

Calendar No. 715

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> Session

**S. 1344**

[Report No. 105-394]

**A BILL**

To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

OCTOBER 9 (legislative day, OCTOBER 2), 1998

Reported with an amendment

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To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 30, 1997

Mr. BROWNBACK (for himself, Mr. SMITH of Oregon, Mr. LUGAR, Mr. HAGEL, Mr. MCCAIN, Mr. HELMS, Mr. BYRD, Mr. THOMAS, Mr. CHAFEE, Mr. KYL, and Mr. GRAMS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

OCTOBER 9 (legislative day, OCTOBER 2), 1998

Reported by Mr. HELMS, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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**A BILL**

To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Silk Road Strategy  
3 Act of 1997”.

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) The ancient Silk Road, once the economic  
7 lifeline of Central Asia and the South Caucasus, tra-  
8 versed much of the territory now within the coun-  
9 tries of Armenia, Azerbaijan, Georgia, Kazakstan,  
10 Kyrgyzstan, Tajikistan, Turkmenistan, and  
11 Uzbekistan.

12 (2) Economic interdependence spurred mutual  
13 cooperation among the peoples along the Silk Road  
14 and restoration of the historic relationships and eco-  
15 nomic ties between those peoples is an important ele-  
16 ment of ensuring their sovereignty as well as the  
17 success of democratic and market reforms.

18 (3) The development of strong political and eco-  
19 nomic ties between countries of the South Caucasus  
20 and Central Asia and the West will foster stability  
21 in the region.

22 (4) The development of open market economies  
23 and open democratic systems in the countries of the  
24 South Caucasus and Central Asia will provide posi-  
25 tive incentives for international private investment,

1 increased trade, and other forms of commercial  
2 interactions with the rest of the world.

3 (5) The Caspian Sea Basin, overlapping the  
4 territory of the countries of the South Caucasus and  
5 Central Asia, contains proven oil and gas reserves  
6 that may exceed \$4,000,000,000,000 in value.

7 (6) The region of the South Caucasus and Cen-  
8 tral Asia will produce oil and gas in sufficient quan-  
9 tities to reduce the dependence of the United States  
10 on energy from the volatile Persian Gulf region.

11 (7) United States foreign policy and inter-  
12 national assistance should be narrowly targeted to  
13 support the economic and political independence of  
14 the countries of the South Caucasus and Central  
15 Asia.

16 **SEC. 3. POLICY OF THE UNITED STATES.**

17 It shall be the policy of the United States in the coun-  
18 tries of the South Caucasus and Central Asia—

19 (1) to promote and strengthen independence,  
20 sovereignty, and democratic government;

21 (2) to assist actively in the resolution of re-  
22 gional conflicts;

23 (3) to promote friendly relations and economic  
24 cooperation;

1           (4) to help promote market-oriented principles  
2           and practices;

3           ~~(5) to assist in the development of the infra-~~  
4           ~~structure necessary for communications, transpor-~~  
5           ~~tation, and energy and trade on an East-West axis~~  
6           ~~in order to build strong international relations and~~  
7           ~~commerce between those countries and the stable,~~  
8           ~~democratic, and market-oriented countries of the~~  
9           ~~Euro-Atlantic Community; and~~

10          (6) to support United States business interests  
11          and investments in the region.

12   **SEC. 4. UNITED STATES EFFORTS TO RESOLVE CONFLICTS**  
13                           **IN GEORGIA, AZERBAIJAN, AND TAJIKISTAN.**

14          It is the sense of Congress that the President should  
15          use all diplomatic means practicable, including the engage-  
16          ment of senior United States Government officials, to  
17          press for an equitable, fair, and permanent resolution to  
18          the conflicts in Georgia and Azerbaijan and the civil war  
19          in Tajikistan.

20   **SEC. 5. AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF**  
21                           **1961.**

22          Part I of the Foreign Assistance Act of 1961 (22  
23          U.S.C. 2151 et seq.) is amended by adding at the end  
24          the following new chapter:

1 **“Chapter 12—Support for the Economic and**  
2 **Political Independence of the Countries**  
3 **of the South Caucasus and Central Asia**

4 **“SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE REC-**  
5 **ONCILIATION AND RECOVERY FROM RE-**  
6 **GIONAL CONFLICTS.**

7 **“(a) PURPOSE OF ASSISTANCE.—**The purposes of as-  
8 sistance under this section are—

9 **“(1)** to create the basis for reconciliation be-  
10 tween belligerents;

11 **“(2)** to promote economic development in areas  
12 of the countries of the South Caucasus and Central  
13 Asia impacted by civil conflict and war; and

14 **“(3)** to encourage broad regional cooperation  
15 among countries of the South Caucasus and Central  
16 Asia that have been destabilized by internal con-  
17 flicts.

18 **“(b) AUTHORIZATION FOR ASSISTANCE.—**

19 **“(1) IN GENERAL.—**To carry out the purposes  
20 of subsection (a), the President is authorized to pro-  
21 vide humanitarian assistance and economic recon-  
22 struction assistance under this Act, and assistance  
23 under the Migration and Refugee Assistance Act of  
24 1962 (22 U.S.C. 2601 et seq.), to the countries of

1 the South Caucasus and Central Asia to support the  
 2 activities described in subsection (c).

