

NATIONAL EMERGENCY WITH RESPECT TO THE RISK
OF NUCLEAR PROLIFERATION CREATED BY THE AC-
CUMULATION OF WEAPONS-USABLE FISSILE MATE-
RIAL IN THE TERRITORY OF THE RUSSIAN FEDERA-
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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A 6-MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO THE RISK OF NUCLEAR PROLIFERATION
CREATED BY THE ACCUMULATION OF WEAPONS-USABLE
FISSILE MATERIAL IN THE TERRITORY OF THE RUSSIAN FED-
ERATION THAT WAS DECLARED IN EXECUTIVE ORDER 13159 OF
JUNE 21, 2000, PURSUANT TO 50 U.S.C. 1703(c)



JANUARY 20, 2001.—Referred to the Committee on International Relations
and ordered to be printed

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THE WHITE HOUSE,
Washington, January 17, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000.

Sincerely,

WILLIAM J. CLINTON.

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH
RESPECT TO THE RISK OF NUCLEAR PROLIFERATION CREATED BY
THE ACCUMULATION OF WEAPONS-USABLE FISSILE MATERIAL IN
THE TERRITORY OF THE RUSSIAN FEDERATION

I hereby report to the Congress on developments concerning the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

1. On June 21, 2000, I signed Executive Order 13159, declaring a national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material ("highly enriched uranium") in the territory of the Russian Federation (the "Order") (65 Fed. Reg. 39279, June 26, 2000). Pursuant to the Agreement Between the Government of the United States of America and the Government of the Russian Federation, dated February 18, 1993, and related contracts and agreements (collectively, the "HEU Agreements"), weapons-grade uranium extracted from Russian nuclear weapons is converted to low enriched uranium for use in nuclear reactors. The Order blocks and protects from attachment, judgment, decree, lien, execution, garnishment, or other judicial process the property and interests in property of the Government of the Russian Federation that are directly related to the implementation of the HEU Agreements and that are in the United States, that are or hereafter come within the United States, or that are or hereafter come within the possession or control of U.S. persons, including their overseas branches. The Order authorizes the Secretary of the Treasury, in consultation with the Secretaries of State and Energy, to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of the Order.

2. The Order has been disseminated by OFAC through both conventional and electronic means and affected parties have been notified. Federal agencies will continue to work closely to identify and block those assets directly related to the implementation of the HEU Agreements in which the Government of the Russian Federation has an interest and will vigorously enforce the Order to protect these assets while ensuring the continued effective operation of the HEU Agreements.

3. Since June 21, 2000, OFAC has issued 16 licenses. These licenses authorize the importation of and payment for low enriched uranium, as well as the sale and exportation of and payment for natural uranium.

4. The expenses incurred by the Federal Government in the six-month period from June 21 through December 20, 2000, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation are estimated at approximately \$5,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Nonproliferation, and the Office of the Legal Adviser), and the Department of Energy (particularly in the Office of the Under Secretary, the Office of the General Counsel, and the Office of Nuclear Energy).

5. Executive Order 13159 provides a tool for protecting from attachment, judgment, decree, lien, execution, garnishment, or other judicial process the property and interests in property of the Government of the Russian Federation that are directly related to the implementation of the HEU Agreements and subject to U.S. jurisdiction. I shall continue to exercise the powers at my disposal and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).