

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—114th Cong., 2d Sess.

S. 1882

To support the sustainable recovery and rebuilding of Nepal following the recent, devastating earthquakes near Kathmandu.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mr. CARDIN

Viz:

1 Strike all after the enacting clause and insert the fol-

2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Nepal Recovery Act”.

5 **SEC. 2. DEFINITIONS.**

6 In this Act:

7 (1) ADMINISTRATOR.—The term “Adminis-
8 trator” means the Administrator of the United
9 States Agency for International Development.

1 (2) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

4 (A) the Committee on Foreign Relations of
5 the Senate;

6 (B) the Committee on Appropriations of
7 the Senate;

8 (C) the Committee on Foreign Affairs of
9 the House of Representatives; and

10 (D) the Committee on Appropriations of
11 the House of Representatives.

12 (3) INTERNATIONAL FINANCIAL INSTITU-
13 TION.—The term “international financial institu-
14 tion” means—

15 (A) each of the institutions listed in sec-
16 tion 1701(c)(2) of the International Financial
17 Institutions Act (22 U.S.C. 262r(c)(2)); and

18 (B) the International Development Fund
19 for Agricultural Development.

20 **SEC. 3. FINDINGS.**

21 Congress makes the following findings:

22 (1) On April 25, 2015, an earthquake meas-
23 uring 7.8 on the Richter scale and a subsequent
24 earthquake on May 12 measuring 7.3 on the Richter
25 scale and numerous aftershocks—

1 (A) devastated Kathmandu, Nepal and the
2 surrounding areas;

3 (B) killed more than 8,700 people;

4 (C) injured hundreds of thousands addi-
5 tional people;

6 (D) destroyed or damaged more than
7 770,000 homes, leaving the families who had
8 been living in those homes without shelter;

9 (E) damaged or destroyed more than
10 47,000 classrooms;

11 (F) damaged or destroyed over 1,000
12 health facilities including primary health care
13 centers and birthing centers;

14 (G) left many people with newly acquired
15 disabilities, including lost limbs and other phys-
16 ical and mental trauma;

17 (H) severely impacted livelihoods and food
18 security for millions of people, including the de-
19 struction of stockpiled grains and the loss of
20 more than 17,000 cattle and 40,000 smaller do-
21 mesticated animals; and

22 (I) disrupted social structures and families
23 through death, injury, and relocation.

1 (2) The earthquake devastated Nepal's infra-
2 structure, including homes, offices, factories, roads,
3 bridges, communications, and other facilities.

4 (3) American citizens were also killed in the
5 widespread destruction caused by the earthquake.

6 (4) Six American service members and 2 mem-
7 bers of the Nepalese Army lost their lives in a heli-
8 copter accident while working to relieve the suffering
9 of the Nepalese people following the earthquake.

10 (5) The World Bank and the Government of
11 Nepal conducted a post disaster needs assessment
12 that estimated almost \$6,700,000,000 in sector spe-
13 cific damage, losses, and recovery needs.

14 (6) In Nepal, which is one of the poorest coun-
15 tries in the world—

16 (A) an estimated 25 percent of the popu-
17 lation lives on less than \$1.25 per day;

18 (B) there is a 46 percent unemployment
19 rate, with the majority of the population en-
20 gaged in subsistence agriculture;

21 (C) only 25 percent of Nepalese participate
22 in the formal banking system, with the majority
23 of Nepalese severely lacking access to credit
24 and financial services, making accessing credit
25 for rebuilding difficult; and

1 (D) has 1 of the slowest economic growth
2 rates in the region.

3 (7) The geography of Nepal poses a significant
4 challenge to relief, reconstruction, and development
5 that requires extraordinary efforts and assets to
6 overcome.

7 (8) The United States Government, the Govern-
8 ment of Nepal, and civil society organizations have
9 invested in disaster risk reduction efforts for nearly
10 20 years. Those efforts have reduced suffering and
11 prevented greater loss of life and property.

12 (9) In recent years, the Government and people
13 of Nepal have taken important steps forward to re-
14 solve civil conflict, reconcile, and promote economic
15 growth and development.

16 (10) Nepal has qualified for the Millennium
17 Challenge Corporation Threshold Program and has
18 been selected for a Millennium Challenge Corpora-
19 tion Compact, based on its performance on key se-
20 lection criteria.

21 (11) The earthquake has significantly increased
22 the costs and uncertainty of doing business in
23 Nepal.

