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Subchapter B—Administrative Orders

Notice of January 2, 1998

Continuation of Libyan Emergency

On January 7, 1986, by Executive Order 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order 12544, the President took additional measures to block Libyan assets in the United States. The President has transmitted a notice continuing this emergency to the Congress and the **Federal Register** every year since 1986.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993), that it demonstrate by concrete actions its renunciation of terrorism. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)),

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I am continuing the national emergency with respect to Libya. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
January 2, 1998.

Presidential Determination No. 98-9 of January 6, 1998

Designation of Argentina as a Major Non-NATO Ally

Memorandum for the Secretary of State

I hereby designate the Republic of Argentina a major non-NATO ally of the United States pursuant to section 517 of the Foreign Assistance Act of 1961, as amended, for the purposes of the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, January 6, 1998.

Presidential Determination No. 98-10 of January 12, 1998

Certification Pursuant to Section (b)(1) of Public Law 99-183 and to Section 902(a)(6)(B) of Public Law 101-246

Memorandum for the Secretary of State

Pursuant to section (b)(1) of Public Law 99-183 of December 16, 1985, relating to the approval and implementation of the Agreement for Cooperation Between the United States and the People's Republic of China, I hereby certify that:

(A) the reciprocal arrangements made pursuant to Article 8 of the Agreement have been designed to be effective in ensuring that any nuclear material, facilities, or components provided under the Agreement shall be utilized solely for intended peaceful purposes as set forth in the Agreement;

(B) the Government of the People's Republic of China has provided additional information concerning its nuclear nonproliferation policies and that, based on this and all other information available to the United States Government, the People's Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954; and

(C) the obligation to consider favorably a request to carry out activities described in Article 5(2) of the Agreement shall not prejudice the decision of the United States to approve or disapprove such a request.

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Pursuant to section 902(a)(6)(B)(i) of Public Law 101-246, I hereby certify that the People's Republic of China has provided clear and unequivocal assurances to the United States that it is not assisting and will not assist any nonnuclear-weapon state, either directly or indirectly, in acquiring nuclear explosive devices or the material and components for such devices.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, January 12, 1998.

Notice of January 21, 1998

Continuation of Emergency Regarding Terrorists Who Threaten To Disrupt the Middle East Peace Process

On January 23, 1995, by Executive Order 12947, I declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by grave acts of violence committed by foreign terrorists that disrupt the Middle East peace process. By Executive Order 12947 of January 23, 1995, I blocked the assets in the United States, or in the control of United States persons, of foreign terrorists who threaten to disrupt the Middle East peace process. I also prohibited transactions or dealings by United States persons in such property. In 1996 and 1997, I transmitted notices of the continuation of this national emergency to the Congress and the **Federal Register**. Last year's notice of continuation was published in the **Federal Register** on January 22, 1997. Because terrorist activities continue to threaten the Middle East peace process and vital interests of the United States in the Middle East, the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency must continue in effect beyond January 23, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to foreign terrorists who threaten to disrupt the Middle East peace process.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
January 21, 1998.

Title 3—The President

Presidential Determination No. 98-12 of January 28, 1998

Determination Pursuant to Section 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118)

Memorandum for the Secretary of State

Pursuant to section 523 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118), I hereby certify that withholding from international financial institutions and other international organizations and programs funds appropriated or otherwise made available pursuant to that Act is contrary to the national interest of the United States.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, January 28, 1998.

Presidential Determination No. 98-13 of January 30, 1998

Renewal of Trade Agreement With the People's Republic of China

Memorandum for the United States Trade Representative

Pursuant to my authority under subsection 405(b)(1)(B) of the Trade Act of 1974 (19 U.S.C. 2435(b)(1)(B)), I have determined that actual or foreseeable reductions in United States tariffs and nontariff barriers to trade resulting from multilateral negotiations are being satisfactorily reciprocated by the People's Republic of China. I have further found that a satisfactory balance of concessions in trade and services has been maintained during the life of the Agreement on Trade Relations between the United States of America and the People's Republic of China.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, January 30, 1998.

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Presidential Determination No. 98-14 of February 9, 1998

**U.S. Contribution to the Korean Peninsula Energy
Development Organization (KEDO)**

Memorandum for the Secretary of State

Pursuant to the requirements set forth under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs" in title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118), I certify that:

- (1)(A) the parties to the Agreed Framework are taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute;
- (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by April 1, 1998; and
- (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended.

You are authorized and directed to report this determination to the Congress and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, February 9, 1998.

Notice of February 25, 1998

**Continuation of the National Emergency Relating to Cuba
and of the Emergency Authority Relating to the Regulation
of the Anchorage and Movement of Vessels**

On March 1, 1996, by Proclamation 6867, I declared a national emergency to address the disturbance or threatened disturbance of international relations caused by the February 24, 1996, destruction by the Government of Cuba of two unarmed U.S.-registered civilian aircraft in international airspace north of Cuba. In July 1995, the Government of Cuba demonstrated a ready and reckless use of force against U.S.-registered vessels that entered into Cuban territorial waters that resulted in damage and injury to persons on board. In July 1996, the Government of Cuba stated its intent to forcefully defend its sovereignty against any U.S.-registered vessels or aircraft that might enter Cuban territorial waters or airspace while involved in a memorial flotilla and peaceful protest. Since these events, the Government of Cuba has not demonstrated that it will refrain from the future use of reckless and excessive force against U.S. vessels or aircraft that may engage

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in memorial activities or peaceful protest north of Cuba. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Cuba and the emergency authority relating to the regulation of the anchorage and movement of vessels set out in Proclamation 6867.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
February 25, 1998.

Presidential Determination No. 98-15 of February 26, 1998

Certification for Major Illicit Drug Producing and Drug Transit Countries

Memorandum for the Secretary of State

By virtue of the authority vested in me by section 490(b)(1)(A) of the Foreign Assistance Act of 1961, as amended, ("the Act"), I hereby determine and certify that the following major illicit drug producing and/or major illicit drug transit countries/dependent territories have cooperated fully with the United States, or have taken adequate steps on their own, to achieve full compliance with the goals and objectives of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances:

Aruba, The Bahamas, Belize, Bolivia, Brazil, China, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Jamaica, Laos, Malaysia, Mexico, Panama, Peru, Taiwan, Thailand, Venezuela, and Vietnam.

By virtue of the authority vested in me by section 490(b)(1)(B) of the Act, I hereby determine that it is in the vital national interests of the United States to certify the following major illicit drug producing and/or major illicit drug transit countries:

Cambodia, Colombia, Pakistan, and Paraguay.

Analysis of the relevant U.S. vital national interests, as required under section 490(b)(3) of the Act, is attached.

I have determined that the following major illicit drug producing and/or major illicit drug transit countries do not meet the standards set forth in section 490(b) for certification:

Afghanistan, Burma, Iran, and Nigeria.

In making these determinations, I have considered the factors set forth in section 490 of the Act, based on the information contained in the International Narcotics Control Strategy Report of 1998. Given that the performance of each of these countries/dependent territories has differed, I have attached an explanatory statement for each of the countries/dependent territories subject to this determination.

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You are hereby authorized and directed to report this determination to the Congress immediately and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, February 26, 1998.

STATEMENTS OF EXPLANATION

Aruba

Aruba is a major trafficking and staging point for international narcotics trafficking organizations which transship cocaine and heroin from Colombia, Venezuela and Suriname to the United States and Europe. Its key position near the Venezuelan coast with air and sea links to South America, Europe, Puerto Rico and other Caribbean locations makes it a prime transshipment point. Drug shipments are made primarily via containerized cargo, but commercial airlines and cruise ships are also used.

Money laundering organizations use legitimate companies as fronts to invest in land development and other construction projects. The Government of Aruba's (GOA) Free Trade Zone (FTZ), casinos and resort complexes are reported to be attractive venues for money laundering and smuggling. Legislation recommended by four joint Aruba-Dutch commissions to enhance monitoring of the FTZ, casinos, import and export of money, and legal entities is pending.

Although Aruba is a part of the Kingdom of the Netherlands (GON), it has autonomy over its internal affairs and has independent decision-making ability in many drug policy areas. In 1997, the GOA passed and implemented a new criminal procedural code which allows for expanded investigative powers for local law enforcement as well as for extradition of nationals subject to service of sentences in Aruba. The change in criminal procedure removed one of the last remaining barriers to the GOA's full compliance with the 1988 UN Drug Convention standards. The GOA has yet to ask the Kingdom of the Netherlands (GON), a party to the 1988 UN Drug Convention, to extend it to Aruba.

The GOA, as part of a joint Netherlands-Netherlands Antilles-Aruba Coast Guard, received two small fast patrol boats to patrol the coastal waters and interdict drug shipments. The GOA established money transaction monitoring entities to review unusual transactions in the banking sector. Aruban law enforcement officials participated in USG-sponsored training courses for drug enforcement during 1997.

Indications of corruption still hinder the effectiveness of GOA efforts against international narcotics traffickers and money launderers. The withdrawal of the OLA party from the Eman coalition government and the government's subsequent fall in late 1997 was linked in the press to the efforts of elements within Aruban society and political circles who are seeking to halt or reverse recent government actions, including progress in transnational crime, counternarcotics and money laundering issues. Elections in December returned no one party with a parliamentary majority and efforts to form a new coalition government have moved slowly. Progress in imple-

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menting anti-drug measures approved in 1997 may be delayed as a result of the political impasse.

Despite these problems, Aruba generally cooperated in 1997 with the USG to meet the goals and objectives of the 1988 UN Drug Convention.

The Bahamas

The USG and the Government of the Commonwealth of The Bahamas (GCOB) have enjoyed an excellent, cooperative working relationship on counternarcotics over the past decade. The GCOB places a high priority on combating drug transshipments through its archipelago, as demonstrated by the extensive resources it devotes to this initiative. Nevertheless, significant quantities of illicit drugs continue to transit The Bahamas en route to the U.S., and The Bahamas remains a major drug transit country. The GCOB cooperates very closely with the USG on Operation Bahamas and Turks and Caicos (OPBAT). U.S. and Bahamian law enforcement agencies worked diligently together throughout the year to respond to increases in air and maritime transshipment incidents.

The first country to ratify the 1988 UN Drug Convention, The Bahamas continues to take steps to implement it. Following passage of anti-money laundering legislation (March 1996) and implementing regulations (December 1996), in November 1997 The Bahamas submitted its strong anti-money laundering regime to mutual evaluation by the Caribbean Financial Action Task Force (CFATF).

During the year, the GCOB continued to strengthen its judicial system, with assistance from the USG. However, procedural delays continue to plague the court system, leading to delays in drug cases. The Bahamas needs to improve the effectiveness of its court system in disposing of drug cases more expeditiously.

The GCOB should also put greater emphasis on forfeiture of the proceeds of crime and trafficker assets, including early disposal of commodities used in trafficking before they lose value. The Bahamas has not yet designated the U.S. under the Bahamian law concerning execution of foreign forfeiture orders in The Bahamas, despite repeated U.S. requests since 1993. In past years, The Bahamas has prosecuted and convicted some middle- and low-level officials on charges of narcotics corruption.