3 ~~“(2) DEFINITION OF HUMANITARIAN ASSIST-~~  
 4 ~~ANCE.—~~In this subsection, the term ‘humanitarian  
 5 assistance’ means assistance to meet urgent humani-  
 6 tarian needs, in particular meeting needs for food,  
 7 medicine, medical supplies and equipment, and  
 8 clothing.

9 ~~“(c) ACTIVITIES SUPPORTED.—~~Activities that may  
 10 be supported by assistance under subsection (b) are lim-  
 11 ited to—

12 ~~“(1) providing for the essential needs of victims~~  
 13 ~~of the conflicts;~~

14 ~~“(2) facilitating the return of refugees and in-~~  
 15 ~~ternally displaced persons to their homes; and~~

16 ~~“(3) assisting in the reconstruction of residen-~~  
 17 ~~tial and economic infrastructure destroyed by war.~~

18 ~~“(d) POLICY.—~~It is the sense of Congress that the  
 19 United States should, where appropriate, support the es-  
 20 tablishment of neutral, multinational peacekeeping forces  
 21 to implement peace agreements reached between belliger-  
 22 ents in the countries of the South Caucasus and Central  
 23 Asia.

1 ~~“SEC. 499A. ECONOMIC ASSISTANCE.~~

2       ~~“(a) PURPOSE OF ASSISTANCE.—The purpose of as-~~  
 3 ~~sistance under this section is to foster the conditions nec-~~  
 4 ~~essary for regional economic cooperation in the South~~  
 5 ~~Caucasus and Central Asia.~~

6       ~~“(b) AUTHORIZATION FOR ASSISTANCE.—To carry~~  
 7 ~~out the purpose of subsection (a), the President is author-~~  
 8 ~~ized to provide technical assistance to the countries of the~~  
 9 ~~South Caucasus and Central Asia to support the activities~~  
 10 ~~described in subsection (c).~~

11       ~~“(c) ACTIVITIES SUPPORTED.—Activities that may~~  
 12 ~~be supported by assistance under subsection (b) are lim-~~  
 13 ~~ited to the development of the structures and means nec-~~  
 14 ~~essary for the growth of private sector economies based~~  
 15 ~~upon market principles.~~

16       ~~“(d) POLICY.—It is the sense of Congress that the~~  
 17 ~~United States should—~~

18               ~~“(1) assist the countries of the South Caucasus~~  
 19               ~~and Central Asia to develop laws and regulations~~  
 20               ~~that would facilitate the ability of those countries to~~  
 21               ~~join the World Trade Organization;~~

22               ~~“(2) provide permanent nondiscriminatory trade~~  
 23               ~~treatment (MFN status) to the countries of the~~  
 24               ~~South Caucasus and Central Asia; and~~



1           ~~“(3) consider the establishment of zero-to-zero~~  
 2           ~~tariffs between the United States and the countries~~  
 3           ~~of the South Caucasus and Central Asia.~~

4   **~~“SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.~~**

5           ~~“(a) PURPOSE OF ASSISTANCE.—The purposes of as-~~  
 6           ~~sistance under this section are—~~

7           ~~“(1) to develop the physical infrastructure nec-~~  
 8           ~~essary for regional cooperation among the countries~~  
 9           ~~of the South Caucasus and Central Asia; and~~

10          ~~“(2) to encourage closer economic relations be-~~  
 11          ~~tween those countries and the United States and~~  
 12          ~~other developed nations.~~

13          ~~“(b) AUTHORIZATION FOR ASSISTANCE.—To carry~~  
 14          ~~out the purposes of subsection (a), the following types of~~  
 15          ~~assistance to the countries of the South Caucasus and~~  
 16          ~~Central Asia are authorized to support the activities de-~~  
 17          ~~scribed in subsection (c):~~

18          ~~“(1) Activities by the Export-Import Bank to~~  
 19          ~~complete the review process for eligibility for financ-~~  
 20          ~~ing under the Export-Import Bank Act of 1945.~~

21          ~~“(2) The provision of insurance, reinsurance, fi-~~  
 22          ~~nancing, or other assistance by the Overseas Private~~  
 23          ~~Investment Corporation.~~

24          ~~“(3) Assistance under section 661 of this Act~~  
 25          ~~(relating to the Trade and Development Agency).~~

1       “(c) **ACTIVITIES SUPPORTED.**—Activities that may  
 2 be supported by assistance under subsection (b) are lim-  
 3 ited to promoting actively the participation of United  
 4 States companies and investors in the planning, financing,  
 5 and construction of infrastructure for communications,  
 6 transportation, and energy and trade including highways,  
 7 railroads, port facilities, shipping, banking, insurance,  
 8 telecommunications networks, and gas and oil pipelines.