1 **SEC. 4. STATEMENT OF POLICY.**

2 It is the policy of the United States, in partnership
3 with the Government of Nepal and in coordination with
4 the international community—

5 (1) to support the sustainable recovery and re-
6 building of Nepal in a manner that—

7 (A) encourages greater economic growth;

8 (B) embraces the independence, resilience,
9 and democratic governance of Nepal;

10 (C) supports collaboration with the Gov-
11 ernment of Nepal and consultation with Nepa-
12 lese and international civil society and including
13 the participation of affected communities in
14 planning and implementing recovery and recon-
15 struction;

16 (D) ensures that the National Reconstruc-
17 tion Authority institutes strong internal ac-
18 counting and accountability measures;

19 (E) seeks to reach the most severely af-
20 fected communities, particularly those who live
21 in hard-to-reach areas or who are otherwise
22 marginalized;

23 (F) seeks to address the vulnerability of
24 young girls and boys who are often at much
25 higher risk of trafficking, sexual exploitation,

1 child labor, and other forms of abuse during
2 emergencies;

3 (G) prohibits the participation of the
4 United States in any construction effort, which
5 uses forced or child labor, unregistered recruit-
6 ment agencies, or pays wages through means
7 other than directly to the laborer or to their
8 bank account;

9 (H) promotes compliance with Nepalese
10 labor law and internationally recognized core
11 labor standards, as set forth in the Inter-
12 national Labor Organization Declaration on
13 Fundamental Principles and Rights at Work
14 and its' follow-up;

15 (I) harnesses the energy of youth, who
16 make up 33 percent of Nepal's population, to
17 rebuild Nepal;

18 (J) includes regulatory reforms that im-
19 prove the environment for investors;

20 (K) supports the role of women in the re-
21 construction and recovery effort;

22 (L) rebuilds in ways that foster resilience
23 to future earthquakes, landslides, and other
24 natural disasters that threaten Nepal;

1 (M) enables a rapid return to school for
2 children, including the rapid construction and
3 effective utilization of medium term temporary
4 school structures; and

5 (N) coordinates activities with the Millen-
6 nium Challenge Corporation and other agencies
7 to assure the optimal efficiency and effective-
8 ness of United States' efforts.

9 (2) to encourage all international donors to con-
10 tribute and coordinate in a transparent manner and
11 report all contributions through international mecha-
12 nisms to enable the most efficient allocation of all
13 reconstruction resources;

14 (3) to ensure that ongoing development invest-
15 ments in health, education, economic growth, food
16 security, and other areas continue, where appro-
17 priate, and are not diverted to other purposes;

18 (4) to affirm and build a long-term partnership
19 with Nepal in support of providing a foundation for
20 economic growth and sustainability through invest-
21 ments—

22 (A) in essential infrastructure, including
23 transport, financial services, and energy;

24 (B) to rebuild Nepal's competitiveness and
25 private sector in order to foster employment

1 generation, including policies to encourage in-
2 vestment and open world consumer markets to
3 Nepalese exports;

4 (C) in food security and rural and agricul-
5 tural development, particularly of food staples
6 and other crops that provide economic growth
7 and build lasting food security; and

8 (D) that recognize and address how obsta-
9 cles related to gender limit, hinder, or suppress
10 the economic productivity and gain of women;

11 (5) to ensure, with the Government of Nepal,
12 that affected children are protected from potential
13 violence, abuse, neglect, and exploitation and have
14 the ability to access child protection services, includ-
15 ing psychosocial support;

16 (6) to support, in coordination with other do-
17 nors—

18 (A) the institutional development and ca-
19 pacity building of the Government of Nepal at
20 the national, local, and community levels so
21 that the Government of Nepal can ensure basic
22 services for its population, including health
23 care, education, and other basic social services;

1 (B) contributions to a multilateral trust
2 fund that will be established to enhance the re-
3 construction and rebuilding of Nepal;

4 (C) the Government and people of Nepal to
5 lead the vision for reconstruction and rebuilding
6 of Nepal; and

7 (D) communities to fully participate in the
8 recovery and reconstruction process, by employ-
9 ing local labor, as appropriate, and consulting
10 local leaders, affected communities, and civil so-
11 ciety for their experience and vision; and

12 (7) to address the stateless populations in
13 Nepal, including Tibetan communities, who—

14 (A) are least likely to receive support
15 through the regular government systems; and

16 (B) may have particularly greater or dif-
17 ferent needs.

18 **SEC. 5. TECHNICAL AND FINANCIAL ASSISTANCE.**

19 (a) IN GENERAL.—Subject to the availability of
20 funds, the President may provide technical and financial
21 assistance for programs that—

22 (1) improve Nepal’s basic infrastructure fol-
23 lowing the earthquakes in affected communities;

24 (2) support economic growth, including through
25 agriculture and small-scale enterprise opportunities;

1 (3) promote health and basic education pro-
2 grams; and

3 (4) support democracy programs that promote
4 political reforms, as appropriate, including strength-
5 ening democratic institutions and rule of law.

