

**AMENDMENT TO H.R. 1646, AS REPORTED
OFFERED BY MR. LANTOS OF CALIFORNIA**

Page 153, after line 23, add the following:

1 **TITLE IX—EAST TIMOR TRANSI-**
2 **TION TO INDEPENDENCE ACT**
3 **OF 2001**

4 **SECTION 901. SHORT TITLE.**

5 This title may be cited as the “East Timor Transition
6 to Independence Act of 2001”.

7 **SEC. 902. FINDINGS.**

8 Congress makes the following findings:

9 (1) On August 30, 1999, the East Timorese
10 people voted overwhelmingly in favor of independ-
11 ence from Indonesia. Anti-independence militias,
12 with the support of the Indonesian military, at-
13 tempted to prevent then retaliated against this vote
14 by launching a campaign of terror and violence, dis-
15 placing 500,000 people and murdering at least
16 1,000 people.

17 (2) The violent campaign devastated East
18 Timor’s infrastructure, destroyed or severely dam-
19 aged 60 to 80 percent of public and private prop-
20 erty, and resulted in the collapse of virtually all



1 vestiges of government, public services and public se-
2 curity.

3 (3) The Australian-led International Force for
4 East Timor (INTERFET) entered East Timor in
5 September 1999 and successfully restored order. On
6 October 25, 1999, the United Nations Transitional
7 Administration for East Timor (UNTAET) began to
8 provide overall administration of East Timor, guide
9 the people of East Timor in the establishment of a
10 new democratic government, and maintain security
11 and order.

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

15 (5) East Timor is one of the poorest places in
16 Asia. A large percentage of the population live below
17 the poverty line, only 20 percent of East Timor's
18 population is literate, most of East Timor's people
19 remain unemployed, the annual per capita Gross Na-
20 tional Product is \$340, and life expectancy is only
21 56 years.

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



1 **SEC. 903. SENSE OF CONGRESS RELATING TO SUPPORT**
2 **FOR EAST TIMOR.**

3 It is the sense of Congress that the United States
4 should—

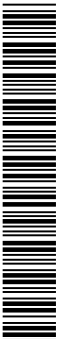
5 (1) facilitate East Timor's transition to inde-
6 pendence, support formation of broad-based democ-
7 racy in East Timor, help lay the groundwork for
8 East Timor's economic recovery, and strengthen
9 East Timor's security;

10 (2) help ensure that the nature and pace of the
11 economic transition in East Timor is consistent with
12 the needs and priorities of the East Timorese people,
13 that East Timor develops a strong and independent
14 economic infrastructure, and that the incomes of the
15 East Timorese people rise accordingly;

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

19 (4)(A) recognize East Timor, and establish dip-
20 lomatic relations with East Timor, upon its inde-
21 pendence;

22 (B) ensure that a fully functioning, fully
23 staffed, adequately resourced, and securely main-
24 tained United States diplomatic mission is accred-
25 ited to East Timor upon its independence; and



1 (C) in the period prior to East Timor's inde-
2 pendence, ensure that the United States maintains
3 an adequate diplomatic presence in East Timor, with
4 resources sufficient to promote United States polit-
5 ical, security, and economic interests with East
6 Timor;

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

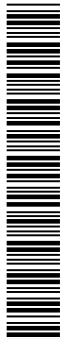
10 (A) United Nations investigations;

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

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

18 (D) sharing with the United Nations Tran-
19 sitional Administration for East Timor
20 (UNTAET) and East Timorese investigators
21 any unclassified information relevant to past
22 atrocities in East Timor gathered by the United
23 States Government; and

24 (6)(A) as an interim step, support observer sta-
25 tus for an official delegation from East Timor to ob-



1 serve and participate, as appropriate, in all delibera-
2 tions of the Asia-Pacific Economic Cooperation
3 (APEC) group, the Association of Southeast Asian
4 Nations (ASEAN), and other international institu-
5 tions; and

6 (B) after East Timor achieves independence,
7 support full membership for East Timor in these
8 and other international institutions, as appropriate.