9       “(d) **POLICY.**—It is the sense of Congress that the  
 10 United States representatives at the International Bank  
 11 for Reconstruction and Development, the International Fi-  
 12 nance Corporation, and the European Bank for Recon-  
 13 struction and Development should encourage lending to  
 14 the countries of the South Caucasus and Central Asia to  
 15 assist the development of the physical infrastructure nec-  
 16 essary for regional economic cooperation.

17 **“SEC. 499C. SECURITY ASSISTANCE.**

18       “(a) **PURPOSE OF ASSISTANCE.**—The purpose of as-  
 19 sistance under this section is to assist countries of the  
 20 South Caucasus and Central Asia to secure their borders  
 21 and implement effective controls necessary to prevent the  
 22 trafficking of illegal narcotics and the proliferation of  
 23 technology and materials related to weapons of mass de-  
 24 struction (as defined in section 2332a(c)(2) of title 18,

1 United States Code); and to contain and inhibit  
 2 transnational organized criminal activities.

3 “(b) ~~AUTHORIZATION FOR ASSISTANCE.~~—To carry  
 4 out the purpose of subsection (a), the President is author-  
 5 ized to provide the following types of assistance to the  
 6 countries of the South Caucasus and Central Asia to sup-  
 7 port the activities described in subsection (c):

8 “(1) Assistance under chapter 5 of part II of  
 9 this Act (relating to international military education  
 10 and training).

11 “(2) Assistance under chapter 8 of this part of  
 12 this Act (relating to international narcotics control  
 13 assistance).

14 “(3) The transfer of excess defense articles  
 15 under section 516 of this Act (22 U.S.C. 2321j).

16 “(c) ~~ACTIVITIES SUPPORTED.~~—Activities that may  
 17 be supported by assistance under subsection (b) are lim-  
 18 ited to assisting those countries of the South Caucasus  
 19 and Central Asia in developing capabilities to maintain na-  
 20 tional border guards, coast guard, and customs controls.

21 “(d) ~~POLICY.~~—It is the sense of Congress that the  
 22 United States should encourage and assist the develop-  
 23 ment of regional military cooperation among the countries  
 24 of the South Caucasus and Central Asia through pro-  
 25 grams such as the Central Asian Battalion and the Part-

1 nership for Peace of the North Atlantic Treaty Organiza-  
2 tion.

3 **“SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE,**  
4 **AND THE DEVELOPMENT OF CIVIL SOCIETY.**

5 “(a) PURPOSE OF ASSISTANCE.—The purpose of as-  
6 sistance under this section is to promote institutions of  
7 democratic government and to create the conditions for  
8 the growth of pluralistic societies, including religious toler-  
9 ance.

10 “(b) AUTHORIZATION FOR ASSISTANCE.—To carry  
11 out the purpose of subsection (a), the President is author-  
12 ized to provide the following types of assistance to the  
13 countries of the South Caucasus and Central Asia:

14 “(1) Technical assistance for democracy build-  
15 ing.

16 “(2) Technical assistance for the development  
17 of nongovernmental organizations.

18 “(3) Technical assistance for development of  
19 independent media.

20 “(4) Technical assistance for the development  
21 of the rule of law.

22 “(5) International exchanges and advanced pro-  
23 fessional training programs in skill areas central to  
24 the development of civil society.

1       “(c) **ACTIVITIES SUPPORTED.**—Activities that may  
 2 be supported by assistance under subsection (b) are lim-  
 3 ited to activities that directly and specifically are designed  
 4 to advance progress toward the development of democracy.

5       “(d) **POLICY.**—It is the sense of Congress that the  
 6 Voice of America and RFE/RL, Incorporated, should  
 7 maintain high quality broadcasting for the maximum du-  
 8 ration possible in the native languages of the countries of  
 9 the South Caucasus and Central Asia.

10       **“SEC. 499E. INELIGIBILITY FOR ASSISTANCE.**

11       “(a) **IN GENERAL.**—Except as provided in subsection  
 12 (b), assistance may not be provided under this chapter for  
 13 a country of the South Caucasus or Central Asia if the  
 14 President determines and certifies to the appropriate con-  
 15 gressional committees that the country—

16               “(1) is engaged in a consistent pattern of gross  
 17 violations of internationally recognized human  
 18 rights;

19               “(2) has, on or after the date of enactment of  
 20 this chapter, knowingly transferred to another coun-  
 21 try—

22               “(A) missiles or missile technology incon-  
 23 sistent with the guidelines and parameters of  
 24 the Missile Technology Control Regime (as de-  
 25 fined in section 11B(c) of the Export Adminis-

1           tration Act of 1979 950 U.S.C. App. 2410b(c);  
2           or

3                 “(B) any material, equipment, or tech-  
4           nology that would contribute significantly to the  
5           ability of such country to manufacture any  
6           weapon of mass destruction (including nuclear,  
7           chemical, and biological weapons) if the Presi-  
8           dent determines that the material, equipment,  
9           or technology was to be used by such country  
10          in the manufacture of such weapons;

11          “(3) has supported acts of international terror-  
12       ism;

13          “(4) is prohibited from receiving such assist-  
14       ance by chapter 10 of the Arms Export Control Act  
15       or section 306(a)(1) and 307 of the Chemical and  
16       Biological Weapons Control and Warfare Elimini-  
17       nation Act of 1991 (22 U.S.C. 5604(a)(1), 5605); or

18          “(5) has initiated an act of aggression against  
19       another state in the region after the date of enact-  
20       ment of the Silk Road Strategy Act of 1997.

