

106TH CONGRESS
2D SESSION

S. 3254

To provide assistance to East Timor to facilitate the transition of East Timor to an independent nation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 27 (legislative day, SEPTEMBER 22), 2000

Mr. KENNEDY introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To provide assistance to East Timor to facilitate the transition of East Timor to an independent nation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “East Timor Transition
5 to Independence Act of 2000”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) On August 30, 1999, the East Timorese
9 people voted overwhelmingly in favor of independ-
10 ence from Indonesia. Anti-independence militias,

1 with the support of the Indonesian military, at-
2 tempted to prevent then retaliated against this vote
3 by launching a campaign of terror and violence, dis-
4 placing 500,000 people and murdering hundreds.

5 (2) The violent campaign devastated East
6 Timor's infrastructure, destroyed or severely dam-
7 aged 60 to 80 percent of public and private prop-
8 erty, and resulted in the collapse of virtually all
9 vestiges of government, public services and public se-
10 curity.

11 (3) The Australian-led International Force for
12 East Timor (INTERFET) entered East Timor in
13 September 1999 and successfully restored order. On
14 October 25, 1999, the United Nations Transitional
15 Administration for East Timor (UNTAET) began
16 providing overall administration of East Timor,
17 guide the people of East Timor in the establishment
18 of a new democratic government, and maintain secu-
19 rity and order.

20 (4) UNTAET and the East Timorese leader-
21 ship currently anticipate that East Timor will be-
22 come an independent nation as early as late 2001.

23 (5) East Timor is one of the poorest places in
24 Asia. A large percentage of the population live below
25 the poverty line, only 20 percent of East Timor's

1 population is literate, most of East Timor's people
2 remain unemployed, the annual per capita Gross Na-
3 tional Product is \$340, and life expectancy is only
4 56 years.

5 (6) The World Bank and the United Nations
6 have estimated that it will require \$300,000,000 in
7 development assistance over the next three years to
8 meet East Timor's basic development needs.

9 **SEC. 3. SENSE OF CONGRESS RELATING TO SUPPORT FOR**
10 **EAST TIMOR.**

11 It is the sense of Congress that the United States
12 should—

13 (1) facilitate East Timor's transition to inde-
14 pendence, support formation of broad-based democ-
15 racy in East Timor, help lay the groundwork for
16 East Timor's economic recovery, and strengthen
17 East Timor's security;

18 (2) begin to lay the groundwork, prior to East
19 Timor's independence, for an equitable bilateral
20 trade and investment relationship;

21 (3)(A) officially open a diplomatic mission to
22 East Timor as soon as possible;

23 (B) recognize East Timor, and establish diplo-
24 matic relations with East Timor, upon its independ-
25 ence; and

1 (C) ensure that a fully functioning, fully
2 staffed, adequately resourced, and securely main-
3 tained United States diplomatic mission is accred-
4 ited to East Timor upon its independence;

5 (4) support efforts by the United Nations and
6 East Timor to ensure justice and accountability re-
7 lated to past atrocities in East Timor through—

8 (A) United Nations investigations;

9 (B) development of East Timor's judicial
10 system, including appropriate technical assist-
11 ance to East Timor from the Department of
12 Justice, the Federal Bureau of Investigation,
13 and the Drug Enforcement Administration; and

14 (C) the possible establishment of an inter-
15 national tribunal for East Timor; and

16 (5) support observer status for an official dele-
17 gation from East Timor to observe and participate,
18 as appropriate, in all deliberations of the Asia Pa-
19 cific Economic Co-operation (APEC) group.

20 **SEC. 4. BILATERAL ASSISTANCE.**

21 (a) **AUTHORITY.**—The President, acting through the
22 Administrator of the United States Agency for Inter-
23 national Development, is authorized to—

1 (1) support the development of civil society, in-
2 cluding nongovernmental organizations in East
3 Timor;

4 (2) promote the development of an independent
5 news media;

6 (3) support job creation and economic develop-
7 ment in East Timor, including support for micro-
8 enterprise programs and technical education, as well
9 as environmental protection and education pro-
10 grams;

11 (4) promote reconciliation, conflict resolution,
12 and prevention of further conflict with respect to
13 East Timor, including establishing accountability for
14 past gross human rights violations;

15 (5) support the voluntary and safe repatriation
16 and reintegration of refugees into East Timor; and

17 (6) support political party development, voter
18 education, voter registration and other activities in
19 support of free and fair elections in East Timor.