9 **SEC. 904. BILATERAL ASSISTANCE.**

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

13 (1) support the development of civil society, in-
14 cluding nongovernmental organizations in East
15 Timor;

16 (2) promote the development of an independent
17 news media;

18 (3) support job creation, including support for
19 small business and microenterprise programs, envi-
20 ronmental protection, sustainable development, de-
21 velopment of East Timor's health care infrastruc-
22 ture, educational programs, and programs strength-
23 ening the role of women in society;

24 (4) promote reconciliation, conflict resolution,
25 and prevention of further conflict with respect to



1 East Timor, including establishing accountability for
2 past gross human rights violations;

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

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

8 (b) AUTHORIZATION OF APPROPRIATIONS.—

9 (1) IN GENERAL.—There are authorized to be
10 appropriated to the President to carry out this sec-
11 tion \$25,000,000 for fiscal year 2002.

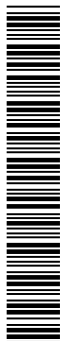
12 (2) AVAILABILITY.—Amounts appropriated pur-
13 suant to the authorization of appropriations under
14 paragraph (1) are authorized to remain available
15 until expended.

16 **SEC. 905. MULTILATERAL ASSISTANCE.**

17 The Secretary of the Treasury should instruct the
18 United States executive director at the International
19 Board for Reconstruction and Development and the Asian
20 Development Bank to use the voice, vote, and influence
21 of the United States to support economic and democratic
22 development in East Timor.

23 **SEC. 906. PEACE CORPS ASSISTANCE.**

24 The Director of the Peace Corps is authorized to—



1 (1) provide English language and other tech-
2 nical training for individuals in East Timor as well
3 as other activities which promote education, eco-
4 nomic development, and economic self-sufficiency;
5 and

6 (2) quickly address immediate assistance needs
7 in East Timor using the Peace Corps Crisis Corps,
8 to the extent practicable.

9 **SEC. 907. TRADE AND INVESTMENT ASSISTANCE.**

10 (a) OPIC.—The President should initiate negotia-
11 tions with the Government of East Timor (after independ-
12 ence for East Timor)—

13 (1) to apply to East Timor the existing agree-
14 ment between the Overseas Private Investment Cor-
15 poration and Indonesia; or

16 (2) to enter into a new agreement authorizing
17 the Overseas Private Investment Corporation to
18 carry out programs with respect to East Timor,
19 in order to expand United States investment in East
20 Timor, emphasizing partnerships with local East Timorese
21 enterprises.

22 (b) TRADE AND DEVELOPMENT AGENCY.—

23 (1) IN GENERAL.—The Director of the Trade
24 and Development Agency is authorized to carry out



1 projects in East Timor under section 661 of the
2 Foreign Assistance Act of 1961 (22 U.S.C. 2421).

3 (2) AUTHORIZATION OF APPROPRIATIONS.—

4 (A) IN GENERAL.—There are authorized to
5 be appropriated to the Trade and Development
6 Agency to carry out this subsection \$1,000,000
7 for fiscal year 2002.

8 (B) AVAILABILITY.—Amounts appro-
9 priated pursuant to the authorization of appro-
10 priations under subparagraph (A) are author-
11 ized to remain available until expended.

12 (c) EXPORT-IMPORT BANK.—The Export-Import
13 Bank of the United States should expand its activities in
14 connection with exports to East Timor to the extent such
15 activities are requested and to the extent there is a reason-
16 able assurance of repayment.

17 **SEC. 908. GENERALIZED SYSTEM OF PREFERENCES.**

18 (a) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that the President should encourage the Government
20 of East Timor (after independence for East Timor) to
21 seek to become eligible for duty-free treatment under title
22 V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.; relat-
23 ing to generalized system of preferences).

