

NATIONAL EMERGENCY WITH RESPECT
TO SUDAN

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A 6-MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO SUDAN THAT WAS DECLARED IN EXECUTIVE
ORDER 13067 OF NOVEMBER 3, 1997, PURSUANT TO 50 U.S.C.
1641(c)



MAY 3, 2001.—Message and accompanying papers referred to the
Committee on International Relations and ordered to be printed

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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 (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997.

GEORGE W. BUSH.

THE WHITE HOUSE, *May 2, 2001.*

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH
RESPECT TO SUDAN

I hereby report to the Congress on developments over the course of the past six months concerning the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) ("IEEPA"), and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c). This report discusses only matters concerning the national emergency with respect to Sudan that was declared in Executive Order 13067.

1. There have been no amendments to the Sudanese Sanctions Regulations, 31 CFR Part 538, since the last report.

2. Since the issuance of Executive Order 13067, the Department of the Treasury's Office of Foreign Assets Control ("OFAC") has made numerous decisions with respect to applications for authorizations to engage in transactions under the Sudanese sanctions. As of March 12, 2001, OFAC, during the course of this program, has issued a total of 506 licenses as well as 132 authorizations to nongovernmental organizations engaged in the delivery of humanitarian aid. Sixty-four licenses were issued during the current reporting period. The majority of these licenses permitted the unblocking of financial transactions for individual remitters who inadvertently routed their funds through blocked Sudanese banks. Twenty-two licenses were issued authorizing commercial sales and exportation to Sudan of bulk agricultural commodities, food and agricultural products, medicine and medical equipment. Several requests to authorize commercial exports to Sudan—particularly of machinery and equipment for various industries—and the importation of Sudanese-origin goods were denied.

3. Since the inception of the program, 126 entities have been designated by OFAC as being owned or controlled by the Government of Sudan, including 12 financial institutions. As of March 12, 2001, 85 transactions totaling more than \$917,000 had been blocked during this reporting period. Under the Regulations, transactions in violation of these sanctions where there is no blockable interest of the Government of Sudan must be returned to remitters ("rejected"). During the reporting period, 476 transactions were rejected by U.S. banks causing a disruption of more than \$36 million in business for Sudan.

4. Since the last report, OFAC has collected twelve civil monetary penalties totaling nearly \$63,000 for violations of IEEPA and the Regulations from five U.S. financial institutions, three carriers, and two companies. An additional 40 cases are undergoing penalty action for violation of the Regulations and IEEPA. OFAC, in cooperation with the U.S. Customs Service, is closely monitoring potential violations of the prohibitions of the Regulations by busi-

nesses and individuals. Various reports of violations are being aggressively pursued.

5. The expenses incurred by the Federal Government in the six-month period from November 3, 2000 through May 2, 2001, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Sudan are reported to be approximately \$170,000, 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 U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureaus of Economic and Business Affairs, African Affairs, Near Eastern Affairs, Consular Affairs, and the Office of the Legal Adviser), and the Department of Commerce (the Bureau of Export Administration and the General Counsel's Office).

6. The situation in Sudan continues to present an extraordinary and unusual threat to the national security and foreign policy of the United States. The declaration of the national emergency with respect to Sudan contained in Executive Order 13067 underscores the United States Government's opposition to the actions and policies of the Government of Sudan, particularly its support of international terrorism and its failures to respect basic human rights, including restrictions on religious freedom. The prohibitions contained in Executive Order 13067 advance important objectives in promoting the anti-terrorism and human rights policies of the United States. I shall exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.