20 (b) AUTHORIZATION OF APPROPRIATIONS.—

21 (1) IN GENERAL.—There are authorized to be
22 appropriated to carry out this section \$25,000,000
23 for each of the fiscal years 2001, 2002, and 2003.

24 (2) AVAILABILITY.—Amounts appropriated pur-
25 suant to the authorization of appropriations under

1 paragraph (1) are authorized to remain available
2 until expended.

3 **SEC. 5. MULTILATERAL ASSISTANCE.**

4 The President shall instruct the United States execu-
5 tive director at each international financial institution to
6 which the United States is a member to use the voice,
7 vote, and influence of the United States to support eco-
8 nomic and democratic development in East Timor.

9 **SEC. 6. PEACE CORPS ASSISTANCE.**

10 (a) **AUTHORITY.**—The Director of the Peace Corps
11 is authorized to—

12 (1) provide English language and other tech-
13 nical training for individuals in East Timor as well
14 as other activities which promote education, eco-
15 nomic development, and economic self-sufficiency;
16 and

17 (2) quickly address immediate assistance needs
18 in East Timor using the Peace Corps Crisis Corps,
19 to the extent practicable.

20 (b) **AUTHORIZATION OF APPROPRIATIONS.**—

21 (1) **IN GENERAL.**—There are authorized to be
22 appropriated \$2,000,000 for each of the fiscal years
23 2001, 2002, and 2003 to carry out such subsection.

24 (2) **AVAILABILITY.**—Amounts appropriated pur-
25 suant to the authorization of appropriations under

1 paragraph (1) are authorized to remain available
2 until expended.

3 **SEC. 7. TRADE AND INVESTMENT ASSISTANCE.**

4 (a) OPIC.—Beginning on the date of the enactment
5 of this Act, the President should initiate negotiations with
6 the United Nations Transitional Administration for East
7 Timor (UNTAET), the National Council of East Timor,
8 and the government of East Timor (after independence
9 for East Timor)—

10 (1) to apply to East Timor the existing agree-
11 ment between the Overseas Private Investment Cor-
12 poration and Indonesia; or

13 (2) to enter into a new agreement authorizing
14 the Overseas Private Investment Corporation to
15 carry out programs with respect to East Timor,
16 in order to expand United States investment in East
17 Timor.

18 (b) TRADE AND DEVELOPMENT AGENCY.—

19 (1) IN GENERAL.—The Director of the Trade
20 and Development Agency is authorized to carry out
21 projects in East Timor under section 661 of the
22 Foreign Assistance Act of 1961 (22 U.S.C. 2421).

23 (2) AUTHORIZATION OF APPROPRIATIONS.—

24 (A) IN GENERAL.—There are authorized to
25 be appropriated to carry out this subsection

1 \$1,000,000 for each of the fiscal years 2001,
2 2002, and 2003.

3 (B) AVAILABILITY.—Amounts appro-
4 priated pursuant to the authorization of appro-
5 priations under subparagraph (A) are author-
6 ized to remain available until expended.

7 (c) EXPORT-IMPORT BANK.—The Export-Import
8 Bank of the United States shall expand its activities in
9 connection with exports to East Timor.

10 **SEC. 8. GENERALIZED SYSTEM OF PREFERENCES.**

11 (a) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that the President should encourage the United Na-
13 tions Transitional Administration for East Timor
14 (UNTAET), in close consultation with the National Coun-
15 cil of East Timor, to seek to become eligible for duty-free
16 treatment under title V of the Trade Act of 1974 (19
17 U.S.C. 2461 et seq.; relating to generalized system of pref-
18 erences).

19 (b) TECHNICAL ASSISTANCE.—The United States
20 Trade Representative and the Commissioner of the United
21 States Customs Service are authorized to provide technical
22 assistance to UNTAET, the National Council of East
23 Timor, and the government of East Timor (after inde-
24 pendence for East Timor) in order to assist East Timor

1 to become eligible for duty-free treatment under title V
2 of the Trade Act of 1974.