Belize

The Government of Belize (GOB) recognizes the problem of drug transit through its territory and the effect drug trafficking has on domestic crime. Anti-narcotics activities are centralized in a committee consisting of various components of the Belize Police Force (BPF) and the Belize Defense Force (BDF), with a dedicated group of investigative police and a rapid response force called the Dragon Unit. They are active in the fight against drugs and work closely with the USG. The GOB is party to the 1988 UN Drug Convention.

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With USG help, the GOB continued to work to upgrade the professionalism and equipment of the BPF to combat violent crime and narcotics trafficking. A new two-officer money-laundering unit has recently completed training with USG support. The GOB has continued its support of cooperative efforts to reduce drug trafficking through its borders and to combat the crime associated with such trafficking. The GOB has also maintained its support of regional and unilateral counternarcotics efforts.

1997 was a record year for cocaine interdiction with more than two metric tons seized. Indications are that marijuana cultivation remained stable. The efforts of the Belizean security forces to control narco-traffic have been hampered by the lack of manpower, training and equipment, corruption within the ranks, and the relatively large expanse of uninhabited territory of the country.

This improved performance, however, was tempered by the mixed record of convictions and sentencing, including the dismissal of an important case involving Colombian, Mexican, and Belizean defendants. The Belizean judicial system remains weak, understaffed, and underfunded. Although the GOB and the USG reached tentative agreement on a new extradition treaty and a MLAT in late 1996, the GOB subsequently raised new concerns about certain aspects of these treaties and negotiations were stalled during 1997. While the new extradition treaty has not been completed, Belize continues to extradite alleged criminals to the United States under the 1972 US-UK extradition treaty.

The GOB needs to continue to fully cooperate with the USG and take action to meet the goals and objectives of the 1988 UN Drug Convention and other UN drug conventions. Of particular importance, the GOB should improve its prosecution of major drug cases, provide more support for the judicial branch, and conclude negotiations on mutual legal assistance and extradition treaties with the US. A renewed commitment to confronting corruption is essential.

Bolivia

Bolivia is the world's second leading producer of cocaine hydrochloride, and has an illegal coca-cocaine industry, including sophisticated operations to smuggle essential chemicals, that is increasingly under the control of Bolivians. The participation of foreigners is more and more relegated to the refining of base into cocaine hydrochloride and to transporting cocaine out of Bolivia, however, this will diminish as Bolivian traffickers improve their refining capabilities.

The former GOB never implemented an eradication program in the Yungas, and quickly discontinued its policy of arresting and prosecuting persons who plant new coca. The new Banzer government has promised prompt action on both issues. Additionally, although eradication slowed in April and did not effectively resume until early October, Bolivia exceeded its gross eradication goal for 1997 of 7,000 hectares and produced a net reduction in coca cultivation of 2 percent. This is an improvement over the one percent net reduction in 1996 and was largely conducted after the inauguration of the new Banzer government.

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Bolivia's new government is building a consensus, via a series of national dialogues, for the country's first national counternarcotics strategy. Their five-year plan includes the goal of totally eliminating illicit coca cultivation by the year 2002.

Total narcotics-related arrests increased substantially in 1997, as did seizures of cocaine products and essential chemicals. The Special Investigative Units—vetted and trained in the U.S.—have returned to Bolivia and are actively engaged in their own operations and in supporting the ongoing investigations of other Bolivian counternarcotics units. The Bolivian Navy's Blue Devil Task Force has been granted law enforcement authority, a change which will almost certainly result in greatly improved interdiction results on the country's waterways.

The legislature is considering critical judicial reforms, including revisions to Law 1008, Bolivia's basic counternarcotics law, which will, when enacted, greatly improve the country's court system and result in a fairer and more transparent judicial system.

Alternative development initiatives have been highly successful in providing farmers viable, licit alternatives and have helped solidify public opinion against coca cultivation.

In 1998, the Bolivian government must act to prevent new coca plantings and conduct eradication efforts in a sustained and intensified manner. A net reduction of 20 percent (or 7,000 hectares) of coca plantings must be achieved in 1998 if the Bolivians are to garner success for their 5-year plan to eliminate illicit coca. They must eliminate individually compensated eradication for controlling the cultivation of new coca fields and prosecute those who plant them. The Blue Devil Task Force must implement their new law enforcement authority to effect seizures of narcotics and chemicals, and arrests of narco-traffickers on Bolivia's waterways. Enforcement of recently enacted legislation criminalizing money laundering was delayed, in 1997, pending clarification of lines of authority and identification of funding sources. Bolivia must move forward to vigorously implement these laws.

Brazil

Brazil is a major transit country for cocaine shipped by air, river, and maritime routes from Bolivia, Peru, and Colombia to the U.S. and Europe. Because of increased interdiction of trafficker aircraft in Peru (along the Peru/Colombia air corridor), traffickers have shifted illicit narcotics flights into Brazilian air space. Brazil's vast and sparsely populated Amazon region provides ample opportunity for traffickers to transship drugs and chemicals by air and riverine routes. A southern "drug route" also exists along Brazil's borders with Paraguay and Bolivia.

While not a significant cultivation country, Brazil is a major producer of essential/precursor chemicals and synthetic drugs. There is also a growing domestic drug consumption and addiction problem, primarily among young people. Several key pieces of counter-narcotics legislation, including an anti-money laundering law, are under review in the congress. Brazil's

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bank secrecy laws and its highly developed financial networks make it fertile ground for money laundering of drug profits.

Although police drug seizures in 1997 were only slightly above those in 1996, anti-narcotics law enforcement units stepped up interdiction activities in the Amazon region and along the southern "drug route." The government implemented a new national defense policy (since 1996) to allow the military to assist police anti-drug operations in the Amazon. During two major operations in that region, the police put a majority of all clandestine airfields out of operation. In cooperation with neighboring countries, Brazilian police carried out investigations which disrupted several major drug smuggling organizations. Brazil also continues to cooperate in extradition cases of non-Brazilian citizens.

To signal its continued resolve to deal with narcotics trafficking problems, Brazil signed a new Letter of Agreement (LOU) for bilateral cooperation in narcotics control with the U.S. in 1997. Brazil has bilateral narcotics control agreements with all its South American neighbors as well as Germany and Italy. During a visit by President Clinton in October, Brazil signed a mutual legal assistance treaty (MLAT) with the U.S. In another positive step, the government incorporated anti-money laundering provisions in a packet of emergency measures sent to Congress in conjunction with a growing economic/fiscal crisis. This packet has cleared the lower house of the legislature and is still being considered by the Brazilian senate with passage possible in early 1998. Senior government officials made clear to U.S. interlocutors during 1997 that Brazil was fully committed to working with the U.S. and other nations in reducing the traffic in illicit drugs in South America.

China

China both remains a major transit route for Southeast Asian heroin destined for the U.S. and other Western markets and has had increasingly to deal with the phenomenon of itself becoming such a market. China continues to take a strong stand to battle this trend. In 1997, it further intensified its nation-wide efforts to combat drugs by focusing special attention on anti-drug education. Narcotics seizures also increased, as did the monitoring of precursor chemicals: there was a four-fold increase over 1996 in the seizures of such chemicals. China also moved to strengthen anti-drug legislation and for the first time identified money laundering as a crime. In 1997, China signed a Mutual Legal Assistance Agreement with India which placed special emphasis on narcotics trafficking. China is also a party to all of the UN narcotics conventions.

USG-PRC cooperation on counternarcotics issues improved in 1997. In October, as part of the Joint Statement issued during the Summit between Presidents Jiang and Clinton, China agreed to the opening of reciprocal drug enforcement offices in Beijing and Washington and to the establishment of a Joint Liaison Group on Law Enforcement which specifically included narcotics trafficking as one of the issues to be addressed. China hosted two Drug Enforcement Administration seminars on chemical control, sent officials to the United States to take part in airport interdiction training and continued working-level exchanges of information on inter-

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national drug trafficking cases with USG law enforcement officials. A direct e-mail link with DEA to facilitate information exchange on drug cases has been established. In April, China transferred to the U.S. for prosecution on drug trafficking charges a Burmese national in its custody.

China continues to struggle with the corruption and greed which have accompanied economic success and prosperity. The Government has passed specific laws to deal with officials guilty of the use, manufacture, or delivery of narcotics. Penalties for such transgressions include execution. There is no evidence of high-level official involvement in the drug trade. The juxtaposition, however, of low-paid law enforcement and other officials with the lucrative drug business creates the potential for corruption.

Chinese officials have noted that 90 percent of the heroin flowing into China comes from Burma. China's close trade and political relationship with Burma has facilitated misuse of their shared 2,000-kilometer border by drug traffickers. China has pledged cooperation in helping the Burmese fight narcotics production and has supported international programs to wean Burmese farmers away from drug production. China's success—or its failure—with regard to addressing the problem of Burmese drug production has serious implications for China, for the rest of Asia and for the West.

Dominican Republic

The Dominican Republic is an active transshipment point for drugs destined for the United States and Europe. Traffickers smuggle narcotics through Dominican territory by air, sea, and along the country's porous border with Haiti. A weak Dominican judicial system continues to hamper efforts to combat the narcotics trade, but a promising reform process began in 1997.

The Government of the Dominican Republic (GODR) continued to cooperate with the United States Government (USG) on counternarcotics objectives and goals. The GODR is party to the 1988 United Nations Drug Convention. It has enacted a money laundering and asset forfeiture law that complies with the Organization of American States (OAS)/Inter-American Drug Abuse Control Commission (CICAD) model. The GODR and the USG have a bilateral maritime agreement that allows for consensual boarding of sea vessels by host country authorities. Dominican authorities cooperate closely on drug investigation matters with the USG. The GODR had a mixed record of drug-related seizures and arrests. There was a decrease in marijuana seizures and arrests for drug-related offenses (1,481 arrests) in 1997, but an increase in heroin seizures (8.3 kgs). Cocaine seizures rose slightly from 1996 to 1,354 kgs. in 1997.

This cooperation has been marred by the disappointing record of judicial and legislative reforms. Dominican law prohibits the extradition of Dominican nationals, creating a refuge in the Dominican Republic for Dominican nationals who are believed to have committed serious crimes in the U.S. Pursuant to an extraordinary and rarely used Executive Order, the GODR did extradite two Dominican nationals to the United States in August 1997 to stand trial on charges of narcotics trafficking and homicide. Dominican judicial authorities have yet to act on more than two dozen additional U.S.

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extradition requests. An absence of effective government supervision of exchange houses or remittance operations and the presence of large cash flows, which could hide money laundering activity, continue to make the Dominican Republic vulnerable to further money laundering. Money laundering is not likely to diminish until the GODR aggressively implements the money laundering legislation.

Neither the GODR itself nor senior government officials encourage, facilitate, or engage in drug trafficking or money laundering as a matter of government policy. No evidence exists that senior government officials are involved in drug distribution or money laundering. No senior government official has been indicted for drug-related corruption in 1997.

