

MAKING AVAILABLE APPROPRIATIONS

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COMMUNICATION

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

HIS REQUESTS TO MAKE AVAILABLE EMERGENCY FUNDING TO  
SUPPORT TRADE AND INVESTMENT ACTIVITY WITH INDIA AND  
PAKISTAN IN THE NATIONAL INTEREST OF THE UNITED  
STATES, PURSUANT TO 31 U.S.C. 1107



DECEMBER 17, 1998.—Referred to the Committee on Appropriations and  
ordered to be printed

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THE WHITE HOUSE,  
*Washington, December 10, 1998.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: In accordance with provisions of P.L. 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, I hereby designate the following requests as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

- International Security Assistance, International Military Education and Training: Such sums as are actually obligated for India and Pakistan.
- Overseas Private Investment Corporation, Overseas Private Investment Corporation noncredit account: Such sums as are actually obligated for India.
- Overseas Private Investment Corporation, Overseas Private Investment Corporation program account: Such sums as are actually obligated for India.
- Trade and Development Agency, Trade and Development Agency: Such sums as are actually obligated for India and Pakistan.
- Export-Import Bank of the United States, Export-Import Bank loans program account (subsidy appropriation): Such sums as are actually obligated for India and Pakistan.

This funding will support trade and investment activity with India and Pakistan in the national interest of the United States.

The details of these actions are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

WILLIAM J. CLINTON.

Enclosure.



**EMERGENCY APPROPRIATIONS: AMOUNTS MADE AVAILABLE  
BY THE PRESIDENT**

International Assistance Programs

International military education and training: Such sums as are actually obligated for India and Pakistan.

Overseas Private Investment Corporation

Overseas Private Investment Corporation noncredit account: Such sums as are actually obligated for India.

Overseas Private Investment Corporation program account: Such sums as are actually obligated for India.

Trade and Development Agency

Trade and Development Agency: Such sums as are actually obligated for India and Pakistan.

Export-Import Bank of the United States

Export-Import Bank loans program account (subsidy appropriation): Such sums as are actually obligated for India and Pakistan.

PL. 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, included the India-Pakistan Relief Act of 1998 ("the Act"). Provisions of the Act permit the President to waive for a period not to exceed one year, with respect to India and Pakistan, the application of any sanction or prohibition contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export-Import Bank Act of 1945. In addition, the Act provides that the funds made available under it are contingent upon the President submitting a budget request to Congress and designating the request as an emergency requirement.

A Presidential Determination Order has been issued that waives some of the sanctions imposed on India and Pakistan following their nuclear tests in May. The associated funds now made available will support the following activities:

- Military relationships between the United States and both India and Pakistan will be resumed through the military education and training program.
- The Overseas Private Investment Corporation will be able to support small business and investments in key infrastructure sectors -- power, energy, and telecommunications.
- The Trade and Development Agency will provide grants for project planning services for major infrastructure projects where there is substantial U.S. export potential.

The Export-Import Bank funds will enable the United States to rebuild important commercial relations and establish the foundations for sustained growth in both India and Pakistan. While the Export-Import Bank is currently closed in Pakistan for most transactions due to the financial situation, funds will now be available when a transaction or the financial situation warrants doing business there.



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

December 10, 1998

The President

The White House

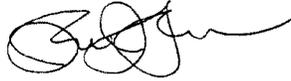
Submitted for your consideration are requests to make available emergency funding to support trade and investment activity with India and Pakistan in the national interest of the United States.

P.L. 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, included the India-Pakistan Relief Act of 1998 ("the Act"). Provisions of the Act permit the President to waive for a period not to exceed one year, with respect to India and Pakistan, the application of any sanction or prohibition contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export-Import Bank Act of 1945. In addition, the Act provides that the funds made available under it would be contingent upon the President submitting a budget request to Congress and designating the request as an emergency requirement.

Both India and Pakistan have undertaken commitments on nonproliferation issues and on regional issues that warrant positive responses by our Government. Under separate cover, your national security advisers have recommended that you invoke your authority under the Act and remove certain sanctions imposed on India and Pakistan in May. As required by the Act, congressional consultations have been successfully completed. Therefore, in order to make funds available, I recommend that you designate the requests listed on the enclosure as emergency requirements in accordance with section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. No further congressional action will be required. Department of Agriculture programs that provide credit and financial assistance to India and Pakistan to support purchases of U.S. commodities were previously exempted from sanctions in legislation enacted in July 1998.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the Secretary of State and the Assistant to the President for National Security Affairs in recommending that you make the requested funds available by signing the enclosed letter to the Speaker of the House of Representatives.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jacob J. Lew', with a stylized flourish extending to the right.

Jacob J. Lew  
Director

Enclosure