

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 5105
OFFERED BY MR. ROYCE OF CALIFORNIA**

In section 103(f)(2), insert “section” before “401”.

Amend paragraph (1) of section 201(g) to read as follows:

1 (1) IN GENERAL.—The Corporation may, fol-
2 lowing consultation with the Secretary of State, the
3 Administrator of the United States Agency for
4 International Development, and the heads of other
5 relevant departments or agencies, establish and op-
6 erate enterprise funds in accordance with this sub-
7 section.

At the end of section 201, add the following new subsection:

8 (h) SUPERVISION OF SUPPORT.—Support provided
9 under this title shall be subject to section 622(c) of the
10 Foreign Assistance Act of 1961 (22 U.S.C. 2382(c)).

Amend paragraph (3) of section 202(b) to read as follows:

1 (3) The Corporation shall, with respect to pro-
2 viding any loan guaranty to a project, require the
3 parties to the project to bear the risk of loss in an
4 amount equal to at least 20 percent of the guaran-
5 teed support by the Corporation in the project.

In section 501(e)(1), insert “at least 60 days” be-
fore “before”.

At the end of section 501, add the following:

6 (f) PREFERENCE FOR PROVISION OF SUPPORT IN
7 COUNTRIES EMBRACING PRIVATE ENTERPRISE.—

8 (1) IN GENERAL.—The Corporation should give
9 preferential consideration to projects for which sup-
10 port under title II may potentially be provided in
11 countries the governments of which are making con-
12 tinual progress toward economic policies that pro-
13 mote the development of private enterprise, both do-
14 mestic and foreign, and maintaining the conditions
15 that enable private enterprise to make its full con-
16 tribution to the development of such countries, in-
17 cluding—

- 18 (A) market-based economies;
19 (B) protecting private property rights;
20 (C) respect for the rule of law; and

1 (D) systems to combat corruption and
2 bribery.

3 (2) SOURCES OF INFORMATION.—The Corpora-
4 tion should rely on both third-party indicators and
5 United States Government information, such as the
6 Department of State’s Investment Climate State-
7 ments, the Department of Commerce’s Country
8 Commercial Guides, or the Millennium Challenge
9 Corporation’s Constraints Analysis, to assess wheth-
10 er countries meet the conditions described in para-
11 graph (1).

