

1 EXECUTIVE COMMITTEE MEETING ON S.J. RES. 39, APPROVING
2 THE RENEWAL OF IMPORT RESTRICTIONS CONTAINED IN THE
3 BURMESE FREEDOM AND DEMOCRACY ACT OF 2003
4 TUESDAY, JUNE 15, 2004
5 U.S. Senate,
6 Committee on Finance,
7 Washington, DC.

8 The meeting was convened, pursuant to notice, at
9 4:08 p.m., in room 216, the Capitol, Hon. Charles E.
10 Grassley (chairman of the committee) presiding.

11 Also present: Senators Hatch, Nickles, Lott, Snowe,
12 Kyl, Thomas, Santorum, Frist, Smith, Bunning, Baucus,
13 Rockefeller, Daschle, Breaux, Conrad, Graham, Bingaman,
14 and Lincoln.

15 Also present: Kolan Davis, Republican Staff Director
16 and Chief Counsel; Russ Sullivan, Democratic Staff
17 Director; Everett Eissenstat, Chief International Trade
18 Counsel; and Carla Martin, Chief Clerk.

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1 OPENING STATEMENT OF HON. CHARLES E. GRASSLEY, A U.S.
2 SENATOR FROM IOWA, CHAIRMAN, COMMITTEE ON FINANCE

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4 The Chairman. The committee will now come to order
5 for a meeting of the Finance Committee in open executive
6 session. This meeting is for the purpose of considering
7 Senate Joint Resolution 39, "Approving the Renewal of
8 Import Restrictions Contained in the Burmese Freedom and
9 Democracy Act of 2003."

10 The Burmese Freedom and Democracy Act was our
11 response to the comprehensive attack on the National
12 League for Democracy which occurred on May 30, 2003, and
13 the arrest of many NLD officials, including their leader,
14 Daw Aung San Suu Kyi.

15 The President signed the Burmese Freedom and
16 Democracy Act on July 28, 2003, and issued an Executive
17 Order imposing sanctions on Burma the same day. Among
18 the sanctions imposed was a general ban on imports from
19 Burma.

20 As Senator Baucus and I noted after the Senate passed
21 this legislation, the Burmese Freedom and Democracy Act
22 contains a guarantee of ongoing congressional oversight.
23 The import restrictions will expire on the anniversary of
24 enactment unless a Joint Resolution is enacted into law
25 extending the import ban for another year. That is the

1 purpose of our meeting here today.

2 The State Department prepared a report on the trade
3 sanctions against Burma and that report has been made
4 available to the members. I ask that the report be made
5 a part of the record.

6 [The report appears in the appendix.]

7 The Chairman. Unfortunately, we are one year down
8 the road and it seems to me not much of substance has
9 changed in Burma, so I support the renewal of trade
10 sanctions for another year.

11 I now move that the committee report Senate Joint
12 Resolution 39 favorably.

13 Senator Baucus. I second.

14 The Chairman. The Clerk will call the roll.

15 The Clerk. Mr. Hatch?

16 Senator Hatch. Aye.

17 The Clerk. Mr. Nickles?

18 Senator Nickles. Aye.

19 The Clerk. Mr. Lott?

20 Senator Lott. Aye.

21 The Clerk. Ms. Snowe?

22 Senator Snowe. Aye.

23 The Clerk. Mr. Kyl?

24 Senator Kyl. Aye.

25 The Clerk. Mr. Thomas?

1 Senator Thomas. Aye.
2 The Clerk. Mr. Santorum?
3 Senator Santorum. Aye.
4 The Clerk. Mr. Frist?
5 Senator Frist. Aye.
6 The Clerk. Mr. Smith?
7 Senator Smith. Aye.
8 The Clerk. Mr. Bunning?
9 Senator Bunning. Aye.
10 The Clerk. Mr. Baucus?
11 Senator Baucus. Aye.
12 The Clerk. Mr. Rockefeller?
13 Senator Rockefeller. Aye.
14 The Clerk. Mr. Daschle?
15 Senator Daschle. Aye.
16 The Clerk. Mr. Breaux?
17 Senator Breaux. Aye.
18 The Clerk. Mr. Conrad?
19 Senator Conrad. Aye.
20 The Clerk. Mr. Graham?
21 Senator Graham. Aye.
22 The Clerk. Mr. Jeffords?
23 Senator Baucus. Aye by proxy.
24 The Clerk. Mr. Bingaman?
25 Senator Bingaman. Aye.