Ecuador

Ecuador continues to be a major transit country for the shipment of cocaine from Colombia to the United States and Europe. Ecuador is also used by traffickers for money laundering of drug profits and to transit essential/precursor chemicals destined for Colombian drug labs. Cocaine is shipped primarily by road from the Colombian border to major Ecuadorian ports where it is concealed in bulk cargo transported in large ocean-going commercial vessels.

In 1997, Ecuador increased the number of interdiction checkpoints along inland transit routes leading to ports. With U.S. aid, Ecuador is establishing a Joint Information Coordination Center (JICC) in the major port city of Guayaquil. Ecuador also hosted a U.S. Customs/U.S. Coast Guard team which assessed port operations for top government officials. The Ecuadorian Congress passed legislation authorizing the forfeiture of drug assets and the use of forfeiture funds in support of prevention, rehabilitation, and police counter-narcotics activities. Police assigned personnel for U.S.-sponsored training to form a "controlled chemical" investigative unit. The government submitted new legislation to help police carry out money laundering investigations.

There is a long tradition of cooperation between Ecuadorian National Police and U.S. law enforcement in the area of narcotics control. Still, the police lack many of the resources needed to deal effectively with a narcotics trade directed by powerful criminal organizations in its neighbor to the north, Colombia, and, to a lesser extent, in Peru to the south. Cooperation between the Ecuadorian and Peruvian governments is complicated by an on-going, serious, and occasionally violent border dispute.

Ecuador cooperated with the U.S. to eradicate most of its coca crop in the 1980's and thus avoided the production problems that currently plague its neighbors Colombia and Peru. In 1997, Ecuador continued to demonstrate its willingness to work closely with the U.S. in dealing with other narcotics issues including major vulnerabilities such as cocaine transshipments, chemical diversions, money laundering, and judicial corruption/inefficiency. The police's canine unit, for instance, was created with U.S. assistance and had a number of outstanding successes in interdicting cocaine shipments in 1997. Ecuador has also signalled a willingness to discuss and work out ways in the near future to cooperate with the U.S. in maritime interdiction.

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Guatemala

With peace a reality after thirty six-years of internal conflict, President Arzu has made public security a top priority and has shown special interest in ensuring maximum cooperation with the United States in combatting counternarcotics trafficking through Guatemala and in the region.

Guatemala is located half way between the U.S. and Colombia and continues to be a transshipment and storage point for cocaine destined for the US via Mexico. There has been a marked increase in the use of truck and shipping containers. Guatemala has made major improvements to a self-financed port security program which expanded operations.

A major initiative resulted in the transition from the old national and treasury police forces to the new National Civilian Police (PNC) and the consolidation of various paramilitary law enforcement agencies. The Department of Anti-Narcotics Operations (DOAN), a specially equipped civilian police command, was transferred to the PNC after re-training and a major pay increase. With USG assistance, the DOAN seized almost 6 metric tons of cocaine in 1997. There was also steady progress in the successful prosecution of narcotics-related crimes with over 90 per cent of those accused being convicted.

Guatemala works closely with USG organizations to stem the flow of drugs through Guatemala, but has not yet enacted necessary legislation to implement all the provisions of the 1988 UN Convention on narco-trafficking. The Government of Guatemala (GOG) does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or controlled substances.

Guatemalan studies show that drug use is on the rise in most age groups with cocaine use increasing rapidly. However, Guatemala has recently completed a comprehensive national drug plan which is scheduled to be implemented starting in January 1998 and which includes an ambitious demand reduction program.

Haiti

Already confronted by a wide array of issues that compete for the attention of its limited professional and managerial talent, the Government of Haiti (GOH) and its criminal justice institutions are severely strained by increased international narcotics trafficking activities. Haiti's fledgling national police force is hampered by a lack of manpower, training, equipment, and experience. The poorest nation in the Western Hemisphere, Haiti is particularly vulnerable to the corrosive effects of narcotics-related corruption. Haiti's weak and ineffective judicial system has a poor track record of narcotics prosecutions. Haiti is a party to the 1988 UN Drug Convention.

Because of a significant increase in the detected activities of Colombian drug trafficking organizations in Haiti in 1994, Haiti was added to the list of major drug producing and transit countries in 1995. Due in measure to effective USG interdiction efforts around Puerto Rico and the Virgin Islands in 1997, traffickers have increasingly targeted Haiti's long, undefended coastline for narcotics deliveries intended for transshipment (often through

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the Dominican Republic) to the US. In response to this growing threat, the GOH, within its existing capacity, cooperated fully with the United States Government (USG) in counternarcotics efforts in 1997. The GOH must build upon the positive steps it has already taken to more aggressively seize narcotics shipments, pursue and prosecute narcotics traffickers, and investigate all allegations of governmental corruption with a view to effective prosecution.

The GOH is slowly but incrementally putting into place the legal mechanisms and governmental policies to counter organized trafficking elements. This effort has been hampered overall by the ongoing political impasse over a parliamentary quorum. In 1997, the GOH and the USG signed a Maritime Counterdrug Agreement. In 1997, the Haitian Coast Guard (HCG) and the U.S. Coast Guard (USCG) cooperated in four separate maritime interdictions that yielded over 2 metric tons of cocaine and five tons of marijuana. With USG support, the Counternarcotics Unit of the Haitian National Police (CNU) was staffed, trained and partially deployed in 1997. A fully-deployed CNU is scheduled to move to a permanent headquarters facility at the Port au Prince airport in 1998.

In response to allegations of drug-related corruption within the Haitian government, the Haitian National Police arrested 21 police and judicial officials for suspected complicity in narcotics trafficking in 1997. A Ministry of Justice (MOJ) Special Advisor on Narcotics Matters drafted a national narcotics strategic plan, completed draft legislation on money laundering, and updated archaic Haitian narcotics laws. That said, corruption remains an important USG concern, as does the need for successful prosecutions of narcotics trafficking cases.

In 1997, the GOH continued to give USG officials high-level assurances of its commitment to drug control, and those assurances have been supported by progress in establishing Haitian counter-drug institutions. However, Haiti still has a number of major goals to achieve before it will be able to take significant, independent action in counternarcotics.

Once a new Prime Minister and a new government are installed, the Maritime Counterdrug Agreement and the MOJ's legislation can be submitted for Parliamentary approval and a National Narcotics Plan approved at the cabinet level. The USG will continue to work with the GOH to achieve Parliamentary passage of pending and planned legislation and its vigorous implementation, continued training the CNU, and the institution of anti-corruption steps within the ranks in further compliance with the goals and objectives of the 1988 UN Drug Convention and the terms of our bilateral agreements and treaties.

The USG will remain engaged in increasing the capacity of the HCG and CNU to meet the threat posed by traffickers. The USG will also help improve the overall security of the Port-au-Prince Airport to inhibit the flow of drugs via air links to the U.S. Additional counternarcotics objectives for Haiti include targeting at least one major international narcotics organization for significant interdiction efforts and enacting civil and administrative asset forfeiture provisions to facilitate targeting of trafficker assets and companion legislation requiring use of the forfeited funds solely for counternarcotics interdiction and enforcement operations.

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Hong Kong Special Administrative Region

The Hong Kong Special Administrative Region remains a target point for money launderers and drug traffickers. USG officials believe that Hong Kong traffickers control large portions of Southeast Asian narcotics destined for the West, including the United States. In 1997, however, there were no seizures of heroin destined for the U.S. which could be tied to Hong Kong itself. Hong Kong has strengthened money laundering guidelines applicable to its financial institutions, securities firms and the insurance sector. It also enacted the 1997 Drug Trafficking Order, which allows for the enforcement of confiscation orders issued by countries that are signatories to the 1988 UN Drug Convention, thus enhancing Hong Kong's ability to recover the proceeds of drug trafficking. With Hong Kong's reversion to Chinese sovereignty in July 1997, the 1988 UN Drug Convention has for the first time been made applicable to Hong Kong. The U.S.-Hong Kong Extradition Agreement was ratified by the U.S. in November 1997 and came into force in January of this year. The new U.S.-Hong Kong Mutual Legal Assistance Agreement awaits Senate action.

Close cooperation between Hong Kong law enforcement agencies and the Public Security Bureau of Guangdong Province resulted in increased seizures on the mainland of heroin which would otherwise have entered Hong Kong. In conformity with the 1988 UN Drug Convention, Hong Kong amended Schedules 1 and 2 of its Control of Chemicals Ordinance to place the salts of 17 chemicals under licensing control. Hong Kong also issues pre-export notifications to destination countries of precursor chemical shipments so as to prevent diversions. As noted by the International Narcotics Control Board, Hong Kong stopped three suspicious chemical shipments in 1997. Hong Kong will face the second review of its system by the Financial Action Task Force in 1998 and has carefully reviewed its existing body of narcotics-related legislation and practices in preparation for that review.

There is no reported narcotics-related corruption among senior government or law enforcement officials in Hong Kong. Cooperation between the U.S. and Hong Kong on counternarcotics matters remains both wide-ranging and excellent. Hong Kong and USG personnel conducted several joint narcotics investigations in 1997, resulting in a number of arrests and drug seizures, as well as in financial seizures. In August, U.S., Hong Kong and Mexican officials also successfully coordinated a controlled delivery to Mexico of 150 kilograms of pseudoephedrine originating in China. Hong Kong Customs and Excise authorities provided two instructors to assist DEA's diversion training team in conducting two one-week seminars in China. Locally posted DEA officers continue to provide monthly briefings at the Hong Kong Police Command School.

India

India, an important producer both of licit and illicit narcotics, is a crossroads for international narcotics trafficking. It is the world's largest producer of licit opiates for pharmaceutical use and the only producer of licit gum opium. Some opium is diverted from the country's legal production, although it is difficult to ascertain the exact amount. The Government of India estimates diversion at about 10 percent, although it may be as high

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as 30 per cent. Illicit poppy cultivation declined significantly in the past year, from 47 metric tons (mts) to 30 mts, according to USG estimates. India's location between the two main sources of illicitly grown opium, Burma and Afghanistan, as well as its well-developed transportation infrastructure, makes it an ideal transit point but heroin transshipment is not as significant as in neighboring Pakistan, Thailand and China and there is no evidence that opiates transshipped through India reach the U.S. in significant amounts.

As a licit producer of opium, India must meet an additional certification requirement. In accordance with Section 490(c) of the Foreign Assistance Act, it must maintain licit production and stockpiles at levels no higher than those consistent with licit market demand and take adequate steps to prevent significant diversion of its licit cultivation and production into illicit markets and to prevent illicit cultivation and production.

Indian opium gum, the principal source of thebaine, and alkaloid essential to certain pharmaceuticals, is purchased by U.S. pharmaceutical firms. Between 1994 and 1996, India had difficulty meeting its production goals and satisfying the world demand for this narcotic raw material. Reduction in acreage, a severe drought which limited crops and inaccurate physical inventories over the last 20 years led to a depleted stockpile and large discrepancies in inventory which were discovered in 1994.

