

sector" has continued to receive parts and supplies from, and supply finished products to, persons in the United States. Copies of the policy statements are attached.

Assembly sector trade with the United States accounted for a significant portion of Haiti's imports, and a substantial majority of its exports, prior to the institution of the OAS-requested embargo in November 1991. Although initially suspended due to the embargo, assembly sector imports from and exports to the United States were allowed to resume on a case-by-case basis beginning in February 1992 in order to keep poorer segments of the Haitian population employed and to reduce their incentive to attempt illegal and dangerous immigration by sea to the United States and other countries. However, the continuing uncertainties of the Haitian situation have led to a sharp decline in assembly sector activity, where employment is now estimated to be no more than 10 percent of pre-embargo levels.

9. In implementing the Haitian sanctions program, FAC has made extensive use of its authority to specifically license transactions with respect to Haiti in an effort to mitigate the effects of the sanctions on the legitimate Government of Haiti and on the livelihood of Haitian workers employed by Haiti's assembly sector, and to ensure the availability of necessary medicines and medical supplies and the uninterrupted flow of humanitarian donations to Haiti's poor. For example, specific licenses were issued: (1) permitting expenditures from blocked assets for the operations of the legitimate Government of Haiti; (2) permitting U.S. firms with pre-embargo relationships with product assembly operations in Haiti to resume those relationships in order to continue employment for their workers or, if they chose to withdraw from Haiti, to return to the United States assembly equipment, machinery, and parts and materials previously exported to Haiti; (3) permitting U.S. companies operating in Haiti to establish, under specified circumstances, interest-bearing blocked reserve accounts in commercial or investment banking institutions in the United States for deposit of amounts owed the de facto regime; (4) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti; (5) authorizing commercial sales of agricultural inputs such as fertilizer and foodcrop seeds; and (6) in order to combat deforestation, permitting the importation of agricultural products grown on trees.

10. During this reporting period, U.S.-led OAS initiatives resulted in even greater intensification and coordination of enforcement activities. Continued close coordination with the U.S. Customs Service in Miami sharply reduced the number of attempted exports of unmanifested, unauthorized merchandise. New FAC initiatives are ex-

pected to result in more effective coordination of Customs Service and Department of Justice activities in prosecution of embargo violations. During the reporting period, the multinational Maritime Interdiction Force that contains elements of the U.S. Navy and U.S. Coast Guard, continued to patrol offshore Haiti and to conduct ship boardings, inspections of cargoes bound for Haiti, identification of suspected violators, and referrals for investigation. The Maritime Interdiction Force has boarded 612 ships and diverted 38 of these ships for various reasons (inaccessibility of cargo for inspection, items prohibited by the United Nations Security Council embargo on board) from its inception to March 30, 1994. Actions have been taken to counter embargo violations as they have developed. There have been high-level discussions with the Government of the Dominican Republic to encourage its stated desire to cooperate with the United Nations in increasing the effectiveness of the enforcement of the sanctions on that country's common border with Haiti across which fuel smuggling is occurring. Other steps have been taken to control sales of bunker fuel by ships in Haitian ports and smuggling of fuel in Haitian-Dominican coastal waters.

The Department of the Treasury, in close coordination with Department of State and the intelligence community, continues to designate "Blocked Individuals of Haiti," blocking the assets of persons (civilian as well as military) whose conduct meets the criteria of Executive Orders Nos. 12755, 12853, and 12872, including persons obstructing the U.N. Mission in Haiti or the implementation of the Governors Island Agreement and persons perpetuating or contributing to the violence in Haiti. The list was last expanded on January 27, when the entire officer corps of the Haitian Armed Forces was blocked as part of the de facto regime in Haiti, and on April 4, when one additional civilian was added to the list. As others subverting democracy in Haiti and additional members of the officer corps are identified by name, these names will be incorporated into the list of "Blocked Individuals of Haiti."

Since the last report, 35 penalties, totaling in excess of \$146,000, have been collected from U.S. businesses and individuals for violations of the Regulations. Eighteen violations involved unlicensed import- and export-related activity. As of March 4, 1994, 12 payments of penalties assessed against the masters of vessels for unauthorized trade transactions or violations of entry restrictions totaled about \$53,000. A significant penalty collection during the reporting period was from American Airlines for its direct payments of taxes and fees to the de facto regime in Haiti.

11. The expenses incurred by the Federal Government in the 6-month period from October 4, 1993, through April 3, 1994, that are directly attributable to the authorities conferred by the dec-

laration of a national emergency with respect to Haiti are estimated at about \$3.4 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the U.S. Coast Guard, and the Department of Commerce.

12. I am committed to the restoration of democracy in Haiti and determined to see that Haiti and the Haitian people resume their rightful place in our hemispheric community of democracies. Active U.S. support for United Nations/OAS efforts to resolve the Haitian crisis has led to the maintenance and enforcement of sweeping economic sanctions. Our diplomatic efforts complementing these sanctions are designed to encourage and facilitate participation by all legitimate Haitian political elements in a broad-based political process that will bring about the fulfillment of the undertakings they made in the Governors Island Agreement so that Haitian democracy can be restored and President Aristide can return to Haiti. Such a political process will enable the lifting of sanctions and the start of Haiti's economic reconstruction and national reconciliation. The United States will continue to play a leadership role in the international community's program of support and assistance for the restoration of democracy and return of President Aristide to Haiti.

I 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, April 25, 1994.

The message, together with the accompanying papers, was referred to the Committee on Foreign Affairs and ordered to be printed (H. Doc. 103-246).

¶39.10 ADJOURNMENT OVER

On motion of Mr. MONTGOMERY, by unanimous consent,

Ordered. That when the House adjourns today, it adjourn to meet at 12 o'clock noon on Thursday, April 28, 1994.

¶39.11 EMPLOYMENT LEVEL IN VA MEDICAL CENTERS

Mr. MONTGOMERY moved to suspend the rules and pass the bill (H.R. 4013) to amend title 38, United States Code, to provide the Secretary of Veterans Affairs with necessary flexibility in staffing the Veterans Health Administration, to authorize the Secretary to establish pilot programs for health care delivery, and for other purposes; as amended.

The SPEAKER pro tempore, Mr. KREIDLER, recognized Mr. MONTGOMERY and Mr. EVERETT, each for 20 minutes.

After debate,

The question being put, viva voce,

Will the House suspend the rules and pass said bill, as amended?

The SPEAKER pro tempore, Mr. KREIDLER, announced that two-thirds