21       “(b) EXCEPTION TO INELIGIBILITY.—Notwithstand-  
22   ing subsection (a), assistance may be provided under this  
23   chapter if the President determines and certifies in ad-  
24   vance to the appropriate congressional committees that

1 the provision of such assistance is important to the na-  
 2 tional interest of the United States.

3 **“SEC. 499F. ADMINISTRATIVE AUTHORITIES.**

4       “(a) ASSISTANCE THROUGH GOVERNMENTS AND  
 5 NONGOVERNMENTAL ORGANIZATIONS.—Assistance under  
 6 this chapter may be provided to governments or through  
 7 nongovernmental organizations.

8       “(b) USE OF ECONOMIC SUPPORT FUNDS.—Except  
 9 as otherwise provided, any funds that have been allocated  
 10 under chapter 4 of part II for assistance for the independ-  
 11 ent states of the former Soviet Union may be used in ac-  
 12 cordance with the provisions of this chapter.

13       “(c) TERMS AND CONDITIONS.—Assistance under  
 14 this chapter shall be provided on such terms and condi-  
 15 tions as the President may determine.

16       “(d) SUPERSEDING EXISTING LAW.—The authority  
 17 to provide assistance under this chapter supersedes any  
 18 other provision of law, except for—

19               “(1) this chapter;

20               “(2) section 634A of this Act and comparable  
 21 notification requirements contained in sections of the  
 22 annual foreign operations, export financing, and re-  
 23 lated programs Act; and

24               “(3) section 1341 of title 31, United States  
 25 Code (commonly referred to as the “Anti-Deficiency

1 Act”), the Congressional Budget and Impoundment  
 2 Control Act of 1974, the Balanced Budget and  
 3 Emergency Deficit Control Act of 1985, and the  
 4 Budget Enforcement Act of 1990.

5 **“SEC. 499G. DEFINITIONS.**

6 “In this chapter:

7 “(1) APPROPRIATE CONGRESSIONAL COMMIT-  
 8 TEES.—The term ‘appropriate congressional com-  
 9 mittees’ means the Committee on Foreign Relations  
 10 of the Senate and the Committee on International  
 11 Relations of the House of Representatives.

12 “(2) COUNTRIES OF THE SOUTH CAUCASUS  
 13 AND CENTRAL ASIA.—The term ‘countries of the  
 14 South Caucasus and Central Asia’ means Armenia,  
 15 Azerbaijan, Georgia, Kazakstan, Kyrgystan,  
 16 Tajikistan, Turkmenistan, and Uzbekistan.”.

17 **SEC. 6. ANNUAL REPORT.**

18 Beginning one year after the date of enactment of  
 19 this Act, and annually thereafter, the President shall sub-  
 20 mit a report to the appropriate congressional commit-  
 21 tees—

22 (1) identifying the progress of United States  
 23 foreign policy to accomplish the policy identified in  
 24 section 3;



1           (2) evaluating the degree to which the assist-  
 2           ance authorized by chapter 12 of part I of the For-  
 3           eign Assistance Act of 1961, as added by section 5  
 4           of this Act, was able to accomplish the purposes  
 5           identified in those sections; and

6           (3) recommending any additional initiatives  
 7           that should be undertaken by the United States to  
 8           implement the policy and purposes contained in this  
 9           Act.

10 **SEC. 7. DEFINITIONS.**

11       In this Act:

12           (1) ~~APPROPRIATE CONGRESSIONAL COMMIT-~~  
 13           ~~TEES.~~—The term “appropriate congressional com-  
 14           mittees” means the Committee on Foreign Relations  
 15           of the Senate and the Committee on International  
 16           Relations of the House of Representatives.

17           (2) ~~COUNTRIES OF THE SOUTH CAUCASUS AND~~  
 18           ~~CENTRAL ASIA.~~—The term “countries of the South  
 19           Caucasus and Central Asia” means Armenia, Azer-  
 20           baijan, Georgia, Kazakstan, Kyrgystan, Tajikistan,  
 21           Turkmenistan, and Uzbekistan.