Starting in 1995, India took a number of steps to increase licit opium productivity and the licit opium stockpile. To increase future inventory accuracy, the traditional method of storing liquid opium in large, open vats, resulting in undetermined losses due to evaporation, was changed to a system of sealed cans. To ensure a more secure stockpile, the GOI increased the opium crop by increasing each year the minimum qualifying yield per hectare with which each farmer must comply. Opium output grew each year, from 833 mts in 1995 to 849 mts in 1996 to 1,341 mts in 1997. The GOI also sharply increased its seizures of diverted licit opium. Greater GOI attention to increasing licit opium yields both increased the amount of narcotic raw material available to purchasers and ensured a more stable stockpile. Following years of an inadequate supply, this year's increased production finally gives India a licit stockpile consistent with market demand.

In 1997, India took five important steps to increase licit opium production to meet market demand while curtailing the diversion of licit opium. These steps include: A) raising the minimum qualifying yield (MQY) for relicensing to cultivate opium poppy from 48 to 52 kilograms per hectare; B) increasing GOI vigilance of poppy farmers with direct farm visitation by enforcement personnel to ensure all harvested opium is turned in to government warehouses; C) seizing 11 mts of raw opium harvested by licit cultivators, but not declared to the government in 1997 as opposed to the 2 mts of diverted licit opium seized in 1996; D) quickly averting the harmful effects of a cultivator strike by licensing new farmers to replace the striking cultivators; and E) making offenses relating to cultivation and embezzlement of opium by licensing cultivators on par with other trafficking offenses, resulting in long prison terms and heavy fines upon conviction.

While these are adequate steps to curb diversion, the USG believes even more could be done and will work with the GOI to increase diversion controls. USG offers to help the Government of India (GOI) with a survey of the licit opium fields have not yet been acted upon. A well-designed crop

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study would provide accurate data on crop yields and would be an important step in establishing practicable levels of minimum qualifying yield. The data could also be used to extrapolate the level of diversion. The USG hopes to work with the GOI on a future joint opium crop yield survey. Scientists from the U.S. Department of Agriculture and the GOI have collaborated on the design of a poppy survey.

India also has illicit cultivation, primarily in Jammu and Kashmir, where GOI control is challenged by insurgent groups and in the remote hills of Uttar Pradesh. USG surveys between 1994 and 1997 indicated illicit cultivation of opium poppy decreased steadily, with the estimated yield declining from 82 mts of opium to 30 mts. The GOI locates and destroys illicit cultivation with vigor, but in some areas, such as Jammu and Kashmir, GOI control is challenged by insurgencies. The USG supplies satellite data along with coordinates of suspected areas of illicit poppy cultivation and the GOI has carried out extensive field surveys and some random aerial surveys, some with DEA assistance.

The GOI has made significant progress in controlling the production and export of precursor chemicals. Trafficking in illegally produced methaqualone (mandrax), a popular drug in Africa, is still a major problem. The GOI has a cooperative relationship with the DEA, which is appreciative of Indian efforts to control trafficking in precursor chemicals. However, authorities have had limited success in prosecuting major narcotics offenders because of the lack of enforcement funding and weaknesses in the intelligence infrastructure.

India met formally several times in 1997 with Pakistan to discuss narcotics matters and is committed to continuing consultations in 1998. Although these meetings have produced limited results, they are an important step toward much-needed regional narcotics cooperation. India has also met with Burmese officials along the border.

India is party to the 1988 UN Drug Convention, but has not yet enacted supporting legislation on asset seizures or money laundering. The substantive steps India has taken in controlling illicit narcotics growth and in increasing the harvest of licit opium while at the same time tightening controls on the licit crop to prevent diversion qualify India for certification.

Jamaica

Jamaica is a producer of marijuana and an increasingly significant cocaine transshipment country. The Government of Jamaica (GOJ) made some progress during 1997 toward meeting the goals and objectives of the 1988 UN Drug Convention, to which it became a party in December 1995, and of our bilateral cooperation agreements and treaties. Counterdrug cooperation between DEA and the Jamaica Constabulary Force (JCF) remained at high levels, and cannabis eradication increased from 473 hectares in 1996 to 683 hectares in 1997, despite severe resource constraints. In October, parliament passed a master national drug abuse prevention and control plan which complies with the OAS/CICAD model. Many important actions, however, still remain to be taken by the GOJ to fully meet the counterdrug goals and objectives.

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During 1997, the GOJ extradited to the U.S. three Jamaican national fugitives from U.S. justice, compared to 1996, when the GOJ returned one Jamaican national under a waiver of extradition, one U.S.-Jamaican dual national who returned voluntarily and six U.S. national fugitives who returned voluntarily or were deported to the U.S. One U.S. national died in Jamaica in 1996 while extradition proceedings were pending. The U.S. seeks early resolution of the 26 active extradition cases currently pending with Jamaica. Although both countries have begun to utilize the bilateral Mutual Legal Assistance Treaty (MLAT), Jamaica needs to speed up its execution of U.S. mutual legal assistance requests.

By year's end, the GOJ had not yet tabled in parliament any precursor and essential chemical control legislation. In September 1997, however, the GOJ signed with the USG a letter of agreement (LOA) which details USG counternarcotics assistance to be provided and GOJ actions to be taken. This agreement includes a GOJ commitment to introduce into parliament a precursor chemical control law by April 1998.

In November 1997, the GOJ amended its 1996 anti-money laundering law to mandate reporting of all cash transactions of U.S. \$10,000 equivalent or more. Previously, the law incorporated a threshold reporting requirement for all transaction types. Further amendments are required to bring Jamaica into full compliance with the recommendations of the Caribbean Financial Action Task Force (CFATF). Although there are four cases pending, to date there has been no adjudication of money laundering cases. In February 1998, a Jamaican court granted the first forfeiture order, under the 1994 law, of assets of a convicted drug dealer; however, Jamaica has not provided for earmarking of forfeited assets for counterdrug purposes.

In the area of drug enforcement, GOJ drug arrests and cocaine and hashish oil seizures increased in 1997 from 1996 levels, but marijuana seizures were down substantially. A maritime law enforcement cooperation agreement was signed by the GOJ and USG in May 1997; on February 24, 1998, the GOJ notified the USG that it had completed its constitutional requirements for the entry into force of the agreement. A return notification from the USG brings the agreement into force. The United States hopes that, with the agreement in force, maritime cooperation with Jamaica will improve. The GOJ needs to reinvigorate the previously successful joint Jamaica Constabulary Force (JCF)-DEA Operation Prop Lock, which seized only one trafficker plane during 1997, and that had to be returned to its owner for lack of probable cause.

Drugs in export shipments continued to threaten Jamaica's legitimate commerce during 1997. At GOJ invitation, U.S. agencies conducted an export security assessment and recommended remedial actions to improve security at air- and seaports. The GOJ needs to carry out these recommendations. During 1997, there were reports in the Jamaican media about drug-related corruption of police and a resident magistrate, the latter of whom was arrested on corruption charges. The GOJ also needs to take strong steps to control drug-related public corruption. A wide-ranging bill dealing with corruption of public officials was tabled in parliament, with passage expected in early 1998.

Parliamentary passage of introduced and planned legislation and its vigorous implementation will be necessary for Jamaica to meet fully the goals

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and objectives of the 1988 UN Drug Convention and the terms of our bilateral agreements and treaties.

Laos

Laos remains the world's third largest producer of illicit opium. Despite concerted efforts by the government, Laos' estimated potential production as a result of the 1997 growing season was 210 metric tons, up 5 percent from 1996. Cultivation increased by 12 percent, with most of the increase in the more isolated northwest of the country. Opium production remained low, however, within the USG-funded Houaphanh alternative development project area. Laos' proximity to important ports and trade routes also places it on the trafficking routes for drugs destined for the West, including the U.S. Recognizing the phenomenon of "economic opportunism" suggested by UNDCP experts as contributing to increased opium production, Lao authorities agreed in 1997 to a USG proposal to begin, for the first time, an eradication program in areas where alternative development projects are in place. Lao law enforcement officials made their largest heroin seizure ever (62.3 kilograms) in Luang Prabhang Province in May, highlighting the increased effectiveness of Laos' counternarcotics enforcement efforts. Laos also ratified the 1971 UN Convention on Psychotropic Substances and has indicated it may ratify the 1988 UN Drug Convention in 1998, after passage of required legislation.

In keeping with its plan to address all aspects of the drug problem in Laos, the Government of Laos has emerged as an increasingly active player in regional and international counternarcotics efforts. In July, it hosted a trilateral ministerial meeting with Burma and Thailand to address problems of illicit drug production and trafficking. Laos also signed bilateral counternarcotics cooperation agreements with Burma and the Philippines. It was selected to serve a four-year term on the UN Commission on Narcotic Drugs, which began this January.

USG-Lao counternarcotics cooperation remains a center point of the overall relationship and continues to be excellent. USG counternarcotics assistance to Laos has increased as the Lao have moved toward a counternarcotics policy which seeks to balance alternative development, law enforcement, eradication and demand reduction regimes. In order for Laos to avoid the stigma attached to narco-societies, it must control opium cultivation, production and trafficking before modernization exacerbates those problems. It will also have to deal with the problems posed by corruption, including possible narcotics-related corruption, among military and government officials. The USG's commitment to Laos has been made both in response to the determination thus far shown by the Government of Laos and in recognition of Laos' need for assistance in accomplishing its stated counternarcotics goals.

Malaysia

For geographic and historical reasons Malaysia remains, and likely will remain for some time, a significant transit country for U.S. and European-

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bound heroin. Top Malaysian leaders, including the Prime Minister, are deeply concerned by Malaysia's drug problem and have made combating illicit drugs one of Malaysia's top national priorities. Police, armed with stiff anti-trafficking laws that provide for detention without trial and, in some cases, mandatory death sentences, prosecute drug crimes vigorously. The Anti-Narcotics Division of the police now enjoys department status. Unlike some of its neighbors, Malaysia is prepared to move against corruption. Several police officers were arrested and prosecuted for drugs-related corruption. Police also arrested several mid-level police officers and other government officials including a Malaysian diplomat, who was later acquitted of drug smuggling charges. A newly amended anti-corruption act gave the police additional powers to prosecute corruption in 1997.

The government has also devoted new resources to drug rehabilitation. In 1997 Malaysian authorities launched new initiatives aimed at combatting drug use among the young, improving drug rehabilitation techniques, and combatting the spread of psychotropic pills. Cooperation with the USG on combatting drug trafficking has been excellent. The U.S.-Malaysian Extradition Treaty came into force in 1997. Positive discussions on a Mutual Legal Assistance Treaty continued. Malaysia is working on legislation governing asset forfeiture and management of seized assets to complement the MLAT. Malaysia is a party to the 1961 UN Single Convention and its 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention.

