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E.O. 12065: N/A
 TAGS: ECIN
 SUBJECT: CBI CONGRESSIONAL UPDATE

THE SENATE FOREIGN RELATIONS COMMITTEE HELD MARKUP ON THE CBI SUPPLEMENTAL MAY 18. AFTER A LONG AND DIFFICULT SESSION, THE COMMITTEE PASSED AN AMENDMENT SUBMITTED BY SENATOR DODD AT THE LAST MINUTE THAT WOULD EARMARK \$332.5 MILLION OF THE \$350 MILLION DOLLAR SUPPLEMENTAL FOR A WORLD BANK-ADMINISTERED TRUST FUND. THE BALANCE OF \$17.5 MILLION WOULD BE MADE AVAILABLE FOR SCHOLARSHIPS AND PRIVATE VOLUNTARY ORGANIZATIONS FOR USE IN REGIONAL DEVELOPMENT ASSISTANCE. THE COMMITTEE WILL SHORTLY REPORT OUT THE BILL WITH THE IBRD TRUST FUND FEATURE. A NUMBER OF KEY SENATORS HAVE REALIZED THE INAPPROPRIATENESS OF PUTTING THE FUNDS THROUGH THE WORLD BANK WHERE THEY WOULD NOT BE AVAILABLE TO ALLEVIATE THE LIQUIDITY CRISES FOR WELL OVER A YEAR. THEREFORE SENATOR PERCY WILL PRESENT AN AMENDMENT ON THE FLOOR THAT WOULD MAKE THE TRUST FUND DISCRETIONARY.

IT APPEARS THAT THE PERCY AMENDMENT WILL PASS.

2. THE ONLY OTHER CBI CONGRESSIONAL ACTIVITIES LAST WEEK WERE HEARINGS BY THE LONG SUBCOMMITTEE OF HOUSE APPROPRIATIONS. REP. LONG HELD TWO HEARINGS; ONE ON EL SALVADOR, AND ONE ON THE CBI AS A WHOLE. THE SESSION ON EL SALVADOR WENT RELATIVELY SMOOTHLY, BUT BETWEEN IT AND THE GENERAL CBI HEARING THE FOLLOWING DAY, NEWS OF CHANGES TO THE LAND REFORM IN EL SALVADOR HIT THE US PRESS. CONGRESSMAN LONG PRESSED STRONGLY ON LAND REFORM THE SECOND DAY. WE ARE WORKING ON ALLAYING CONGRESSIONAL CONCERN ON THE EL SALVADOR LAND REFORM.

3. THE NEXT STEPS WILL BE MARKUP IN THE FULL HOUSE FOREIGN AFFAIRS COMMITTEE NEXT WEEK OR THE WEEK AFTER AND, FOLLOWING THAT, MARKUP IN THE LONG SUBCOMMITTEE. HAIG
 END OF MESSAGE

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