for support to the Government of Afghanistan (GoA). Of the rec-

ommended \$70,000,000, not less than \$25,000,000 will meet key GoA infrastructure needs, especially telecommunications between Kabul and the provinces. The Ministry of Finance will use not less than \$10,000,000 to improve customs collections at Afghanistan's 11 official border posts and remitting of customs to the ministry on a timely basis. An indeterminate amount will be needed to augment other donor contributions to an international trust fund to pay government salaries until economic growth increases government revenue sufficiently to meet salary costs.

The conference report recommends \$69,000,000 for elections and improved governance in Afghanistan, \$12,000,000 above the request. In governance, the conference report recommends that activities be undertaken to promote private investment and trade capacity building. The managers also support Senate report language recommending \$15,000,000 for media outreach activities in Afghanistan.

The conferees note that women in Afghanistan continue to struggle to achieve basic rights, which they were denied under the Taliban. Women were severely affected by their inability during those times to participate in local and national governance. The conferees have agreed to provide \$60,000,000 for technical and vocational education, programs for women and girls against sexual abuse and trafficking, shelters for women and girls, humanitarian assistance for widows, support of women-led NGOs, programs to disseminate information about the rights of women, and to provide women's rights training to military, police and legal personnel. Significant funding above the Administration's request has been added for Afghanistan to accelerate reconstruction efforts. Funds have been made available for these specific purposes to ensure that programs that address these critical needs are adequately funded.

Where possible, such programs should be implemented by local civil society groups, and especially local women's groups. The managers expect USAID to provide technical and other assistance to strengthen the capacity of these groups and to support their activities. The conferees are concerned that without greater attention to the specific challenges facing women and girls in Afghanistan, the country's prospects for broad-based economic growth and democratic development will be sharply reduced.

The managers have included bill language requiring that obligation of funds made available by this Act or by prior appropriations Acts for senior advisors to the Chief of Mission in Kabul be subject to notification. This provision does not apply to U.S. officials required to design and manage a massive Afghanistan assistance program, the actual number of which is presently insufficient due to a shortage of housing and office space. Ample funds are provided in this Act to construct an interim facility to accommodate additional assistance and security personnel in Kabul. The managers urge the Departments of State and Defense and USAID to immediately accelerate efforts to provide adequate office and housing space required for the effective management and oversight of activities funded in this Act, and keep the Committees fully informed of progress toward deploying an adequately staffed mission in Kabul.

The conference agreement provides \$50,000,000, as requested, for projects directly involving requirements identified by provincial reconstruction teams (PRTs) in eight to twelve provinces. In addition, \$8,000,000 is provided for dedicated air service, armored vehicles, and other security enhancements for the civilians deployed to the PRTs and other assistance managers in Afghanistan.

The conferees support an additional \$49,000,000 for health services in Afghanistan. If a permissive security situation is extended throughout all of Afghanistan during 2004, the additional health and road funds will accelerate achievement of the objective of bringing all Afghans within 4 hours' travel of a health clinic.

The managers expect not less than \$10,000,000 in ESF assistance to be made available through appropriate humanitarian organizations for additional food, clothing, heating and cooking fuel, emergency shelter materials, and other basic necessities for displaced Afghans in and around Kabul.

The conference agreement recommends an initial \$30,000,000 for disarmament, demobilization and reintegration (DDR) projects, \$30,000,000 below the request. The managers note that Japan has already provided full funding for the initial pilot projects in Northern Afghanistan that will help determine the feasibility of DDR projects prior to the training and deployment of a multi-ethnic Afghan National Army that is firmly under civilian Afghan control. The managers believe that Japan and other donors will make additional contributions to DDR projects if the pilot effort is a success and is replicable in other regions.

The managers also recommend that \$23,000,000, not included in the request, be provided for water projects in Afghanistan. Because of the essential role of irrigation in agriculture, and the lack of potable water in many urban areas and small towns, the managers request USAID to report not later than January 15, 2004 on the feasibility of expanding rural and urban water projects in Afghanistan.

The managers take note of the outstanding jobs that the men and women of USAID, the Departments of Defense and State and other federal agencies supporting the Embassy in Kabul and Afghanistan's reconstruction have accomplished under the most difficult of circumstances.

As the cooperation of the Government of Pakistan is vital to United States and Coalition efforts to build a stable Afghanistan, the conference agreement includes language proposed by the President to allow up to \$200,000,000 from "Economic Support Fund" to be made available for the subsidy cost of modifying direct loans and guarantees previously issued for Pakistan. The conference report includes the \$200,000,000, subject to a determination by the President that the Government of Pakistan is cooperating with the United States in the global war on terrorism.

The conference agreement also provides for the transfer to the Economic Support Fund from the Iraq Relief and Reconstruction Fund of \$100,000,000 for assistance for Jordan.