24 (b) TECHNICAL ASSISTANCE.—The United States
25 Trade Representative and the Commissioner of the United



1 States Customs Service are authorized to provide technical
2 assistance to the Government of East Timor (after inde-
3 pendence for East Timor) in order to assist East Timor
4 to become eligible for duty-free treatment under title V
5 of the Trade Act of 1974.

6 **SEC. 909. BILATERAL INVESTMENT TREATY.**

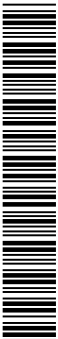
7 It is the sense of Congress that the President should
8 seek to enter into a bilateral investment treaty with the
9 Government of East Timor (after independence for East
10 Timor) in order to establish a more stable legal framework
11 for United States investment in East Timor.

12 **SEC. 910. PLAN FOR ESTABLISHMENT OF DIPLOMATIC FA-**
13 **CILITIES IN EAST TIMOR.**

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

18 (1) recognize East Timor, and establish diplo-
19 matic relations with East Timor, upon its independ-
20 ence;

21 (2) ensure that a fully functioning, fully staffed,
22 adequately resourced, and securely maintained
23 United States diplomatic mission is accredited to
24 East Timor upon its independence; and



1 (3) in the period prior to East Timor's inde-
2 pendence, ensure that the United States maintains
3 an adequate diplomatic presence in East Timor, with
4 resources sufficient to promote United States polit-
5 ical, security, and economic interests with East
6 Timor.

7 (b) REPORT.—

8 (1) IN GENERAL.—Not later than three months
9 after the date of the enactment of this Act, the Sec-
10 retary of State shall submit to the Committee on
11 International Relations of the House of Representa-
12 tives and the Committee on Foreign Relations of the
13 Senate a report that contains the detailed plan de-
14 scribed in subsection (a), including a timetable for
15 the official opening of a facility in Dili, East Timor,
16 the personnel requirements for the mission, the esti-
17 mated costs for establishing the facility, and its se-
18 curity requirements.

19 (2) FORM OF REPORT.—The report submitted
20 under this subsection shall be in unclassified form,
21 with a classified annex as necessary.

22 (c) CONSULTATION.—Beginning six months after the
23 submission of the report under subsection (b), and every
24 six months thereafter until January 1, 2004, the Secretary
25 of State shall consult with the chairmen and ranking mem-



1 bers of the committees specified in that paragraph on the
2 status of the implementation of the detailed plan described
3 in subsection (a), including any revisions to the plan (in-
4 cluding its timetable, costs, or requirements).

5 **SEC. 911. SECURITY ASSISTANCE FOR EAST TIMOR.**

6 (a) STUDY AND REPORT.—

7 (1) STUDY.—The President shall conduct a
8 study to determine—

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

13 (B) the extent to which international mili-
14 tary education and training (IMET) assistance
15 will enhance professionalism of the armed
16 forces of East Timor, provide training in
17 human rights, and promote respect for human
18 rights and humanitarian law; and

19 (C) the terms and conditions under which
20 such defense articles or training, as appro-
21 priate, should be provided.

22 (2) REPORT.—Not later than 3 months after
23 the date of enactment of this Act, the President
24 shall transmit to the Committee on Foreign Rela-
25 tions and the Committee on Appropriations of the



1 Senate and the Committee on International Rela-
2 tions and the Committee on Appropriations of the
3 House of Representatives a report that contains the
4 findings of the study conducted under paragraph
5 (1).

6 (b) AUTHORIZATION OF ASSISTANCE.—

7 (1) IN GENERAL.—Beginning on the date on
8 which Congress receives the report transmitted
9 under subsection (a), or the date on which Congress
10 receives the certification transmitted under para-
11 graph (2), whichever occurs later, the President is
12 authorized—

13 (A) to transfer excess defense articles
14 under section 516 of the Foreign Assistance
15 Act of 1961 (22 U.S.C. 2321j) to East Timor
16 in accordance with such section; and

17 (B) to provide military education and
18 training under chapter 5 of part II of such Act
19 (22 U.S.C. 2347 et seq.) for the armed forces
20 of East Timor in accordance with such chapter.

