

PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO BURMA

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A 6-MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO BURMA DECLARED BY EXECUTIVE ORDER
13047 OF MAY 20, 1997, PURSUANT TO 50 U.S.C. 1641(c).



MAY 16, 2002.—Message and accompanying papers referred to the
Committee on International Relations and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

To the Congress of the United States:

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 prepared by my Administration on the national emergency with respect to Burma that was declared in Executive Order 13047 of May 20, 1997.

GEORGE W. BUSH.

THE WHITE HOUSE, *May 16, 2002.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO
BURMA

This is a report to the Congress on developments over the course of the past 6 months concerning the national emergency with respect to Burma that was declared in Executive Order 13047 of May 20, 1997, pursuant to, *inter alia*, section 570 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104-208) and the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. 1703(c), and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c).

1. Since the issuance of Executive Order 13047, the Department of the Treasury's Office of Foreign Assets Control ("OFAC") has administered the Burma sanctions. OFAC continues to disseminate details of this program to the financial, securities, and international trade communities by both electronic and conventional media, as well as to the U.S. Embassy in Rangoon for distribution to U.S. companies operating in Burma. In the 6-month period since November 20, 2001, OFAC has issued no specific licenses authorizing transactions otherwise prohibited by the Burmese Sanctions Regulations, 31 C.F.R. Part 537 (the "Regulations"), and has neither assessed nor collected any civil monetary penalty for a violation of the Regulations.

2. The expenses incurred by the Federal Government in the 6-month period from November 20, 2001, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Burma are estimated at approximately \$13,000, 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) and the Department of State.

3. After 19 months of UN-facilitated dialogue, the regime released opposition Nobel Laureate Aung San Suu Kyi from house arrest on May 6, 2002. We welcome her release and hope this signals that the ruling generals in Rangoon are serious about political reform and democratization. We hope her release will be the first step in a process that leads to national reconciliation and a restoration of democracy. The regime still holds more than 1,000 political prisoners, and well-documented human rights abuses, particularly against ethnic minorities, continue. Burma has taken limited but still insufficient steps to counter narcotics productions and trafficking. Only a return to democracy and reintegration with the international community can bring the freedom and prosperity which the people of Burma both long for and deserve.

The net effect of U.S. and international measures to pressure the SPDC to end its repression and move toward democratic government has been a further decline in investor confidence in Burma and deeper stagnation of the Burmese economy. Observers agree that the Burmese economy appears to be further weakening and that the government has a serious shortage of foreign exchange reserves with which to pay for imports. While Burma's economic crisis is largely a result of the State Peace and Development Council's ("SPDC") own heavy-handed mismanagement, the SPDC is unlikely to find a way out of the crisis unless political developments permit an easing of international pressure. The United States will closely monitor the situation within Burma as developments unfold. We will also consult with ASEAN, Japan, the European Union and other partners on how the international community can most effectively encourage further progress toward restoration of democracy.