22 **SECTION 1. SHORT TITLE.**

23       *This Act may be cited as the “Silk Road Strategy Act*  
 24       *of 1998”.*

1 **SEC. 2. FINDINGS.**

2 *Congress makes the following findings:*

3 *(1) The ancient Silk Road, once the economic*  
4 *lifeline of Central Asia and the South Caucasus, tra-*  
5 *versed much of the territory now within the countries*  
6 *of Armenia, Azerbaijan, Georgia, Kazakstan,*  
7 *Kyrgyzstan, Tajikistan, Turkmenistan, and*  
8 *Uzbekistan.*

9 *(2) Economic interdependence spurred mutual*  
10 *cooperation among the peoples along the Silk Road*  
11 *and restoration of the historic relationships and eco-*  
12 *nomic ties between those peoples is an important ele-*  
13 *ment of ensuring their sovereignty as well as the suc-*  
14 *cess of democratic and market reforms.*

15 *(3) The development of strong political and eco-*  
16 *nomic ties among countries of the South Caucasus*  
17 *and Central Asia and the West will foster stability in*  
18 *the region.*

19 *(4) The development of open market economies*  
20 *and open democratic systems in the countries of the*  
21 *South Caucasus and Central Asia will provide posi-*  
22 *tive incentives for international private investment,*  
23 *increased trade, and other forms of commercial inter-*  
24 *actions with the rest of the world.*

25 *(5) The Caspian Sea Basin, overlapping the ter-*  
26 *ritory of the countries of the South Caucasus and*

1       *Central Asia, contains proven oil and gas reserves*  
 2       *that may exceed \$4,000,000,000,000 in value.*

3               *(6) The region of the South Caucasus and Cen-*  
 4       *tral Asia will produce oil and gas in sufficient quan-*  
 5       *tities to reduce the dependence of the United States on*  
 6       *energy from the volatile Persian Gulf region.*

7               *(7) United States foreign policy and inter-*  
 8       *national assistance should be narrowly targeted to*  
 9       *support the economic and political independence as*  
 10       *well as democracy building, free market policies,*  
 11       *human rights, and regional economic integration of*  
 12       *the countries of the South Caucasus and Central Asia.*

13   **SEC. 3. POLICY OF THE UNITED STATES.**

14       *It shall be the policy of the United States in the coun-*  
 15       *tries of the South Caucasus and Central Asia—*

16               *(1) to promote and strengthen independence, sov-*  
 17       *ereignty, democratic government, and respect for*  
 18       *human rights;*

19               *(2) to promote tolerance, pluralism, and under-*  
 20       *standing and counter racism and anti-Semitism;*

21               *(3) to assist actively in the resolution of regional*  
 22       *conflicts and to facilitate the removal of impediments*  
 23       *to cross-border commerce;*

24               *(4) to promote friendly relations and economic*  
 25       *cooperation;*

1           (5) to help promote market-oriented principles  
2           and practices;

3           (6) to assist in the development of the infrastruc-  
4           ture necessary for communications, transportation,  
5           education, health, and energy and trade on an East-  
6           West axis in order to build strong international rela-  
7           tions and commerce between those countries and the  
8           stable, democratic, and market-oriented countries of  
9           the Euro-Atlantic Community; and

10          (7) to support United States business interests  
11          and investments in the region.

12   **SEC. 4. UNITED STATES EFFORTS TO RESOLVE CONFLICTS**  
13                   **IN THE SOUTH CAUCASUS AND CENTRAL**  
14                   **ASIA.**

15          *It is the sense of Congress that the President should*  
16          *use all diplomatic means practicable, including the engage-*  
17          *ment of senior United States Government officials, to press*  
18          *for an equitable, fair, and permanent resolution to the con-*  
19          *flicts in the South Caucasus and Central Asia.*

20   **SEC. 5. AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF**  
21                   **1961.**

22          *Part I of the Foreign Assistance Act of 1961 (22 U.S.C.*  
23          *2151 et seq.) is amended by adding at the end the following*  
24          *new chapter:*

1 **“CHAPTER 12—SUPPORT FOR THE ECO-**  
 2 **NOMIC AND POLITICAL INDEPEND-**  
 3 **ENCE OF THE COUNTRIES OF THE**  
 4 **SOUTH CAUCASUS AND CENTRAL ASIA**

5 **“SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE REC-**  
 6 **ONCILIATION AND RECOVERY FROM RE-**  
 7 **GIONAL CONFLICTS.**

8 *“(a) PURPOSE OF ASSISTANCE.—The purposes of as-*  
 9 *sistance under this section include—*

10 *“(1) the creation of the basis for reconciliation*  
 11 *between belligerents;*

12 *“(2) the promotion of economic development in*  
 13 *areas of the countries of the South Caucasus and Cen-*  
 14 *tral Asia impacted by civil conflict and war; and*

15 *“(3) the encouragement of broad regional co-*  
 16 *operation among countries of the South Caucasus and*  
 17 *Central Asia that have been destabilized by internal*  
 18 *conflicts.*

19 *“(b) AUTHORIZATION FOR ASSISTANCE.—*

20 *“(1) IN GENERAL.—To carry out the purposes of*  
 21 *subsection (a), the President is authorized to provide*  
 22 *humanitarian assistance and economic reconstruction*  
 23 *assistance for the countries of the South Caucasus and*  
 24 *Central Asia to support the activities described in*  
 25 *subsection (c).*

1           “(2) *DEFINITION OF HUMANITARIAN ASSIST-*  
 2           *ANCE.—In this subsection, the term ‘humanitarian*  
 3           *assistance’ means assistance to meet humanitarian*  
 4           *needs, including needs for food, medicine, medical*  
 5           *supplies and equipment, and clothing.*