1 The Clerk. Mr. Kerry?
2 Senator Baucus. Aye by proxy.
3 The Clerk. Mrs. Lincoln?
4 Senator Lincoln. Aye.
5 The Clerk. Mr. Chairman?
6 The Chairman. Aye.
7 The Clerk. Mr. Chairman, the tally is 21 ayes.
8 The Chairman. The resolution is agreed to.
9 [Whereupon, at 4:29 p.m. the meeting was concluded.]
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**UNITED STATES SENATE
COMMITTEE ON FINANCE**

Charles E. Grassley, Chairman

**Tuesday, June 15, 2004
215 Dirksen Senate Office Building**

Agenda for Business Meeting

**S. J. Res. 39, Approving the Renewal of Import Restrictions
Contained in the Burmese Freedom and Democracy Act of 2003**

Bob -

*The attached documents
are for inclusion in the
record.*

June 15, 2004

Three documents for distribution to Members in connection with the Committee's consideration of S.J. Res. 39, Approving the Renewal of Import Restrictions Contained in the Burmese Freedom and Democracy Act of 2003 (scheduled to follow the Committee hearing on the U.S.-Australia and U.S.-Morocco Free Trade Agreements on Tuesday, June 15th):

July 28, 2003, Executive Order: Blocking Property of the Government of Burma and Prohibiting Certain Transactions

April 27, 2004, Report of the U.S. Department of State: Trade Sanctions Against Burma

April 30, 2004, Letter from Secretary Colin L. Powell in support of renewing the restrictions on imports from Burma



United States Department of State

Washington, D.C. 20520

APR 27 2004

Dear Mr. Chairman:

Please find attached a report regarding "Trade sanctions against Burma." This complies with the report requirement set forth under the heading "Support Democracy Activists in Burma" in section 8 of the Burmese Freedom and Democracy Act of 2003.

We hope you find this information useful. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Paul V. Kelly".

Paul V. Kelly
Assistant Secretary
Legislative Affairs

Enclosures:

As stated.

The Honorable
Mitch McConnell, Chairman,
Subcommittee on Foreign Operations,
Committee on Appropriations,
United States Senate.

Report on U.S. trade sanctions against Burma

I. Introduction and Summary

Pursuant to section 8(b)(3) of P.L. 108-61 (the Burmese Freedom and Democracy Act of 2003), this report reviews bilateral and multilateral measures to promote human rights and democracy in Burma and assesses the effectiveness of the Act's trade-provisions relative to the improvement of conditions in Burma and the furtherance of United States policy objectives.

Over the past months, the import ban, combined with an array of other sanctions, has helped bring about some notable political responses. The Act initially encouraged ASEAN nations to take a critical stance on Burma. These pressures were likely a factor behind the junta's August announcement of a seven-step process for a democratic transition and the appointment of a new Prime Minister. While the Burmese government has released the majority of those arrested in connection with its attack on the National League for Democracy (NLD) on May 30, 2003, it has not yet released NLD leader and Nobel Peace Prize Laureate Aung San Suu Kyi and one other senior NLD leader.

Continued pressure by the U.S. government sends a clear signal to the junta that the U.S. seeks reform. Such pressure also serves as a strong symbol of support for the members of the democratic opposition, as they continue their struggle inside the country. Many of those who have fled from the oppression inside Burma have supported the U.S. position and have called for other countries to follow the U.S. lead.

The Administration continues diplomatic efforts, at all levels, to encourage other nations to sustain pressure on the Burmese junta. Some countries' governments are unlikely to do more than offer public support for a democratic transition, but it is through such sustained public messages that an atmosphere of change can come to Burma. U.S. punitive measures and calls for others to follow suit have not damaged U.S. relations with countries other than Burma. To date no other country has implemented U.S.-style economic sanctions. Cooperation on Burma issues with other members of the international community continues at the UN and in other multilateral fora, such as the International Labor Organization (ILO), and the Financial Action Task Force.