21 (2) CERTIFICATION.—A certification described
22 in this paragraph is a certification that—

23 (A) East Timor has established an inde-
24 pendent armed forces; and



1 (B) the assistance proposed to be provided
2 pursuant to paragraph (1)—

3 (i) is in the national security interests
4 of the United States; and

5 (ii) will promote both human rights in
6 East Timor and the professionalization of
7 the armed forces of East Timor.

8 **SEC. 912. AUTHORITY FOR RADIO BROADCASTING.**

9 The Broadcasting Board of Governors is authorized
10 to further the communication of information and ideas
11 through the increased use of audio broadcasting to East
12 Timor to ensure that radio broadcasting to that country
13 serves as a consistently reliable and authoritative source
14 of accurate, objective, and comprehensive news.

15 **SEC. 913. CONSULTATION REQUIREMENT.**

16 (a) IN GENERAL.—Not later than six months after
17 the date of the enactment of this Act, and every six
18 months thereafter until January 1, 2004, the Secretary
19 of State, in coordination with the Administrator of the
20 United States Agency for International Development, the
21 Secretary of the Treasury, the United States Trade Rep-
22 resentative, the Secretary of Commerce, the Overseas Pri-
23 vate Investment Corporation, the Director of the Trade
24 and Development Agency, the President of the Export-Im-
25 port Bank of the United States, the Secretary of Agri-



1 culture, and the Director of the Peace Corps, shall consult
2 with the Chairman and ranking member of the Committee
3 on International Relations of the House of Representa-
4 tives and the Committee on Foreign Relations of the Sen-
5 ate concerning the information described in subsection (b).

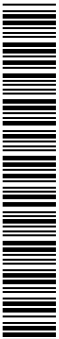
6 (b) INFORMATION.—The information described in
7 this subsection includes—

8 (1) developments in East Timor’s political and
9 economic situation in the period covered by the re-
10 port, including an evaluation of any elections occur-
11 ring in East Timor and the refugee reintegration
12 process in East Timor;

13 (2)(A) in the initial consultation, a 2-year plan
14 for United States foreign assistance to East Timor
15 in accordance with section 904, prepared by the Ad-
16 ministrator of the United States Agency for Inter-
17 national Development, which outlines the goals for
18 United States foreign assistance to East Timor dur-
19 ing the 2-year period; and

20 (B) in each subsequent consultation, a descrip-
21 tion in detail of the expenditure of United States bi-
22 lateral foreign assistance during the period covered
23 by each such consultation;

24 (3) a description of the activities undertaken in
25 East Timor by the International Bank for Recon-



1 construction and Development, the Asian Development
2 Bank, and other international financial institutions,
3 and an evaluation of the effectiveness of these activi-
4 ties;

5 (4) an assessment of—

6 (A) the status of United States trade and
7 investment relations with East Timor, including
8 a detailed analysis of any trade and investment-
9 related activity supported by the Overseas Pri-
10 vate Investment Corporation, the Export-Im-
11 port Bank of the United States, and the Trade
12 and Development Agency during the period of
13 time since the previous consultation; and

14 (B) the status of any negotiations with the
15 United Nations Transitional Administration for
16 East Timor (UNTAET) or East Timor to fa-
17 cilitate the operation of the United States trade
18 agencies in East Timor;

19 (5) the nature and extent of United States-East
20 Timor cultural, education, scientific, and academic
21 exchanges, both official and unofficial, and any
22 Peace Corps activities;

23 (6) a description of local agriculture in East
24 Timor, emerging opportunities for producing, proc-
25 essing, and exporting indigenous agricultural prod-



1 ucts, and recommendations for appropriate technical
2 assistance from the United States; and
3 (7) statistical data drawn from other sources on
4 economic growth, health, education, and distribution
5 of resources in East Timor.