6           “(c) *ACTIVITIES SUPPORTED.—Activities that may be*  
 7           *supported by assistance under subsection (b) include—*

8                 “(1) *providing for the humanitarian needs of*  
 9                 *victims of the conflicts;*

10                “(2) *facilitating the return of refugees and inter-*  
 11                *nally displaced persons to their homes; and*

12                “(3) *assisting in the reconstruction of residential*  
 13                *and economic infrastructure destroyed by war.*

14           “(d) *POLICY.—It is the sense of Congress that the*  
 15           *United States should, where appropriate, support the estab-*  
 16           *lishment of neutral, multinational peacekeeping forces to*  
 17           *implement peace agreements reached between belligerents in*  
 18           *the countries of the South Caucasus and Central Asia.*

19   **“SEC. 499A. ECONOMIC ASSISTANCE.**

20           “(a) *PURPOSE OF ASSISTANCE.—The purpose of as-*  
 21           *sistance under this section is to foster economic growth and*  
 22           *development, including the conditions necessary for regional*  
 23           *economic cooperation, in the South Caucasus and Central*  
 24           *Asia.*

1       “(b) *AUTHORIZATION FOR ASSISTANCE.*—To carry out  
 2   the purpose of subsection (a), the President is authorized  
 3   to provide assistance for the countries of the South Caucasus  
 4   and Central Asia to support the activities described in sub-  
 5   section (c).

6       “(c) *ACTIVITIES SUPPORTED.*—In addition to the ac-  
 7   tivities described in section 498, activities supported by as-  
 8   sistance under subsection (b) should support the develop-  
 9   ment of the structures and means necessary for the growth  
 10   of private sector economies based upon market principles.

11       “(d) *POLICY.*—It is the sense of Congress that the  
 12   United States should—

13               “(1) assist the countries of the South Caucasus  
 14       and Central Asia to develop policies, laws, and regu-  
 15       lations that would facilitate the ability of those coun-  
 16       tries to join the World Trade Organization to enjoy  
 17       all the benefits of membership; and

18               “(2) consider the establishment of zero-to-zero  
 19       tariffs between the United States and the countries of  
 20       the South Caucasus and Central Asia.

21   **“SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.**

22       “(a) *PURPOSE OF PROGRAMS.*—The purposes of pro-  
 23   grams under this section include—

1           “(1) to develop the physical infrastructure nec-  
 2           essary for regional cooperation among the countries of  
 3           the South Caucasus and Central Asia; and

4           “(2) to encourage closer economic relations and  
 5           to facilitate the removal of impediments to cross-bor-  
 6           der commerce among those countries and the United  
 7           States and other developed nations.

8           “(b) *AUTHORIZATION FOR PROGRAMS.*—To carry out  
 9           the purposes of subsection (a), the following types of pro-  
 10          grams for the countries of the South Caucasus and Central  
 11          Asia may be used to support the activities described in sub-  
 12          section (c):

13           “(1) Activities by the Export-Import Bank to  
 14           complete the review process for eligibility for financ-  
 15           ing under the Export-Import Bank Act of 1945.

16           “(2) The provision of insurance, reinsurance, fi-  
 17           nancing, or other assistance by the Overseas Private  
 18           Investment Corporation.

19           “(3) Assistance under section 661 of this Act (re-  
 20           lating to the Trade and Development Agency).

21           “(c) *ACTIVITIES SUPPORTED.*—Activities that may be  
 22           supported by programs under subsection (b) include pro-  
 23           moting actively the participation of United States compa-  
 24           nies and investors in the planning, financing, and construc-  
 25           tion of infrastructure for communications, transportation,



1 *including air transportation, and energy and trade includ-*  
 2 *ing highways, railroads, port facilities, shipping, banking,*  
 3 *insurance, telecommunications networks, and gas and oil*  
 4 *pipelines.*

5       “(d) *POLICY.—It is the sense of Congress that the*  
 6 *United States representatives at the International Bank for*  
 7 *Reconstruction and Development, the International Fi-*  
 8 *nance Corporation, and the European Bank for Reconnuc-*  
 9 *tion and Development should encourage lending to the coun-*  
 10 *tries of the South Caucasus and Central Asia to assist the*  
 11 *development of the physical infrastructure necessary for re-*  
 12 *gional economic cooperation.*

13 **“SEC. 499C. BORDER CONTROL ASSISTANCE.**

14       “(a) *PURPOSE OF ASSISTANCE.—The purpose of as-*  
 15 *sistance under this section includes the assistance of the*  
 16 *countries of the South Caucasus and Central Asia to secure*  
 17 *their borders and implement effective controls necessary to*  
 18 *prevent the trafficking of illegal narcotics and the prolifera-*  
 19 *tion of technology and materials related to weapons of mass*  
 20 *destruction (as defined in section 2332a(c)(2) of title 18,*  
 21 *United States Code), and to contain and inhibit*  
 22 *transnational organized criminal activities.*

23       “(b) *AUTHORIZATION FOR ASSISTANCE.—To carry out*  
 24 *the purpose of subsection (a), the President is authorized*  
 25 *to provide assistance to the countries of the South Caucasus*

1 *and Central Asia to support the activities described in sub-*  
 2 *section (c).*

3 “(c) *ACTIVITIES SUPPORTED.*—Activities that may be  
 4 supported by assistance under subsection (b) include assist-  
 5 ing those countries of the South Caucasus and Central Asia  
 6 in developing capabilities to maintain national border  
 7 guards, coast guard, and customs controls.