3 **SEC. 9. BILATERAL INVESTMENT TREATY.**

4 It is the sense of Congress that the President should
5 seek to enter into a bilateral investment treaty with the
6 United Nations Transitional Administration for East
7 Timor (UNTAET), in close consultation with the National
8 Council of East Timor, in order to establish a more stable
9 legal framework for United States investment in East
10 Timor.

11 **SEC. 10. SCHOLARSHIPS FOR EAST TIMORESE STUDENTS.**

12 (a) AUTHORITY.—The Secretary of State—

13 (1) is authorized to carry out an East Timorese
14 scholarship program under the authorities of the
15 United States Information and Educational Ex-
16 change Act of 1948, the Mutual Educational and
17 Cultural Exchange Act of 1961, Reorganization Plan
18 Number 2 of 1977, and the National Endowment
19 for Democracy Act; and

20 (2) shall make every effort to identify and pro-
21 vide scholarships and other support to East Timor-
22 ese students interested in pursuing undergraduate
23 and graduate studies at institutions of higher edu-
24 cation in the United States.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Department of
3 State, \$1,000,000 for the fiscal year 2002 and \$1,000,000
4 for the fiscal year 2003 to carry out subsection (a).

5 **SEC. 11. PLAN FOR ESTABLISHMENT OF DIPLOMATIC FA-**
6 **CILITIES IN EAST TIMOR.**

7 (a) DEVELOPMENT OF DETAILED PLAN.—The Sec-
8 retary of State shall develop a detailed plan for the official
9 establishment of a United States diplomatic mission to
10 East Timor, with a view to—

11 (1) officially open a fully functioning, fully
12 staffed, adequately resourced, and securely main-
13 tained diplomatic mission in East Timor as soon as
14 possible;

15 (2) recognize East Timor, and establish diplo-
16 matic relations with East Timor, upon its independ-
17 ence; and

18 (3) ensure that a fully functioning, fully staffed,
19 adequately resourced, and securely maintained diplo-
20 matic mission is accredited to East Timor upon its
21 independence.

22 (b) REPORTS.—

23 (1) INITIAL REPORT.—Not later than three
24 months after the date of the enactment of this Act,
25 the Secretary of State shall submit to the Committee

1 on International Relations of the House of Rep-
2 resentatives and the Committee on Foreign Rela-
3 tions of the Senate a report that contains the de-
4 tailed plan described in subsection (a), including a
5 timetable for the official opening of a facility in Dili,
6 East Timor, the personnel requirements for the mis-
7 sion, the estimated costs for establishing the facility,
8 and its security requirements.

9 (2) SUBSEQUENT REPORTS.—Beginning six
10 months after the submission of the initial report
11 under paragraph (1), and every six months there-
12 after until January 1, 2004, the Secretary of State
13 shall submit to the committees specified in that
14 paragraph a report on the status of the implementa-
15 tion of the detailed plan described in subsection (a),
16 including any revisions to the plan (including its
17 timetable, costs, or requirements) that have been
18 made during the period covered by the report.

19 (3) FORM OF REPORT.—Each report submitted
20 under this subsection may be submitted in classified
21 or unclassified form.

22 **SEC. 12. SECURITY ASSISTANCE FOR EAST TIMOR.**

23 (a) AUTHORIZATION.—Beginning on and after the
24 date on which the President transmits to the Congress a

1 certification described in subsection (b), the President is
2 authorized—

3 (1) to transfer excess defense articles under
4 section 516 of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2321j) to East Timor in accordance with
6 such section; and

7 (2) to provide military education and training
8 under chapter 5 of part II of such Act (22 U.S.C.
9 2347 et seq.) for the armed forces of East Timor in
10 accordance with such chapter.

11 (b) CERTIFICATION.—A certification described in this
12 subsection is a certification that—

13 (1) East Timor has established an independent
14 armed forces; and

15 (2) the assistance proposed to be provided pur-
16 suant to subsection (a)—

17 (A) is in the national security interests of
18 the United States; and

19 (B) will promote both human rights in
20 East Timor and the professionalization of the
21 armed forces of East Timor.