II. Bilateral and multilateral measures

USG efforts

The U.S. has a broad range of sanctions in place including those enacted in 2003: a ban on all imports from Burma, a ban on the export of financial services by U.S. persons to Burma, and an asset freeze on certain named Burmese institutions. The U.S. also expanded existing visa restrictions to include the managers of state-owned enterprises and their immediate family members. The Treasury Department reports that it has blocked \$13.3 million worth of transactions since prohibiting the provision of financial services to Burma. Of that amount, \$1.7 million has been subsequently licensed by the U.S. By July 30, 2003, U.S. banks maintaining correspondent accounts with Burmese banks had blocked the balances in those accounts, an amount that exceeds \$320,000. Other measures put in place against the Burmese junta before 2003 include a ban on new investment in Burma, a ban on arms sales to Burma, limits on humanitarian assistance to Burma, and a "no" vote on any loan or assistance to Burma by international financial institutions.

The State Department also produces an annual report on the human rights situation in Burma. In 2003, the report noted that the Government's extremely poor human rights record had worsened, particularly highlighting the premeditated, government-sponsored, May 2003 attack on Aung San Suu Kyi and her supporters, in which government-affiliated agents killed as many as 70 pro-democracy activists. The report also noted that citizens of Burma still do not have the right to change their government, and that security forces continued to commit extrajudicial killings and rape, forcibly relocate persons, use forced labor, and have reestablished forced conscription of the civilian population into militia units. Other annual reports detail U.S. concerns for the situation in Burma in such areas as trafficking in persons, international religious freedom, and the control of narcotics.

In Burma itself, U.S. Embassy officials maintain frequent and active contacts with representatives of the democratic opposition and major ethnic groups to learn their views of the situation. Meetings with members of multilateral organizations and other diplomatic missions likewise help focus the international community's efforts in support of national reconciliation.

Although Embassy officials have limited contact with Burmese government officials due to the poor state of U.S.-Burma relations, even limited contact is important to urging reform and facilitating communication by all parties. The continued detention of senior officials of the NLD as well as over one thousand political prisoners by the military junta blocks progress toward national reconciliation. The U.S. has repeatedly called and continues to call for the immediate and unconditional release of all political prisoners.

The U.S. coordinates with other members of the international community in support of democratic change in Burma. The U.S. has consistently co-sponsored resolutions at the UN General Assembly and the UN Commission on Human Rights that condemn the human rights situation in Burma and call for national reconciliation. Such resolutions support the ongoing efforts of UN Special Envoy Razali Ismail and UN Special Rapporteur for Human Rights Paulo Sergio Pinheiro. U.S. representatives participate in other UN discussions of Burma as part of the Informal Consultative Group on Burma and raised Burma at the Security Council under "Other Matters" in July 2003. Similarly, U.S. participants in the meetings of the ILO have been supportive of ILO efforts to eliminate the use of forced labor in Burma and to respect fundamental workers' rights.

Efforts by other governments

No other nation has implemented the same set of sanctions as the U.S., and none has adopted the new economic sanctions the U.S. put in place after the May 30 attack on Aung San Suu Kyi's motorcade. Nonetheless, over the last year many have indicated concern for the situation in Burma and instituted new or expanded measures to promote democracy and human rights. In 2003, the European Union (EU) expanded its existing visa and travel restrictions and its asset freeze list to identify a broader set of Burmese who benefit from the oppressive policies of the junta. The EU also has in place a ban on arms sales and limits on assistance to the government. The EU has traditionally drafted the annual General Assembly and Commission on Human Rights resolutions on Burma. EU "troika" visits to Burma have drawn attention to the continuing lack of progress on democracy and human rights issues. The United Kingdom has called on its companies to review their investments in Burma; two major British investors, British American Tobacco Company and Premier Oil, have sold their investments in the country to outside parties in the past year, and at least 18 UK companies cut ties with Burma in 2003.