8 “(d) *POLICY.*—It is the sense of Congress that the  
 9 United States should encourage and assist the development  
 10 of regional military cooperation among the countries of the  
 11 South Caucasus and Central Asia through programs such  
 12 as the Central Asian Battalion and the Partnership for  
 13 Peace of the North Atlantic Treaty Organization.

14 **“SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE,**  
 15 **AND THE DEVELOPMENT OF CIVIL SOCIETY.**

16 “(a) *PURPOSE OF ASSISTANCE.*—The purpose of as-  
 17 sistance under this section is to promote institutions of  
 18 democratic government and to create the conditions for the  
 19 growth of pluralistic societies, including religious tolerance  
 20 and respect for internationally recognized human rights.

21 “(b) *AUTHORIZATION FOR ASSISTANCE.*—To carry out  
 22 the purpose of subsection (a), the President is authorized  
 23 to provide the following types of assistance to the countries  
 24 of the South Caucasus and Central Asia:

25 “(1) Assistance for democracy building.

1           “(2) Assistance for the development of non-  
2           governmental organizations.

3           “(3) Assistance for development of independent  
4           media.

5           “(4) Assistance for the development of the rule of  
6           law.

7           “(5) International exchanges and advanced pro-  
8           fessional training programs in skill areas central to  
9           the development of civil society.

10          “(6) Assistance to promote increased adherence  
11          to civil and political rights under section 116(e) of  
12          this Act.

13          “(c) *ACTIVITIES SUPPORTED.*—Activities that may be  
14          supported by assistance under subsection (b) include activi-  
15          ties that are designed to advance progress toward the devel-  
16          opment of democracy.

17          “(d) *POLICY.*—It is the sense of Congress that the Voice  
18          of America and RFE/RL, Incorporated, should maintain  
19          high quality broadcasting for the maximum duration pos-  
20          sible in the native languages of the countries of the South  
21          Caucasus and Central Asia.

22          **“SEC. 499E. INELIGIBILITY FOR ASSISTANCE.**

23          “(a) *IN GENERAL.*—Except as provided in subsection  
24          (b), assistance may not be provided under this chapter for  
25          the government of a country of the South Caucasus or Cen-

1 *tral Asia if the President determines and certifies to the*  
 2 *appropriate congressional committees that the government*  
 3 *of such country—*

4       “(1) *is engaged in a consistent pattern of gross*  
 5 *violations of internationally recognized human rights;*

6       “(2) *has, on or after the date of enactment of this*  
 7 *chapter, knowingly transferred to another country—*

8               “(A) *missiles or missile technology incon-*  
 9 *sistent with the guidelines and parameters of the*  
 10 *Missile Technology Control Regime (as defined*  
 11 *in section 11B(c) of the Export Administration*  
 12 *Act of 1979 (50 U.S.C. App. 2410b(c)); or*

13              “(B) *any material, equipment, or tech-*  
 14 *nology that would contribute significantly to the*  
 15 *ability of such country to manufacture any*  
 16 *weapon of mass destruction (including nuclear,*  
 17 *chemical, and biological weapons) if the Presi-*  
 18 *dent determines that the material, equipment, or*  
 19 *technology was to be used by such country in the*  
 20 *manufacture of such weapons;*

21       “(3) *has repeatedly provided support for acts of*  
 22 *international terrorism; or*

23       “(4) *is prohibited from receiving such assistance*  
 24 *by chapter 10 of the Arms Export Control Act or sec-*  
 25 *tion 306(a)(1) and 307 of the Chemical and Biologi-*

1 *cal Weapons Control and Warfare Elimination Act of*  
 2 *1991 (22 U.S.C. 5604(a)(1), 5605).*

3 *“(b) EXCEPTIONS TO INELIGIBILITY.—*

4 *“(1) EXCEPTIONS.—Assistance prohibited by*  
 5 *subsection (a) or any similar provision of law, other*  
 6 *than assistance prohibited by the provisions referred*  
 7 *to in paragraphs (2) and (4) of subsection (a), may*  
 8 *be furnished under any of the following cir-*  
 9 *cumstances:*

10 *“(A) The President determines that furnish-*  
 11 *ing such assistance is important to the national*  
 12 *interest of the United States.*

13 *“(B) The President determines that furnish-*  
 14 *ing such assistance will foster respect for inter-*  
 15 *nationally recognized human rights and the rule*  
 16 *of law or the development of institutions of*  
 17 *democratic governance.*

