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NATO FREEDOM CONSOLIDATION ACT OF 2007

MARCH 9, 2007.—Ordered to be printed

Mr. BIDEN, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 494]

The Committee on Foreign Relations, having under consideration a bill to endorse further enlargement of the North Atlantic Treaty Organization (NATO) and to facilitate the timely admission of new members to NATO, and for other purposes, reports favorably thereon and recommends that the bill do pass.

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I. PURPOSE

The NATO Freedom Consolidation Act of 2007 reaffirms United States support for continued enlargement of NATO to democracies that are able and willing to meet the responsibilities of membership. In particular, the legislation calls for the timely admission of Albania, Croatia, Georgia, Macedonia (FYROM), and Ukraine to NATO and authorizes security assistance for these countries in Fiscal Year 2008. Each of these countries has clearly stated its desire to join NATO and is working hard to meet the specified requirements for membership.

Eventual NATO membership for these five countries would be a success for Europe, NATO, and the United States by continuing to extend the zone of peace and security. Albania, Croatia, and Macedonia (FYROM) have been making progress on reforms through their participation in the NATO Membership Action Plan since 2002. Unfortunately, Georgia and Ukraine have not yet been grant-

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ed a Membership Action Plan but nevertheless have made remarkable progress. This legislation will provide important incentives and assistance to the countries to continue the implementation of democratic, defense, and economic reforms.

Since the end of the Cold War, NATO has been evolving to meet the new security needs of the 21st century. In this era, the threats to NATO members are transnational and far from its geographic borders. There is strong support among members for NATO's operation in Afghanistan, and for its training mission in Iraq. NATO's viability as an effective defense and security alliance depends on flexible, creative leadership, as well as the willingness of members to improve capabilities and address common threats.

If NATO is to continue to be the preeminent security Alliance and serve the defense interests of its membership, it must continue to evolve and that evolution must include enlargement. Potential NATO membership motivates emerging democracies to make important advances in areas such as the rule of law and civil society. A closer relationship with NATO will promote these values and contribute to our mutual security. Georgia is a young democracy that has made tremendous progress since the "Rose Revolution." It is situated in a critical geo-strategic location and his host to a large portion of the Baku-Tbilisi-Ceyhan pipeline that carries important energy resources to the West from Azerbaijan and, in the future, Kazakhstan. Georgia is resisting pressure from breakaway republics backed by Moscow. In the past, border disputes have been identified as reasons a country may not be invited to join NATO. But in this case, Russia's actions, not Georgia's, are frustrating Tbilisi's NATO aspirations.

Three years ago, the United States Senate unanimously voted to invite seven countries to join NATO. Today, Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia are making significant contributions to NATO and are among our closest allies in the global war on terrorism. It is time again for the United States to take the lead in urging its allies to bring in new members, and to offer timely admission of Albania, Croatia, Georgia, Macedonia (FYROM), and Ukraine to NATO.

II. Committee Action

On February 6, 2007, Senator Lugar introduced S. 494, the NATO Freedom Consolidation Act of 2007. At a business meeting on March 7, 2007, by a voice vote, the committee ordered the bill reported favorably.

III. Cost Estimate

Pursuant to Rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the following cost estimate has been provided by the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 9, 2007

S. 494

NATO FREEDOM CONSOLIDATION ACT OF 2007

AS ORDERED REPORTED BY THE SENATE COMMITTEE ON FOREIGN RELATIONS ON MARCH 6, 2007

S. 494 would endorse the expansion of the North Atlantic Treaty Organization to include the Republic of Albania, the Republic of Croatia, Georgia, the Republic of Macedonia, and Ukraine. The bill also would authorize the appropriation in 2008 of such sums as may be necessary to provide military assistance to those countries.

Based on information from the Department of State in the documents that support its appropriation request for 2008, CBO estimates that about $30 million would be sufficient to meet the authorized purposes. Based on historical spending patterns, CBO estimates that outlays would total $12 million in 2008 and $30 million over the 2008–2012 period, assuming appropriation of the necessary amounts. Enacting the bill would not affect direct spending or receipts.

S. 494 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On March 5, 2007, CBO transmitted a cost estimate for H.R. 987, the NATO Freedom Consolidation Act of 2007, as ordered reported by the House Committee on Foreign Affairs on February 15, 2007. The two bills are similar and the estimated costs for both bills are the same.

The CBO staff contact for this estimate is Sam Papenfuss. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.

IV. EVALUATION OF REGULATORY IMPACT

Pursuant to Rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has determined that there is no regulatory impact as a result of this legislation.

V. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, the committee has determined that there are no changes in existing law made by the bill, as reported.

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