Mexico

The issue of illicit narcotics trafficking, and related crimes, remains at the top of the bilateral agenda between the U.S. and Mexico. These issues figured prominently in meetings in which Presidents Clinton and Zedillo approved documents which form the basis of counternarcotics cooperation between the United States and Mexico. In May, the two Presidents issued the "Declaration of the U.S.-Mexico Alliance Against Drugs" and released the *Bi-National Drug Threat Assessment*. In November, the two Presidents approved a summary of a binational drug strategy. Both leaders have committed to strengthen their governments' respective anti-drug efforts and to continue to work toward closer and more effective bilateral anti-drug cooperation.

The U.S./Mexico High-Level Contact Group on Narcotics Control (HLCG) and the Senior Law Enforcement Plenary continued to serve as the principal senior-level fora for expanding and enhancing bilateral counter-drug cooperation. The HLCG met three times in 1997, the Plenary twice, and their technical working groups, which cover issues ranging from chemical control to demand reduction, met throughout the year. The HLCG supervised the preparation of the bilateral threat analysis and the *United States/Mexico Binational Drug Strategy*, which was released on February 6, 1998.

During 1997, the Government of Mexico (GOM) took steps to begin implementing the important legislative reforms of 1996 to advance its national efforts against drug trafficking and organized crime. It developed a number of specialized investigative units, such as the Organized Crime and Financial Intelligence Units, to implement those laws. The Bilateral Border Task

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Forces, created in 1996, had to be reconstituted in 1997, however; Mexican personnel are assigned and working in these units, but are cooperating with U.S. law enforcement counterparts on a limited basis. Agents assigned to the new Special Prosecutor's Office and to the elite investigative units underwent more rigorous screening and background checks than their predecessors and the process is being expanded to all parts of the Office of the Attorney General (PGR). The GOM improved training for the new agents, and plans to improve salaries and benefits as well. The U.S. provided training, technical and material support.

The GOM published regulations needed to implement anti-money laundering legislation passed in 1996 and began to work with financial institutions to improve the effectiveness of its national reporting system for suspicious and large currency transactions. The Mexican Congress began its review of new asset forfeiture legislation. In December, the Mexican Congress passed a comprehensive chemical control bill enabling the GOM to regulate all aspects of commerce in precursor and essential chemicals to prevent their diversion to illicit drug production. The Chemical Experts Working Group promotes bilateral cooperation and information sharing.

The GOM wrestled with very serious corruption issues in 1997, including an internal investigation which implicated General Jesus Gutierrez Rebollo, the head of its federal drug law enforcement agency. He and a number of co-conspirators are being prosecuted, and the agency he headed was replaced by a new institution. Mexico is seeking both to uncover ongoing cases of corruption as well as to strengthen justice sector institutions to withstand corrupting influences and pressures. President Zedillo has made this a national priority, but acknowledged that lasting reform will take time.

Drug seizures in 1997 generally increased over 1996 levels. Mexican authorities seized 34.9 MT of cocaine, 115 kgs of heroin, 343 kgs of opium gum, 1,038 MT of marijuana, 39 kgs of methamphetamine, and destroyed 8 clandestine laboratories. The GOM's massive drug crop eradication effort reduced net production of opium gum from an estimated 54 MT in 1996 to 46 MT in 1997, and of marijuana from 3,400 MT in 1996 to 2,500 MT in 1997. Authorities arrested 10,742 suspects on drug-related charges. At least eight individuals considered by U.S. law enforcement authorities to be major traffickers were tried and sentenced to prison terms of 9 to 40 years, including Joaquin Guzman Loera (21 years), Hector Luis Palma Salazar (22 years), Miguel Angel Felix Gallardo (12 years), Raul Valladares del Angel (29 years). Unfortunately, Humberto Garcia Abrego was released and Rafael Caro Quintero succeeded in obtaining a reduction in his sentence.

In 1997, the U.S. and Mexico made further progress in the return of fugitives. A new Protocol to the Extradition Treaty, signed at the time of President Zedillo's visit to Washington in November, will aid the two governments in their efforts to combat transnational crime by permitting "temporary" extradition of fugitives sentenced in one country to face criminal charges in the other. The GOM approved the extradition of 27 fugitives from U.S. justice (12 for drug charges) although nine (all Mexican nationals, five facing drug charges) are appealing the GOM's extradition order, or face charges in Mexico. Thirteen fugitives (seven on drug charges) were formally extradited; ten other fugitives (eight U.S. citizens and two third-

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country nationals) were expelled by the GOM to the U.S. in lieu of extradition.

Mexico made progress in its anti-drug effort in 1997 and cooperated well with the United States. Nevertheless, the problems that Mexico faces in countering powerful criminal organizations, and the persistent corrupting influence that they exert within the justice sector, cannot be minimized. There are also areas of bilateral cooperation which must be improved for the two governments to achieve greater success in attacking and dismantling the trans-border drug trafficking organizations. The U.S. is convinced, however, of the Zedillo Administration's firm intention to persist in its campaign against the drug cartels and its broad-sweeping reform effort. Through daily interaction between agencies of the two governments, formal discussions in the HLCG and other bilateral groups, as well as collaboration in multilateral fora, the two governments are finding increasingly productive ways to work together against the common threats our nations face.

Panama

Panama is major transit point for Colombian cocaine and heroin on its way to the United States. Cocaine passes through Panamanian territorial waters concealed in fishing boats or "go-fast" boats. Some of it is off-loaded on the Panamanian coast and then transported by truck up the Pan-American Highway into Costa Rica where it is then bound for the US. It is also carried by "mules" traveling by air to the US and Europe. There is no evidence that any senior official of the Government of Panama is involved in any drug scenarios nor does government policy encourage or facilitate drug-related criminal activity. However, the amount of drugs seized by Costa Rican border officials from tractor trailers entering from Panama is suggestive of either inadequate inspections or corruption on the part of Panamanian border officials. Corruption in the Judiciary remains a concern, particularly because judges are vulnerable to political influence and are susceptible to threats.

Panama continued to cooperate with U.S. in counternarcotics efforts in 1997. In 1997, they took steps to implement its counternarcotics masterplan, which was developed by the National Commission for the Study and Prevention of Drug Related Crimes, a part of their public ministry. The plan deals with prevention, treatment, rehabilitation, and re-entry into the workforce; control of supply; and illicit trafficking. It encompasses state and non-governmental organizations. Panama also hosted the "First Hemispheric Congress on the Prevention of Money Laundering" and became the first Latin American country to be admitted to the Egmont Group, an alliance of 30 nations with centralized financial analysis units to combat money laundering. Panama is also an active participant in the Commission Against Addiction and Illicit Trafficking of Drugs (CICAD), the Caribbean Financial Action Task Force (CFATF) and the Basel Committee's Offshore Group of Bank Supervisors.

In 1997, Panamanian officials seized 21.62 metric tons (MT) of illegal drugs, including 7 MT of cocaine. Although Panama gives law enforcement a high priority, this is not reflected by the scant resources and low wages

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it provides some of its law enforcement agencies which lack equipment, training and base facilities.

Panama needs to sign the maritime interdiction treaty with the U.S. that was negotiated and approved by the General Directorate of Consular and Maritime Affairs earlier this year. They need to undertake a fundamental and wide-ranging reform of the judicial system to ensure it is protected from political influence and corruption. Panama needs to sign the agreement with the U.S. to establish a Multinational Counternarcotics Center (MCC) at Howard Air Force Base. Negotiations were essentially completed on this agreement in late 1997, when the GOP raised new concerns. The GOP also needs to enact bank reforms it announced in 1997 and enact legislation to extend the existing law against drug money laundering to include the proceeds from all serious crimes.

Peru

Following the 1996 reduction in coca cultivation, Peruvian coca cultivation declined dramatically in 1997, from 115,300 hectares (with the potential to produce 460 metric tons of cocaine) in 1995 to less than 69,000 hectares (with the potential to produce 325 metric tons of cocaine) in 1997. The 1997 percentage decrease in the total area under coca cultivation was 27 percent, following the 18 percent decline in 1996. A strong commitment by the Government of Peru (GOP) to forcibly eradicate illicit mature coca in national parks and other areas by manual labor means resulted in over 3,462 hectares destroyed in 1997, a 175 percent increase over 1996.

This success was the offspring of a combined Peruvian Air Force (FAP) and Peruvian National Police Drug Directorate (DINANDRO) "airbridge denial" interdiction program and increasingly effective narcotics law enforcement. These two USG-supported programs continued to deter traffickers from using their preferred method of exporting large quantities of cocaine base by air for further refining into cocaine hydrochloride (HCl) in Colombia and elsewhere. "Airbridge denial" success maintained a cocaine base glut in the coca cultivation zones and below-production-cost farmgate coca prices. The collapse of coca leaf prices spurred greater numbers of farmers to accept the economic alternatives to coca offered by the USG-Peru alternative development project, which expanded in 1997.

The joint U.S.-GOP alternative development program was successful in strengthening local governments, providing access to basic health services and promoting licit economic activities, thereby establishing the social and economic basis for the permanent elimination of coca. A total of 239 communities have signed coca reduction agreements to reduce coca by approximately 16,300 hectares over the next five years.

Responding to traffickers developing new smuggling methods on Peru's rivers, across land borders and via maritime routes, Peruvian counternarcotics agencies, in particular DINANDRO and the Peruvian Coast Guard, established several riverine counternarcotics bases and increased resources for riverine anti-drug operations. Cooperating with USG law enforcement partners and advisors, DINANDRO worked extensively with drug police from Colombia and Brazil to share counternarcotics intelligence and to par-

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ticipate in joint law enforcement operations in the Amazonian tri-border area.

In 1997, the Government of Peru (GOP) cooperated fully with the USG in fulfilling the objectives of the USG-Peruvian counternarcotics framework agreement and of the 1988 UN Drug Convention, to which Peru is a party. Counternarcotics activities remained a GOP national priority, and Peru's 1997 "National Plan for Alternative Development, Drug Prevention and Rehabilitation" set goals of reducing illicit coca production by approximately 50 percent within five years.

Taiwan

Given trafficking patterns in the region and Taiwan's role as a shipping center, the U.S. believes Taiwan remains a transit point for drugs significantly affecting the U.S. While Taiwan authorities dispute this assessment, there is no disagreement with regard to the fact that individuals from Taiwan continue to be involved in international narcotics trafficking. Some 67 percent of all drugs smuggled into Taiwan are believed to come from China. Whatever their belief about Taiwan's transit role, Taiwan authorities continue to mount an aggressive counternarcotics campaign that involves both social rehabilitation programs and harsh sentences for narco-trafficking. Although Taiwan is not a UN member and cannot be a signatory to the 1988 UN Drug Convention, it tries to meet Convention goals regarding precursor chemicals via an active program to control the products of its large chemical industry. In addition, Taiwan authorities have come to recognize that money laundering is a growing problem. In 1997, a Money Laundering Prevention Center was established under the auspices of the Ministry of Justice Investigation Bureau.

