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DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT ON DEVELOPMENTS CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS WHO THREATEN TO DISRUPT THE MIDDLE EAST PEACE PROCESS THAT WAS DECLARED IN EXECUTIVE ORDER 12947 OF JANUARY 23, 1995, PURSUANT TO 50 U.S.C. 1641(c)



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To the Congress of the United States:

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East Peace process that was declared in Executive Order 12947 of January 23, 1995. 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 (IEEPA), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order") (60 Fed. Reg. 5079, January 25, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively "Specially Designated Terrorities" or "SDTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property for interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or her delegate, or the Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the *Federal Register*, or upon prior actual notice.

Because terrorists activities continue to threaten the Middle East peace process and vital interest of the United States in the Middle East, on January 21, 1998, I continued for another year the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency.

This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 Fed. Reg. 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided 9 name variations or pseudonyms used by the 18 individuals identified. The last identifies blocked persons who have been found to have committed or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the List of SDTs (60 Fed. Reg. 41152, August 11, 1995; 60 Fed. Reg. 44932, August 29, 1995; and 60 Fed. Reg. 58435, November 27, 1995).

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the "TSRs" or the "Regulations") (61 Fed. Reg. 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. There have been no amendments to the TSRs, 31 C.F.R. Part 595, administered by the Office of Foreign Assets Control of the Department of the Treasury, since my report of January 28, 1998.

4. Since January 25, 1995, OFAC has issued six licenses pursuant to the Regulations. These licenses authorize payment of legal expenses and the disbursement of funds for normal expenditures for the maintenance of family members, the employment and payment of salary and educational expenses, payment for secure storage of tangible assets, and payment of certain administrative transactions, to or for individuals designated pursuant to Executive Order 12947.

5. The expenses incurred by the Federal Government in the 6-month period from January 23 through July 22, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East peace process, are estimated at approximately \$165,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

6. Executive Order 12947 provides this Administration with a tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The Order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support

in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

Executive Order 12947 demonstrates the determination of the United States to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