6 (b) FAST-TRACK OF INVESTMENT FEASIBILITY AND
7 ASSESSMENT STUDIES.—The Director of the United
8 States Trade and Development Agency may proactively
9 explore and provide accelerated response in Nepal for—

10 (1) project identification and investment anal-
11 yses;

12 (2) trade capacity building and sector develop-
13 ment activities, including technical assistance and
14 feasibility studies that support investments in infra-
15 structure that contribute to overseas development;
16 and

17 (3) trade capacity building and sector develop-
18 ment assistance supporting the establishment of in-
19 dustry standards, rules, regulations, market liberal-
20 ization, and other policy reform, with a particular
21 focus on engineering and construction.

22 **SEC. 6. REPORTS.**

23 (a) REPORT ON IMPACT OF DISASTER RISK REDUC-
24 TION EFFORTS.—Not later than 1 year after the date of
25 the enactment of this Act, the Administrator shall submit

1 a report to the appropriate congressional committees
2 that—

3 (1) assesses the effectiveness of United States
4 investments in Nepal in disaster risk reduction and
5 earthquake resilience during the 20-year period end-
6 ing on the date of the enactment of this Act; and

7 (2) includes a set of recommendations for how
8 the efficiency and effectiveness of disaster risk and
9 recovery programs can be improved in Nepal and
10 other countries with substantial disaster risk and re-
11 covery programming.

12 (b) REPORT ON HUMANITARIAN RELIEF EFFORTS.—

13 Not later than 1 year after the date of the enactment of
14 this Act, the Administrator, in consultation with the Sec-
15 retary of Defense, shall submit a report to the appropriate
16 congressional committees that—

17 (1) describes the cost, effectiveness, timeliness,
18 and impact of the international humanitarian and
19 reconstruction assistance provided to Nepal; and

20 (2) includes an assessment of the efforts of the
21 United States to prevent corruption during the hu-
22 manitarian response and reconstruction work.

23 (c) REPORT ON IMPEDIMENTS TO NEPAL'S RECOV-

24 ERY.—Not later than 90 days after the date of the enact-
25 ment of this Act, the Secretary of State, in coordination

1 with the Administrator of the United States Agency for
2 International Development and the heads of other appro-
3 priate departments and agencies, shall submit a report to
4 the appropriate congressional committees that includes—

5 (1) a description of the impediments to Nepal’s
6 recovery efforts, including the flow of goods and
7 services to and from Nepal;

8 (2) a strategy to address and mitigate political,
9 diplomatic, and economic challenges to reconstruc-
10 tion efforts, including ensuring the efficient use, and
11 timely distribution, of United States Government as-
12 sistance;

13 (3) an assessment of the impact of any impedi-
14 ments to energy resources, tourism, medical care,
15 educational institutions, and the housing sector;

16 (4) an assessment of the effects of these im-
17 pediments to ongoing United States Government as-
18 sistance programs throughout Nepal, including those
19 not directly related to earthquake recovery activities;
20 and

21 (5) a detailed summary of any United States
22 Government bilateral and multilateral efforts to en-
23 list bilateral or multilateral support to mitigate polit-
24 ical, diplomatic, and economic challenges to Nepal’s
25 recovery.

1 (d) QUARTERLY UPDATES.—The Secretary of State,
2 in coordination with the Administrator of the United
3 States Agency for International Development and the
4 heads of any other appropriate departments and agencies,
5 shall provide quarterly updates to the appropriate congress-
6 sional committees on the efforts of the United States Gov-
7 ernment to ensure the efficient and effective distribution
8 of United States assistance to contribute to Nepal’s recov-
9 ery and to carry out the objectives of this Act.

10 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

11 (a) IN GENERAL.—There are authorized to be appro-
12 priated, either as part of the regular appropriation process
13 or as part of supplementary appropriations, to carry out
14 the policies and objectives set forth in this Act,
15 \$90,000,000 for each of fiscal years 2017 and 2018.

16 (b) TRANSFERS.—Amounts appropriated for each fis-
17 cal year pursuant to subsection (a)—

18 (1) may be contributed by the Administrator
19 and the Secretary of the Treasury to a multi-donor
20 trust fund for reconstruction and recovery expenses
21 related to Nepal following the earthquake of April
22 25, 2015, subject to the regular notification proce-
23 dures of the appropriate congressional committees;
24 and

1 (2) may be transferred to the “Development
2 Credit Authority” account of the United States
3 Agency for International Development for the cost of
4 direct loans and loan guarantees.

5 (c) AVAILABILITY OF FUNDS.—Amounts appro-
6 priated for each fiscal year pursuant to subsection (a)
7 shall remain available until expended.