Canada has also expressed concern for the lack of progress in Burma and imposed visa and travel restrictions on Burmese officials in the wake of May 30. Under Canadian government and popular pressure, major Canadian investor Ivanhoe Mines is reported to be considering selling its operations in the country to Chinese investors.

Norway has sanctions similar to the EU, banning arms sales and enforcing a broad visa ban and asset freeze. In addition, Norway has been a supporter of the Burmese exile movement and hosts a radio service dedicated to providing uncensored information to those inside Burma.

Japan has frozen all new development assistance to the government in response to the May 30 attacks. However, Japan does continue funding, on a case-by-case basis, certain urgent humanitarian programs, democracy capacity-building projects, and those projects supporting economic structural reform. Senior Japanese officials, including Prime Minister Koizumi, have called for the release of Aung San Suu Kyi and progress toward democratization.

Since May 30, Australia has deferred its recurring human rights training program and put certain agricultural assistance programs on hold. Australian officials have also called publicly for Aung San Suu Kyi's release.

ASEAN nations issued an unprecedented call for change from fellow member state Burma at their June 2003 ministerial meeting. In mid-June, then Malaysian Prime Minister Mahathir issued a statement indicating the Burmese government's actions were creating a "dilemma for the [ASEAN] organization." However, at their October 2003 meeting in Bali, ASEAN states took a different path and welcomed "positive developments" in Burma, including the junta's road map to democracy. The U.S. continues its dialogue with countries in the region and has made clear the important role that ASEAN has to play in encouraging reform. Administration officials have noted to ASEAN counterparts that there would not be high-level U.S. participation in ASEAN events hosted by the Burmese junta in 2006 unless the country adopted significant reforms.

While we share with Thailand the goal of advancing democracy in Burma, our approaches differ. Thailand is unlikely to change its policies or adopt sanctions against Rangoon. Thailand, however, has played a critical role for many years as a refuge to Burmese fleeing their country, and we have stressed to the Thai the importance of continuing to fulfill this role and supporting UNHCR in its work with Burmese refugees. The Royal Thai Government has also organized the "Bangkok Process," envisioned to be a series of meetings of interested governments discussing political reform with the Burmese government. At the initial December 2003 meeting, all participants except India called on the Burmese junta to release Aung San Suu Kyi and include the democratic opposition in the democratic reform process. Neither the United States nor Burmese opposition groups were invited to the initial meeting, although some European countries participated. The United States did not seek to participate in this meeting.

China continues to be Burma's primary financial and one of its primary military supporters. Chinese officials participated in the Bangkok Process, though they did not make any public statements critical of the government's presentation. China has, however, expressed support for national reconciliation and according to some observers, is encouraging reform in discussions with the Burmese government.

India has neither provided strong public support for the democratic opposition nor called for an improvement in the human rights situation. Since the 1990s, India has vied with China for influence in Burma, sending high-level delegations, including a July 2003 visit by the Commerce Minister and a November 2003 visit by the Vice President, and offering significant financial and diplomatic support. Burma has also cooperated with India on the question of Indian insurgent groups operating out of Burmese territory.

United Nations efforts

The U.S. supports the work of UN Special Envoy Razali Ismail and UN Special Rapporteur Paulo Sergio Pinheiro. Ambassador Razali continues his efforts to facilitate a dialogue toward national reconciliation among the parties in Burma. Special Rapporteur Pinheiro has drawn attention to the continuing human rights violations in Burma and called for the immediate and unconditional release of political prisoners and an

investigation into the premeditated attacks on Aung San Suu Kyi in May 2003.

The UN country team inside Burma has focused its efforts on a range of humanitarian issues. The United States backs UN initiatives to address the HIV/AIDS epidemic, support returned refugees, and fight narcotics. UN High Commissioner for Refugees (UNHCR) provides protection and humanitarian assistance for the communities of Muslim Burmese in Northern Rakhine State [Rohingya] who have returned to Burma after fleeing to Bangladesh in 1991. UNHCR representatives recently gained access to areas in the east of the country to begin measures to create the necessary conditions for the large-scale return of refugees from Thailand. U.S. officials in Rangoon maintain close communication with UN counterparts.