Cooperation between USG law enforcement agencies (under the auspices of the American Institute in Taiwan) and Taiwan law enforcement institutions continued to expand in 1997. Drug Enforcement Administration (DEA) and Financial Crimes Enforcement Network officials have led training seminars for Taiwan counterparts and have broadened their range of contacts within Taiwan's law enforcement community. Taiwan authorities have generally responded positively and constructively to U.S. requests on counternarcotics issues. With the opening of the Money Laundering Prevention Center, authorities have started sharing with USG law enforcement officials Taiwan-originated information related to money laundering cases where the flow of money leads to the U.S. In addition, Taiwan Ministry of Justice investigation officers assisted DEA agents with a case involving a shipment of drugs to Guam.

Taiwan's counternarcotics enforcement activities led to a 19.1 percent increase in drug convictions in the first ten months of 1997 over all of 1996. Drug seizures also increased. The Money Laundering Prevention Center pursued investigations in all 360 cases of reported suspicious transactions. Taiwan also continues to prosecute cases of public corruption. There are, however, no known cases of official involvement in narcotics trafficking.

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Thailand

Throughout 1997 Thailand continued its long tradition of cooperation with the United States and the international community in anti-drug programs. The U.S.-Thai Mutual Legal Assistance Treaty has been in effect since the middle of 1993, and USG requests for assistance under the Treaty have been consistently honored by the RTG. Cooperation between the USG and Thailand in a number of areas, not specifically covered by formal agreements, is long standing, close and productive. DEA works closely with Thai drug authorities in investigating major heroin trafficking organizations, providing training and developing Thai drug enforcement capabilities. The U.S. Customs Service and Department of Defense have cooperated with various agencies on anti-smuggling projects. DOD is also supporting training initiatives with selected Border Patrol and Narcotics Police units, and has assisted development of the regional Drug Task Forces.

In another example of responsive drug enforcement cooperation, after the illegal release on bail of a major drug fugitive awaiting extradition to the United States, Thai authorities moved quickly to secure his return from Burma, expedited his extradition and ultimately removed the judge responsible for granting the bail. Thailand's continuing cooperation on extraditions involved sending 17 individuals to the U.S., all but one of whom were defendants in drug cases, and some of whom were Thai nationals or claimed Thai citizenship.

USG experts estimated that Thai opium production in the 1996-97 growing season declined seventeen percent from the previous year's production, to 25 metric tons. Control programs have resulted in a reduction of the amount of poppy grown from an estimate of up to 200 metric tons in the 1970's, to an estimated 25 metric tons in 1997.

Although Thailand has yet to become a party to the 1988 UN Drug Convention due to its lack of anti-money laundering laws, progress was achieved with money laundering legislation, previously approved in Cabinet, introduced in Parliament and passed through the first of three readings. Thai officials have committed to the passage of the laws during upcoming parliamentary sessions. Thailand is generally in compliance with the 1988 UN Drug Convention except for enacting anti-money laundering statutes. It enforces laws against the cultivation, production, distribution, sale, transport, and financing of illicit drugs. Last year penalties for possession of methamphetamines were increased. As of October 1997, 282 cases opened under the asset seizure and conspiracy statutes amounted to over 17 million dollars seized or frozen. Thai authorities do, however, need to strengthen the conspiracy law and create additional legal tools to make prosecutions of higher level offenders possible. Thailand's level of international and bilateral cooperation on drug control is expected to remain high, with the Kingdom setting an example regionally for effective drug control programs, despite current economic difficulties.

Venezuela

Venezuela continues to be a major transit country for cocaine shipped from South America to the United States and Europe. Law enforcement

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agencies estimate that over 100 metric tons (mt) of cocaine transit yearly. Venezuela is also a transit country for chemicals used in the production of drugs in source countries. Venezuela is not a significant producer of illegal drugs, but small-scale opium poppy cultivation occurs near the country's border with Colombia. In recent years, Venezuela's relatively vulnerable financial institutions have become targets for money laundering of illegal drug profits.

In 1997, Venezuela took significant steps to improve its counter-narcotics activity. A new drug czar (appointed at the end of 1996) received ministerial rank and a mandate to step up implementation of Venezuela's comprehensive 1993 anti-drug law. Seizure statistics increased more than 150 percent over those in 1996. Venezuela's congress passed legislation to control gambling casinos (a prime money laundering target) and the government adopted new banking regulations with strict reporting requirements. The National Anti-Drug Commission (CNA, formerly CONACUID) released a national anti-narcotics strategy containing a comprehensive set of goals for the next four years. These goals include judicial reform and a new organized crime bill with conspiracy, asset forfeiture, and additional anti-money laundering provisions.

Bilateral cooperation between Venezuela and the U.S. received a boost during the October 1997 visit of President Clinton to Caracas. The two countries signed a joint declaration of "Strategic Alliance Against Drugs." The declaration addressed most of the areas of the 1988 UN Convention (ratified by Venezuela in 1991) and specific areas of bilateral concern raised in the course of bilateral discussions during the year. During this visit, the two countries also signed a mutual legal assistance treaty (MLAT). 1997 also saw increased cooperation between Venezuela and the U.S. in maritime interdiction of illegal drug shipments.

Some problem areas remain. Narcotics-related corruption in law enforcement, the judiciary, financial institutions, and the prison system are continuing concerns. The Government of Venezuela does not as a matter of policy or practice encourage or facilitate drug trafficking or money laundering, nor do its senior officials engage in, encourage, or facilitate such activities. Port control needs to be improved. The new anti-money laundering legislation needs to be implemented with an effective control regime and organized-crime/asset forfeiture legislation should be given a high priority. Venezuela continues to lack an effective air interdiction strategy.

Nevertheless, Venezuela demonstrated a high-level political commitment to combat narcotics trafficking and related crime during 1997. The U.S. will support Venezuela's stepped-up counternarcotics effort and will work closely with Venezuela in areas of common concern as money laundering and diversion of precursor/essential chemicals. The U.S. will also seek ways to support judicial reform and to enhance cooperation in maritime interdiction efforts.

Vietnam

Drug trafficking through Vietnam and domestic drug abuse continue to increase, particularly among young people with rising incomes. At the same time, intense media coverage of narcotics arrests and trials, especially

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stiff sentences, including several executions, highlighted a “get tough” approach with traffickers and corrupt mid-and-lower level government officials. Law enforcement authorities also increased drug seizures, investigations, and prosecutions, generally. The number of drug arrests increased by 25 percent in the first six months of 1997, compared with the same period last year. This followed an even larger increase (66 per cent) in 1996. Some 70 percent of the cases involved heroin. A spot raid in Ho Chi Minh City netted 96 youngsters (mostly age 15–16) who were dealing in heroin. In another incident, a judge in Ky Son District (the area of heaviest drug production and transit) was arrested in March for trafficking in opium, but he later escaped. A Haiphong Court also imposed stiff sentences on several drug pushers said to have lured teenagers into heroin use. Traffickers seem to have modified their transit routes somewhat in response to these stepped-up enforcement efforts.

The Socialist Republic of Vietnam (SRV) took two major initiatives during 1997: it established an Anti-Narcotics Division (AND) of the People’s Police and reorganized and elevated responsibility for drug policy coordination, which is now under a Deputy Prime Minister. It also ratified the 1988 UN Drug Convention in November. After considerable success reducing opium poppy cultivation in the past few years, cultivation may once again be increasing. Vietnam claims to have reduced poppy cultivation from over 20,000 hectares in the late 1980’s and early 1990’s to 2,885 hectares in 1995/96. USG experts, however, estimated an increase from 3,150 hectares in 1996 to 6,150 hectares in 1997. The United States and Vietnam are negotiating a narcotics cooperation letter of agreement. During 1997, the Vietnamese welcomed a visit by the Drug Enforcement Administration’s (DEA) Chief of International Operations. There were also regular visits by DEA officers based in Embassy Bangkok.

VITAL NATIONAL INTERESTS JUSTIFICATIONS

Cambodia

A transit point for Southeast Asian heroin as well as a source country for marijuana, Cambodia experienced violent internal conflict in early July 1997. This conflict, and the high-level political infighting leading up to it, disrupted USG counternarcotics efforts aimed at helping to build a credible counternarcotics and law enforcement infrastructure. Indeed, all direct USG assistance to the government has been suspended, although some humanitarian and democracy-building programs continue.

In recent months, Cambodia appears to have begun to try to refocus its counternarcotics efforts. Counternarcotics agencies appear to be targeting trafficking organizations more aggressively, but their staffs remain poorly trained and equipped. Military and police personnel have been arrested for their involvement in narcotics-related activities, suggesting an effort at rooting out at least some drug corruption. DEA, U.S. Customs and other USG agencies continue to have access to Cambodian counterparts and generally characterize cooperation as good, in that interlocutors are willing to share information and to respond, to the extent possible, to requests for assistance.

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However, the continuing instability has politicized the counternarcotics effort. Various Cambodian factions have charged political opponents with engaging in illegal narcotics activities, often with the objective of drawing US personnel into appearing to support one or another party or individual. Politicization of the counternarcotics effort has undermined some of the value of USG assistance and harmed cooperation. Moreover, little has been done by the Royal Government of Cambodia (RGC) to assuage international concerns about allegations of high-level government corruption, leaving Cambodia's commitment to counternarcotics efforts in doubt at this time.

The US, jointly with ASEAN and the UN, is now engaged in a diplomatic effort to urge the RGC to restore the Paris Peace Accords' framework by permitting free and fair elections this year. Should this effort to promote accountable democratic governance in Cambodia succeed, it will be vital to maintain our ability to provide all types of counternarcotics, as well as other assistance, if appropriate, to strengthen independent judicial systems and foster accountable institutions of civil society in Cambodia. Assistance to support democratic development and long-term economic stability in Cambodia is a key element of our overall long-term commitment to stability and openness in the Asia-Pacific region. Cambodia figures in our own strategic interest in ASEAN's long-term political and economic stability, especially since Cambodia continues to have an interest in becoming a member of ASEAN. Accordingly, while it is not appropriate at this time to certify Cambodia as either fully cooperating with the United States or taking adequate steps on its own to combat drug production and trafficking, the risks posed by inadequate counternarcotics performance are outweighed by the risks posed to US vital national interest if assistance is not available.

Colombia

As in previous years, Colombia remained the world's leading producer and distributor of cocaine and an important supplier of heroin and marijuana. Notwithstanding significant eradication in the Guaviare region, coca cultivation in southern Colombia grew markedly, leading to an increase in coca cultivation overall.

In November 1997, the Colombian Congress passed a constitutional amendment reversing the 1991 Constitutional ban on the extradition of Colombian citizens. This represents significant progress, and is due in large part to effective lobbying of the Government of Colombia (GOC) and the Colombian Congress and Senate by the Colombian private sector. Unfortunately, the final bill falls short because it contains a ban on retroactive application. The Government and members of the Colombian Congress have filed challenges to this ban. However, if the ban is upheld by Colombia's Constitutional Court, then the Cali kingpins would be placed beyond the reach of U.S. justice for crimes committed before December 1997. Moreover, the constitutional bill may also require implementing legislation, which the GOC has promised to seek before President Samper leaves office in August 1998. This legislation could give opponents of extradition another opportunity to weaken extradition.