18 *“(C) The assistance is furnished for the alle-*  
 19 *vation of suffering resulting from a natural or*  
 20 *man-made disaster.*

21 *“(D) The assistance is provided under the*  
 22 *secondary school exchange program administered*  
 23 *by the United States Information Agency.*

24 *“(2) REPORT TO CONGRESS.—The President shall im-*  
 25 *mediately report to Congress any determination*

1        *under paragraph (1) (A) or (B) or any decision to*  
 2        *provide assistance under paragraph (1)(C).*

3        **“SEC. 499F. ADMINISTRATIVE AUTHORITIES.**

4        *“(a) ASSISTANCE THROUGH GOVERNMENTS AND NON-*  
 5        *GOVERNMENTAL ORGANIZATIONS.—Assistance under this*  
 6        *chapter may be provided to governments or through non-*  
 7        *governmental organizations.*

8        *“(b) USE OF ECONOMIC SUPPORT FUNDS.—Except as*  
 9        *otherwise provided, any funds that have been allocated*  
 10       *under chapter 4 of part II for assistance for the independent*  
 11       *states of the former Soviet Union may be used in accordance*  
 12       *with the provisions of this chapter.*

13       *“(c) TERMS AND CONDITIONS.—Assistance under this*  
 14       *chapter shall be provided on such terms and conditions as*  
 15       *the President may determine.*

16       *“(d) RELATIONSHIP TO OTHER LAWS.—*

17                *“(1) SUPERSEDING EXISTING LAW.—The au-*  
 18        *thorities contained in this chapter and in chapter 11*  
 19        *to provide assistance for the countries of the South*  
 20        *Caucasus and Central Asia shall supersede the*  
 21        *FREEDOM Support Act (22 U.S.C. 5801 et seq.).*

22                *“(2) AVAILABLE AUTHORITIES.—The authority*  
 23        *in this chapter to provide assistance for the countries*  
 24        *of the South Caucasus and Central Asia is in addi-*  
 25        *tion to the authority to provide such assistance under*

1        *the FREEDOM Support Act (22 U.S.C. 5801 et seq.)*  
 2        *or any other Act, and the authorities applicable to the*  
 3        *provision of assistance under chapter 11 may be used*  
 4        *to provide assistance under this chapter.*

5    **“SEC. 499G. DEFINITIONS.**

6        *“In this chapter:*

7                *“(1) APPROPRIATE CONGRESSIONAL COMMIT-*  
 8        *TEES.—The term ‘appropriate congressional commit-*  
 9        *tees’ means the Committee on Foreign Relations of the*  
 10        *Senate and the Committee on International Relations*  
 11        *of the House of Representatives.*

12                *“(2) COUNTRIES OF THE SOUTH CAUCASUS AND*  
 13        *CENTRAL ASIA.—The term ‘countries of the South*  
 14        *Caucasus and Central Asia’ means Armenia, Azer-*  
 15        *baijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan,*  
 16        *Turkmenistan, and Uzbekistan.”.*

17    **SEC. 6. ANNUAL REPORT.**

18        *Section 104 of the FREEDOM Support Act (22 U.S.C.*  
 19        *5814) is amended—*

20                *(1) by striking “and” at the end of paragraph*

21        *(3);*

22                *(2) by striking the period at the end of para-*  
 23        *graph (4) and inserting “; and”; and*

24                *(3) by adding the following new paragraph:*

1           “(5) with respect to the countries of the South  
2       Caucasus and Central Asia—

3           “(A) identifying the progress of United  
4       States foreign policy to accomplish the policy  
5       identified in section 3 of the Silk Road Strategy  
6       Act of 1998;

7           “(B) evaluating the degree to which the as-  
8       sistance authorized by chapter 12 of part I of the  
9       Foreign Assistance Act of 1961 has been able to  
10      accomplish the purposes identified in those sec-  
11      tions; and

12          “(C) recommending any additional initia-  
13      tives that should be undertaken by the United  
14      States to implement the policy and purposes con-  
15      tained in the Silk Road Strategy Act of 1998.”.

16 **SEC. 7. CONFORMING AMENDMENTS.**

17       Section 102(a) of the *FREEDOM* Support Act (Public  
18      Law 102–511) is amended in paragraphs (2) and (4) by  
19      striking each place it appears “this Act)” and inserting  
20      “this Act and the Silk Road Strategy Act of 1998)”.

21 **SEC. 8. DEFINITIONS.**

22       In this Act:

23           (1) *APPROPRIATE CONGRESSIONAL COMMIT-*  
24       *TEES.*—The term “appropriate congressional commit-  
25      tees” means the Committee on Foreign Relations of



1       *the Senate and the Committee on International Rela-*  
2       *tions of the House of Representatives.*

3               (2) *COUNTRIES OF THE SOUTH CAUCASUS AND*  
4       *CENTRAL ASIA.—The term “countries of the South*  
5       *Caucasus and Central Asia” means Armenia, Azer-*  
6       *baijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan,*  
7       *Turkmenistan, and Uzbekistan.*