III. Effects of trade-related measures

Political and economic situation

The U.S. trade-related sanctions have had an effect on the situation in Burma. Coincident with the June 4, 2003, introduction in the House and Senate of the Burmese Freedom and Democracy Act, U.S. embassies in ASEAN capitals made a strong demarche to the respective host governments. This in part led to statements critical of the junta's behavior made by individual ASEAN leaders and by the ASEAN leaders as a group during the June 2003 ministerial meeting in Phnom Penh. With this increasing pressure from Burma's closest allies, and the passage of the Act on July 28, 2003, the junta on August 30 publicly recognized the need for democracy with its "road map." In April 2004, the government issued invitations to a National Convention starting in May designed to draft a new constitution, taking up where the failed 1993-1996 National Convention left off. It is unclear to what extent, if any, the democratic opposition and ethnic groups have been involved in planning the Convention. For a constitutional convention to be successful, the political opposition and ethnic groups must support it and must be involved in preparations for it. We do not know whether participants will be able to voice their opinions or make changes to Convention documents. The junta has not announced an overall timetable for a transition to democracy.

In September 2003, Aung San Suu Kyi was moved from prison to house arrest, and in November, five of the NLD's most senior leaders were allowed out of their homes. Two more were released from detention in April 2004. Aung San Suu Kyi and one other senior NLD leader remain under house arrest. NLD officials who participated in the Convention in the mid-1990s have been invited to attend the one that will convene in May. The NLD Central Executive Committee has called for the procedures of the Convention to be in line "with democratic principles."

In recent months, the military junta and Burma's largest remaining ethnic insurgent group, the Karen National Union (KNU), entered into serious cease-fire negotiations. KNU leader General Bo Mya visited Rangoon in January, and subsequent talks in February helped to secure progress toward a lasting cease-fire. If a final agreement between the parties is reached, it could end over five decades of conflict, and could open up Karen and Mon States for badly needed international economic and humanitarian assistance and the eventual voluntary repatriation of thousands of refugees from Thailand with UNHCR involvement and return home of thousands of internally displaced persons. Over twenty groups have concluded cease-fire agreements with the junta.

It is the Burmese junta's dismal economic policies that have led to widespread poverty and the flight of most foreign investors from the country. Likewise, Burma's dreadful employment situation reflects decades of economic mismanagement by the Burmese government. However, the 2003 U.S. ban on Burmese imports had an impact on at least one sector of the economy: the garment industry. More than 100 garment factories, already in dire economic straits, that had relied on exports to the United States have now closed. There has been an estimated loss of around 50,000 to 60,000 jobs. However, new orders from importers in EU member countries helped remaining factories continue production.

Human rights

Despite the Burmese Government's stated desire to make progress toward democracy, its extremely poor human rights record has worsened over the past year, and it continued to commit serious abuses. Citizens still do not have the right to change their government. Security forces continued to commit extrajudicial killings and rape, forcibly relocate persons, and use forced labor. The military junta continues to be hostile to all forms of

political opposition. After the May 30 attack, in which government-affiliated agents killed as many as 70 pro-democracy activists, the government cracked down severely on the NLD and shuttered all 300 NLD offices in Burma. Arrests and disappearances of political activists continue, and members of the security forces torture, beat, and otherwise abuse prisoners and detainees. The government has allowed two visits by Amnesty International and maintained cooperation with the International Committee of the Red Cross.

Our expanded sanctions represent a clear and powerful expression of American opposition to the developments in Burma over the past year and signal strong support for the pro-democracy movement. Sanctions are a key component of our policy in bringing democracy to Burma and have been a key source of support for the morale of many democracy activists.

IV. Effects of sanctions policy on broader policy interests and relations

It is U.S. steadfastness that sends a clear signal to the junta of U.S. support for change. The measures in place have the broad backing of Burmese democracy activists.

Although the EU and others have taken some steps, no other country has taken measures similar to those of the U.S. We continue diplomatic efforts at all levels to urge other countries to adopt broad sanctions similar to ours or targeted approaches to dealing with Burma. We have found that many in the international community have a different view on how best to achieve our shared goals in Burma.