In early 1997, Colombia passed excellent legislation which stiffened sentences for narcotics traffickers, strengthened regulations affecting money-

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laundering and permitted forfeiture of the assets of narcotics traffickers. Implementation of these strong laws by the GOC has been disappointingly slow and the GOC has yet to apply them aggressively.

The GOC also took measures to improve prison security in Colombia, giving the Colombian National Police (CNP) responsibility for security in the maximum security pavilions housing the major narcotics traffickers, a great improvement. However, continued attention has not been given to the problem. The U.S. Embassy has heard fewer reports of traffickers carrying out their illicit business activities with impunity from their cells, but there are still indications that the drug kingpins maintain some ability to operate their criminal enterprises and exert influence from prison.

The Colombian Government made only limited progress in 1997 against narcotics-related corruption. Several former congressmen and the mayor of Cali were sentenced on corruption charges stemming from the "Caso 8000" investigation. The GOC has demonstrated little inclination to root out official corruption and to strengthen democratic institutions from the corrupting influence of narco-traffickers.

The Colombian National Police and selected units of the military involved in counternarcotics activities produced impressive results in 1997. Figures for both eradication and seizures were up, despite significant challenges from heavily-armed narcotics traffickers and several elements of the guerrilla movements which support them. The maritime agreement signed in early 1997 has been successfully implemented and resulted in interdiction of several cocaine shipments.

Although the GOC has made important progress in some areas this year, the USG cannot certify Colombia as fully cooperating with the United States on drug control, or as having taken adequate steps on its own to meet the goals and objectives of the 1988 UN Drug Convention. Poor government performance in the extradition debate, lack of a concentrated effort to combat official narcotics-related corruption and still lagging enforcement of strong counternarcotics laws all argue against certification.

However, the vital national interests of the United States requires that U.S. assistance to Colombia be provided. The continuing dominance of Colombian cartels in the cocaine industry, their growing role in the heroin trade and the growing role of the guerrillas in shielding and protecting illicit drug production make the challenges in Colombia greater than ever before. To meet these challenges, we need to work even more closely with the GOC to expand joint eradication efforts in new coca growing areas in southern Colombia and in opium cultivation zones, to enhance interdiction, and to strengthen law enforcement. The GOC would not likely approve such an expanded program if denied certification for a third straight time. We have a unique opportunity with significant US-supplied assets deployed and the commitment of the CNP and elements of the armed forces to strong efforts in these areas. However, they will need increased resources and training to perform these tasks adequately. Strong leadership must come from the Colombian government to reform and defend essential democratic institutions, such as the country's judiciary. The coming elections may provide opportunities for further cooperation.

Moreover, key elements of US assistance which could help in this effort, such as potential foreign military financing (FMF) and international military education and training (IMET), could not be provided to our allies for

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counternarcotics operations if Colombia were denied certification again. Indeed, this year the President deemed necessary the provision of FY97 IMET and previous year FMF by means of a waiver under Section 614(b) of the FAA.

U.S. economic engagement is also a critical element in counterbalancing the influence of drug money in the Colombian economy. After two years of denial of certification, U.S. companies, without access to OPIC and EXIM Bank financing, have lost significant business to competitors. With a vital national interest certification, U.S. companies will be able to compete on a level playing field for up to \$10 billion in upcoming major contracts.

In making the decision to provide a vital national interests certification to Colombia this year, we were mindful of the deteriorating security and human rights environment in Colombia, the threat to that country's democracy, and the threat posed to Colombia's neighbors and to regional stability. The cumulative effects of Colombia's forty-year old insurgency, narco-corruption, the rise of paramilitaries, the growing number of internally displaced Colombians, growing incidents of human rights abuses, and the potential threat that Colombia's violence and instability pose to the region all require a vital national interests certification. Such a certification is necessary so that the USG can provide assistance in order to broaden and deepen its engagement with this and the next Colombian government in an effort to effectively confront and eliminate narcotrafficking. The threats to U.S. vital national interests posed by a bar on assistance outweigh the risks posed by Colombia's inadequate counternarcotics performance.

Pakistan

Pakistan is a major producer and an important transit country for opiates and cannabis destined for international markets. In 1997, Pakistan produced approximately 85 metric tons (mts) of opium, an estimated increase of 13.3% from 1996. Heroin and opium seizures increased, but the overall record of law enforcement action continued to be poor. Seizures of precursor chemicals improved substantially. The Nawaz Sharif government, which took office in February 1997, voiced greater concern about Pakistan's narcotics problems, although this has not yet manifested itself in essential counternarcotics actions.

The 1997 counternarcotics efforts of the Government of Pakistan (GOP) were seriously deficient. The two major accomplishments were passage of the comprehensive drug control legislation and destruction of heroin processing laboratories in Pakistan's Northwest Frontier Province. One major arrest requested by the USG took place, but there were no known trials of previously arrested drug kingpins and no extraditions of the 23 individuals requested by the USG for narcotics-related offenses. Opium and heroin seizures increased and acetic anhydride seizures sharply increased, but the GOP did not interdict any large opiate smuggling caravans on the well-traveled Baluchistan route from Afghanistan into Iran.

The GOP made no progress in crop eradication. Poppy cultivation increased 21% and opium production increased 13%, despite USG programs and USG-assisted UNDCP programs which had made steady progress in de-

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creasing production and poppy cultivation in the past five years. The increase was primarily due to the GOP's failure to enforce the poppy ban in Dir District, the site of highest opium poppy growth, despite warnings from both UNDCP and the USG that the GOP must continue to press tribal groups living in that district to eradicate illicit opium poppy. The GOP also made no progress in demand reduction. There were no new programs designed to control Pakistan's addict population, estimated to be between 3 and 5 million. The GOP estimates the addict population growth at 7% a year.

USG/GOP law enforcement cooperation was severely strained by the arrest, torture, courtmartial and conviction of a DEA employee involved in an operation which identified Pakistani Air Force Officers involved in drug smuggling to the U.S. These steps were taken by elements of the GOP with the full involvement of the country's Anti Narcotics Force (ANF). Recently, the GOP reduced the DEA employee's prison sentence on appeal. The Administration remains engaged with the GOP in seeking the release of this employee from prison.

Pakistan is a party to the 1988 UN Drug Convention, which it ratified in October 1991, but implementing legislation on money laundering has not yet been drafted. While Pakistan's Control of Narcotics Substances Act, passed in 1997, deals with drug-related money laundering, Pakistan must still criminalize money laundering from non-drug related offenses.

The USG/GOP bilateral agreement provides funding for law enforcement, roads and crop substitution in the NWFP, and demand reduction activities. The GOP made very little progress in meeting the goals of the bilateral agreement and 1988 UN Drug Convention in 1997. The continued detention of the DEA employee, despite repeated urgings at the highest levels for his release, seriously complicates the counternarcotics relationship. Because of this and because of the GOP's poor counternarcotics law enforcement record and the substantial upsurge in illicit poppy growth, Pakistan cannot be judged to have cooperated fully with the USG or taken adequate steps on its own to meet the requirements of the 1988 U.N. Drug Convention.

However, vital U.S. national interests would be damaged if Pakistan were to be denied certification. Implementing sanctions would vitiate the broader U.S. policy of high-level engagement, including strong support for Prime Minister Sharif's commitment to hold a dialogue with India as well as to strengthen democracy and reform the economy.

Helping the GOP to strengthen its economy and to move towards a more liberal, broader-based market economy is one of the USG's major goals. Yet, a number of new or potential initiatives would be halted or thrown into question by denial of certification. This could include such fundamental programs such as those funded by OPIC and EX-IM, PL 480 projects involving commodities other than food, and possibly the funding of NGOs. Certification denial would also require the U.S. to vote against Pakistan in multilateral development banks ("MDBs") at a time when Pakistan is vulnerable to a financial crisis. The combination of such negative votes and removal of possible assistance could weaken Pakistan's investment climate, increase its prospects for sliding into financial insolvency and sharply inhibit our ability to help the GOP modernize its economy.

In addition to this statutory basis for a vital national interests certification, it should also be recognized that denial of certification could jeop-

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ardize broader interests between the U.S. and Pakistan, including the ability to achieve meaningful progress with the GOP on such important goals as nonproliferation and Afghanistan.

Accordingly, while it is not appropriate at this time to certify Pakistan as either fully cooperating with the United States or taking adequate steps on its own to combat drug production and trafficking, the risks posed by inadequate counternarcotics performance are outweighed by the risks posed to US vital national interests if U.S. assistance was no longer available and the U.S. was required to vote against loans to Pakistan in MDBs, thus justifying a vital national interests certification.

Paraguay

A determination to decertify Paraguay would be justified in view of its substantial lack of achievement in meeting its counternarcotics goals in 1997. However, the vital national interests of the United States require certification, so that the assistance, withheld pursuant to provisions of the Foreign Assistance Act of 1961, can be provided.

Paraguay is a transit country for cocaine, primarily Bolivian, en route to Argentina, Brazil, the United States, Europe and Africa, as well as a source country for high-quality marijuana. Paraguay was fully certified for 1996, after the Government of Paraguay (GOP) adopted a national drug control strategy, promulgated an anti-money laundering law, and increased its counternarcotics cooperation with the United States and regional countries. Paraguay's counternarcotics goals for 1997 included investigating major cocaine traffickers, making significant seizures and arrests, preventing the escape of arrested drug traffickers, implementing the money laundering law and provisions of the anti-drug law (Law 1340/88) aimed at punishing and preventing official corruption, enacting legislation authorizing controlled deliveries and undercover operations, as well as criminalizing drug-related conspiracy.

Unfortunately, Paraguay did not come close to meeting any of these objectives. Responsibility for the failure to do so is shared by all branches of the Paraguayan government. There were no successful investigations of significant traffickers. Although cocaine seizures showed a minimal increase over 1996, all involved minor traffickers. The largest seizure was accompanied by the arrest of four suspects caught in possession of over 21 kilos of cocaine. However, a criminal court judge freed all four on what appear to be spurious grounds; this judge received a minor disciplinary sanction and continues to serve in office. Judicial corruption was also suspected in connection with Paraguay's refusal to extradite a suspected narcotics trafficker to France. In that case, a lawyer was recorded accepting an alleged bribe to pass on to an appellate judge; the judge subsequently was removed from office for his actions in yet another case.

Paraguay is a major money laundering center, but it is unclear what portion is drug-related. The promulgation of the 1996 money laundering law, and the creation of an anti-money laundering secretariat (SEPRELAV), in January 1997, now provides the GOP with the legal tools necessary to move against this criminal activity, but little has been done so far to apply the

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law. SEPRELAV also has not been provided with a budget to enable it to operate as an independent organization.

The Paraguayan Congress, controlled by the opposition parties, made no progress on a major revision of the anti-drug law, which was submitted by the GOP in 1995. The GOP did not submit new legislation to authorize controlled deliveries, undercover operations or criminalize drug-related conspiracy. It also failed to complete a precursor chemical monitoring survey that was promised in 1996.