22 (c) STUDY AND REPORT.—

23 (1) STUDY.—The President shall conduct a
24 study to determine—

1 (A) the extent to which East Timor's secu-
2 rity needs can be met by the transfer of excess
3 defense articles under section 516 of the For-
4 eign Assistance Act of 1961;

5 (B) the extent to which international mili-
6 tary education and training (IMET) assistance
7 will enhance professionalism of the armed
8 forces of East Timor, provide training in
9 human rights, promote respect for human
10 rights and humanitarian law; and

11 (C) the terms and conditions under which
12 such defense articles or training, as appro-
13 priate, should be provided.

14 (2) REPORT.—Not later than 1 month after the
15 date of enactment of this Act, the President shall
16 submit a report to the Committee on Foreign Rela-
17 tions and the Committee on Appropriations of the
18 Senate and the Committee on International Rela-
19 tions and the Committee on Appropriations of the
20 House of Representatives setting forth the findings
21 of the study conducted under paragraph (1).

22 **SEC. 13. AUTHORITY FOR RADIO BROADCASTING.**

23 The Broadcasting Board of Governors shall further
24 the communication of information and ideas through the
25 increased use of audio broadcasting to East Timor to en-

1 sure that radio broadcasting to that country serves as a
2 consistently reliable and authoritative source of accurate,
3 objective, and comprehensive news.

4 **SEC. 14. REPORTING REQUIREMENT.**

5 (a) IN GENERAL.—Not later than three months after
6 the date of the enactment of this Act, and every six
7 months thereafter until January 1, 2004, the Secretary
8 of State, in coordination with the Administrator of the
9 United States Agency for International Development, the
10 Secretary of the Treasury, the United States Trade Rep-
11 resentative, the Secretary of Commerce, the Overseas Pri-
12 vate Investment Corporation, the Director of the Trade
13 and Development Agency, the President of the Export-Im-
14 port Bank of the United States, the Secretary of Agri-
15 culture, and the Director of the Peace Corps, shall prepare
16 and transmit to the Committee on International Relations
17 of the House of Representatives and the Committee on
18 Foreign Relations of the Senate a report that contains the
19 information described in subsection (b).

20 (b) INFORMATION.—The report required by sub-
21 section (a) shall include—

22 (1) developments in East Timor’s political and
23 economic situation in the period covered by the re-
24 port, including an evaluation of any elections occur-

1 ring in East Timor and the refugee reintegration
2 process in East Timor;

3 (2)(A) in the initial report, a 3-year plan for
4 United States foreign assistance to East Timor in
5 accordance with section 4, prepared by the Adminis-
6 trator of the United States Agency for International
7 Development, which outlines the goals for United
8 States foreign assistance to East Timor during the
9 3-year period; and

10 (B) in each subsequent report, a description in
11 detail of the expenditure of United States bilateral
12 foreign assistance during the period covered by each
13 such report;

14 (3) a description of the activities undertaken in
15 East Timor by the International Bank for Recon-
16 struction and Development and the Asian Develop-
17 ment Bank, and an evaluation of the effectiveness of
18 these activities;

19 (4) an assessment of—

20 (A) the status of United States trade and
21 investment relations with East Timor, including
22 a detailed analysis of any trade and investment-
23 related activity supported by the Overseas Pri-
24 vate Investment Corporation, the Export-Im-
25 port Bank of the United States, and the Trade

1 and Development Agency during the period of
2 time since the previous report; and

3 (B) the status of any negotiations with the
4 United Nations Transitional Administration for
5 East Timor (UNTAET) or East Timor to fa-
6 cilitate the operation of the United States trade
7 agencies in East Timor;

8 (5) the nature and extent of United States-East
9 Timor cultural, education, scientific, and academic
10 exchanges, both official and unofficial, and any
11 Peace Corps activities; and

12 (6) a comprehensive study and report on local
13 agriculture in East Timor, emerging opportunities
14 for producing and exporting indigenous agricultural
15 products, and recommendations for appropriate
16 technical assistance from the United States.

○