The trade-related sanctions implemented pursuant to the Burmese Freedom and Democracy Act of 2003 have had limited impact on U.S. relations with other nations. Although some foreign businesses have complained about the impact on their operations, all who have invested in Burma have done so recognizing the difficult operating environment and overall poor economic climate fostered by the junta. Furthermore, many U.S. and other companies had already pulled out of Burma prior to the passage of the Burmese Freedom and Democracy Act of 2003.

Conclusion

International pressure and support for the Burmese democracy movement is essential for promoting change in Burma. However, the import ban implemented in 2003 would be far more effective if countries importing Burma's high-value exports (such as natural gas and timber), which also tend to have closer economic links with the SPDC, would join us in our actions. Other U.S. measures, such as the ban on new investment in Burma and the ban on the export of financial services to Burma would also be more effective were the EU and others to take similar steps. The Administration remains unwavering in its support for the establishment of democracy and a greatly improved human rights situation in Burma.

For Immediate Release
Office of the Press Secretary
July 28, 2003

Executive Order

Blocking Property of the Government of Burma and Prohibiting Certain Transactions

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), the Burmese Freedom and Democracy Act of 2003 (July 28, 2003), and section 301 of title 3, United States Code, and in order to take additional steps with respect to the Government of Burma's continued repression of the democratic opposition in Burma and with respect to the national emergency declared in Executive Order 13047 of May 20, 1997;

I, GEORGE W. BUSH, President of the United States of America, hereby order:

Section 1. Except to the extent provided in section 203(b)(1), (3), and (4) of IEEPA (50 U.S.C. 1702(b)(1), (3), and (4)), the Trade Sanctions Reform and Export Enhancement Act of 2000 (title IX, Public Law 106-387) (TSRA), or regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order, all property and interests in property of the following persons that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

(a) the persons listed in the Annex attached and made a part of this order; and

(b) any person determined by the Secretary of the Treasury, in consultation with the Secretary of State,

(i) to be a senior official of the Government of Burma, the State Peace and Development Council of Burma, the Union Solidarity and Development Association of Burma, or any successor entity to any of the foregoing; or

(ii) to be owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to this order.

Sec. 2. Except to the extent provided in section 203(b) of IEEPA (50 U.S.C. 1702(b)), the TSRA, or regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order, the following are prohibited:

(a) the exportation or reexportation, directly or indirectly, to Burma of any financial services either (i) from the United States or (ii) by a United States person, wherever located; and

(b) any approval, financing, facilitation, or guarantee by a United States person, wherever located, of a transaction by a foreign person where the transaction by that foreign person would be prohibited by this order if performed by a United States person or within the United States;

Sec. 3. Beginning 30 days after the effective date of this order, and except to the extent provided in section 8 of this order and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to 30 days after the effective date of this order, the importation into the United States of any article that is a product of Burma is hereby prohibited.

Sec. 4. (a) Any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, or attempts to violate any of the prohibitions set forth in this order is prohibited.

(b) Any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited.

Sec. 5. For purposes of this order:

(a) the term "person" means an individual or entity;

(b) the term "entity" means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization;

(c) the term "United States person" means any United States citizen, permanent resident alien, entity organized

under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States; and

(d) the term "Government of Burma" means the Government of Burma (sometimes referred to as Myanmar), its agencies, instrumentalities and controlled entities, and the Central Bank of Burma.

Sec. 6. I hereby determine that the making of donations of the type specified in section 203(b)(2) of IEEPA (50 U.S.C. 1702(b)(2)) by or to persons whose property and interests in property are blocked pursuant to section 1 of this order would seriously impair my ability to deal with the national emergency declared in Executive Order 13047, and hereby prohibit such donations as provided by section 1 of this order.

Sec. 7. For those persons whose property and interests in property are blocked pursuant to section 1 of this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or other assets instantaneously, prior notice to such persons of measures to be taken pursuant to this order would render these measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in Executive Order 13047, there need be no prior notice of a listing or determination made pursuant to this order.

Sec. 8. Determining that such a waiver is in the national interest of the United States, I hereby waive the prohibitions described in section 3 of the Burmese Freedom and Democracy Act of 2003 with respect to any and all articles that are a product of Burma to the extent that prohibiting the importation of such articles would conflict with the international obligations of the United States under the Vienna Convention on Diplomatic Relations, the Vienna Convention on Consular Relations, the United Nations Headquarters Agreement, and other legal instruments providing equivalent privileges and immunities.

Sec. 9. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA and sections 3(a) and 4 of the Burmese Freedom and Democracy Act of 2003, other than the authority to make the determinations and certification to the Congress that Burma has met the conditions described in 3(a)(3) of the Act, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government consistent with applicable law. The Secretary of State is authorized to exercise the functions and authorities conferred upon the President by section 3(b) of the Burmese Freedom and Democracy Act of 2003 and to redelegate these functions and authorities consistent with applicable law. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

Sec. 10. The Secretary of the Treasury, in consultation with the Secretary of State, is authorized to determine, subsequent to the issuance of this order, that circumstances no longer warrant inclusion of a person in the Annex to this order and that the property and interests in property of that person are therefore no longer blocked pursuant to section 1 of this order.

Sec. 11. Nothing in this order is intended to affect the continued effectiveness of any rules, regulations, orders, licenses, or other forms of administrative action issued, taken, or continued in effect heretofore or hereafter under 31 C.F.R. chapter V, except as expressly terminated, modified, or suspended by or pursuant to this order.

Sec. 12. Sections 1 through 7 of Executive Order 13047 are hereby revoked to the extent they are inconsistent with this order. All delegations, rules, regulations, orders, licenses, and other forms of administrative action made, issued, or otherwise taken under Executive Order 13047, not inconsistent with section 3 of this order and not revoked administratively, shall remain in full force and effect under this order until amended, modified, or terminated by proper authority. The revocation of any provision of Executive Order 13047 pursuant to this section shall not affect any violation of any rules, regulations, orders, licenses, or other forms of administrative action under that order during the period that such provision of that order was in effect.

Sec. 13. All provisions of this order other than section 3 shall not apply to any activity, or any transaction incident to an activity, undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that was entered into by a United States person with the Government of Burma or a nongovernmental entity in Burma prior to 12:01 a.m. eastern daylight time on May 21, 1997.

Sec. 14. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, instrumentalities, or entities, its officers or employees, or any other person.

Sec. 15. This order is effective on 12:01 a.m. eastern daylight time on July 29, 2003.

Sec. 16. This order shall be transmitted to the Congress and published in the Federal Register.

GEORGE W. BUSH
THE WHITE HOUSE,
July 28, 2003.

###

THE SECRETARY OF STATE

WASHINGTON

April 30, 2004

Dear Mr. Chairman:

I am writing to reaffirm the State Department's support for the continuation of the restrictions on imports from Burma, as I stated in my testimony before the Senate Appropriations subcommittee on foreign operations on April 8. Our sanctions represent a clear and powerful expression of American disapproval of the developments in Burma. This action is a key component of our policy in bringing democracy and improved human rights to Burma, as well as supporting the morale of Burmese democracy activists.

I support wholeheartedly passage of the Joint Resolution you introduced along with Senator Feinstein. Thank you for your leadership on this issue.

Sincerely,



Colin L. Powell

The Honorable

Mitch McConnell, Chairman,

Subcommittee on Foreign Operations,

Committee on Appropriations,

United States Senate.

Results of Markup
June 15, 2004

The Committee voted unanimously, and without amendment, to favorably report S. J. Res. 39, Approving Renewal of Import Restrictions Contained in the Burmese Freedom and Democracy Act of 2003.

Approved by Roll Call Vote, 21 Ayes, 0 Nays

Ayes: Mr. Grassley, Mr. Hatch, Mr. Nickles, Mr. Lott, Ms. Snowe, Mr. Kyl, Mr. Thomas, Mr. Santorum, Mr. Frist, Mr. Smith, Mr. Bunning, Mr. Baucus, Mr. Rockefeller, Mr. Daschle, Mr. Breaux, Mr. Conrad, Mr. Graham, Mr. Jeffords (proxy), Mr. Bingaman, Mr. Kerry (proxy), Mrs. Lincoln.