In part, these failures were due to the GOP's allowing itself to become distracted by election-year politics, particularly by its opposition to the presidential candidacy of former Army Commander, and unsuccessful 1996 coup plotter, Lino Oviedo. The GOP and opposition parties also demonstrated reduced political will to confront the politically influential and economically powerful frontier commercial and contraband interests during an election year.

The GOP, realizing its shortfalls on counternarcotics cooperation and cognizant of the USG decision on certification, recently has reaffirmed its political will to prioritize counternarcotics efforts, including taking law enforcement action against significant narco-traffickers, agreeing to negotiate a new bilateral extradition treaty with the USG, and preparing a draft law to explicitly authorize controlled deliveries. While positive steps, these measures have yet to bear fruit; their possible fulfillment will have a bearing on next year's certification decision, not this year's.

Denial of certification would, however, cut off assistance programs designed to meet the priority US goal of strengthening Paraguay's democratic institutions, at precisely the moment when those institutions are being severely tested by the stress of hotly-contested presidential, congressional and gubernatorial election campaigns. Denial of certification at this time could have an unintended negative impact on the ongoing election campaign. Denial of certification would also jeopardize ongoing cooperation and assistance programs with the GOP against other international crimes (smuggling, intellectual property piracy, terrorism). Moreover, vital national interests certification would help to promote the political will and positive action against narcotics trafficking that we will seek from the next GOP.

The risks posed to all of these US interests (promoting democracy, cooperation against other crimes and continued counter-terrorism cooperation) by a cutoff of bilateral assistance outweigh the risks posed by Paraguay's failure to cooperate fully with the USG, or to take adequate steps to combat narcotics on its own.

STATEMENTS OF EXPLANATION

Afghanistan

Afghanistan continued as the world's second largest producer of opium poppy, according to USG estimates. Land under poppy cultivation and opium production rose 3 percent in 1997 according to US satellite surveys. Continued warfare, destruction of the economic infrastructure and the absence of a recognized central government with control over the entire country remain obstacles to effective drug control.

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The inaction and lack of political will of the Taliban faction, which controls 96 per cent of Afghanistan's opium-growing areas, as well as substantial drug trade involvement on the part of some local Taliban authorities impede meaningful counternarcotics progress as well. The Taliban, formed by religious students, began its military campaign in Afghanistan in 1994 and assumed effective control over two thirds of the country in fall 1996. There is no evidence that the Taliban or any other faction controlling Afghan territory took substantive law enforcement or crop eradication action in 1997.

Although the Taliban condemned illicit drug cultivation, production, trafficking and use in 1997, there is no evidence that Taliban authorities took action to decrease poppy cultivation, arrest and prosecute major narcotics traffickers, interdict large shipments of illicit drugs or precursor chemicals or to eliminate opiate processing laboratories anywhere in Afghanistan in 1997. Narcotics remain Afghanistan's largest source of income, and some Taliban authorities reportedly benefit financially from the trade and provide protection to heroin laboratories. There are numerous reports of drug traffickers operating in Taliban territory with the consent or involvement of some Taliban officials. Taliban authorities called for international alternative development assistance as a precondition to eradicating opium poppy cultivation. Afghanistan is a party to the 1988 UN Drug Convention.

In November 1997, the Taliban responded to a UNDCP initiative by agreeing to eliminate poppy cultivation in districts where alternative development was provided, to control poppy cultivation in areas where poppy was not previously grown and to eliminate morphine and heroin laboratories when these sites were brought to their attention. To date, these commitments have not been tested.

The USG strongly supports the UN Secretary General's Special Envoy for Afghanistan, Ambassador Lakhdar Brahimi, and the UN Special Mission to Afghanistan in their efforts to promote a cease-fire, followed by negotiations leading to a broad-based government that can address the problems of narcotics, terrorism and humanitarian concerns. We assist the peoples of Afghanistan, subject to resource availability, primarily through UN programs aimed at humanitarian relief, reconstruction and counternarcotics. In 1997, USG transferred \$1.6 million in FY-95 and FY-96 funds earmarked for UNDCP to help finance UNDCP's capacity building project and poppy reduction projects in Afghanistan. The USG also provided an initial \$269,202 of a \$772,905 poppy reduction/alternative development project being implemented by an American non-governmental organization (NGO), Mercy Corps International (MCI) in Helmand Province.

Since U.S. legislation makes special allowance for continuation of such assistance generally, notwithstanding any other provision of law, denying certification of Afghanistan would have minimal effect in terms of implementation of this policy.

Continuation of large-scale opium cultivation and trafficking in Afghanistan, plus the failure of the authorities to initiative law enforcement actions, preclude a determination that Afghanistan has taken adequate steps on its own or that it has sufficiently cooperated with USG counternarcotics efforts to meet the goals and objectives of the UN 1988 Drug Convention,

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to which Afghanistan is a party. Accordingly, denial of certification is appropriate.

Burma

Burma continues to be the world's largest source of illicit opium and heroin. In 1997, production declined slightly from the previous year's levels; estimates indicated there were 155,150 hectares under cultivation, which could yield a maximum of 2,365 metric tons of opium.

On the law enforcement front, the Government of Burma (GOB) seized more opium and heroin, and raided more laboratories than in the past. These were welcome developments, but, given the extent of the problem, they were insufficient to make noticeable inroads against drug trafficking and production. Seizures of amphetamines and the precursor chemical acetic anhydride declined. There were no arrests of major traffickers. Drug lord Chang Qifu (Khun Sa), who "surrendered" to Burmese authorities in 1996, was not brought to justice, and the GOB continued to refuse to render him to the United States. The GOB did return a U.S. fugitive to Thailand, which extradited him to the United States.

Several ethnic groups declared that they would establish opium free zones in their territories by the year 2000, and the GOB undertook some eradication efforts as well. Establishment of opium free zones would require considerable time and investment of resources. The Government of Burma approved a United Nations Drug Control Program, a five-year alternative development project in the ethnic Wa region; as the year closed, UNDCP was making arrangements to initiate work.

Money laundering and the return of narcotics profits laundered elsewhere appear to be a significant factor in the overall Burmese economy. An underdeveloped banking system and lack of enforcement against money laundering have created a business and investment environment conducive to the use of drug-related proceeds in legitimate commerce. The GOB has encouraged leading narcotics traffickers systematically to invest in infrastructure and other domestic projects.

USG counternarcotics cooperation with the Burmese regime is restricted to basic law enforcement operations and involves no bilateral material or training assistance. The USG remains concerned over Burma's commitment to effective counternarcotics measures, human rights, and political reform. The USG is prepared to consider resuming appropriate assistance contingent upon the GOB's unambiguous demonstration of a strong commitment to counternarcotics, the rule of law, punishment of traffickers and major trafficking organizations (including asset forfeiture and seizure), anti-corruption, eradication of opium cultivation, destruction of drug processing laboratories, and enforcement of money laundering legislation.

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Iran

Iran has strengthened its counternarcotics performance during the past year—particularly in the area of interdiction—but direct information is limited because the United States has no diplomatic presence in the country.

Iran's interdiction efforts are apparently vigorous, if partially effective. Costly physical barriers and aggressive patrolling of its eastern borders have led to Iranian claims of record narcotics seizures of nearly 200 tons last year—and significant Iranian casualties as well. But with an estimated 1,000 tons of opiates crossing the country each year, Iran remains the major transit route for opiates from Afghanistan and Pakistan to the West, although we do not have recent data on the amount that may reach the United States. Punishment of traffickers is harsh but drug trafficking continues on a large scale.

Cultivation of opium poppies continues in Iran, but the extent of cultivation is difficult to ascertain conclusively. The 1993 United States Government survey of opium cultivation in Iran estimated that 3,500 hectares were under cultivation. U.S. crop estimates were a major factor in placing Iran on the majors' list of drug producing and transit countries. Iran claims complete eradication of the opium poppy crop. Recent statements by the Dublin Group that opium cultivation has markedly decreased give at least partial credence to the Iranian claims, but a new crop survey would help—and will be undertaken—to confirm such eradication.

Iran has taken some steps to confront corruption among customs, police and military personnel. Observers have noted several convictions of corrupt officials but the corruption of low-level officials continues; multi-ton shipments of opiates could not traverse Iran without assistance from complicit law enforcement or military personnel. There have been no recent, credible reports concerning high-level complicity in narcotics trafficking and high-ranking officials of the GOI have clearly stated Iran's official aversion to narcotics trafficking.

Iran has ratified the 1988 UN Drug Convention, but the United States Government and other observers remain unaware of implementing legislation to bring Iran into full compliance with the Convention. A 1997 proposal approved by the Expediency Council appears to allow for stronger drug laws and demand reduction programs, but the extent to which the proposal helps Iran to comply with the Convention cannot be predicted before the proposal is enacted as unforceable laws or regulations. No bilateral narcotics agreement exists between Iran and the United States.

Iran has recently stated, at the highest level, a desire to cooperate in international counternarcotics programs. With the exception of the Iran/Pakistan/UNDCP border interdiction program and a UNDCP demand reduction survey, however, Iran does not yet participate in important cooperative counternarcotics efforts. Such programs of international cooperation would add significantly to external understanding of Iran's narcotics problems and counter-narcotics efforts.

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Nigeria

Nigeria is the hub of African narcotics trafficking and the headquarters for global poly-crime organizations. Nigerian narcotics traffickers operate worldwide networks that transport heroin from Asia to Africa, the NIS and the United States, and cocaine from South America to Europe, Africa and East Asia. Nigerian traffickers are responsible for a significant portion of the heroin that is abused in the United States. Marijuana is the only narcotic cultivated in Nigeria; large quantities are exported to other African nations and to Europe, but have little impact upon the United States.

The need to repatriate their criminal gains has motivated Nigerian traffickers to develop a sophisticated and flexible money laundering system capable of handling not only narcotics profits, but the ill-gotten gains of Nigerian sponsored financial fraud as well. The dislocations of Nigeria's economy have helped to engender a vast informal commercial sector, immune to most regulation and well suited to illegal activities.

The record of Nigerian law enforcement against the narcotics trade is, at best, mixed. The one force capable of making headway against narcotics, the Nigerian Drug Law Enforcement Agency (NDLEA), has been handicapped by deficiencies in political and financial support. The NDLEA arrests many couriers, but few organization leaders. NDLEA efforts at Nigeria's international airports have led to increased seizures of narcotics, and may be a factor contributing to traffickers's expansion into bulk shipments and across borders into Nigeria's neighbors.

The Government of Nigeria has failed to react responsibly to the ease with which criminals function in Nigeria. Appropriate criminal narcotics and money-laundering legislation has been enacted, but remains unenforced, with no evidence that prosecutions, convictions or asset seizures have been made against any major criminal figures. Nigeria failed to provide consistent policy advice to its law enforcement organs, lacked the political will to attack pervasive corruption, and again neglected to provide sufficient material support for even the most basic operations of its law enforcement agencies.

Nigeria again failed to meet its obligations to the United States and other nations with regard to extraditions and other forms of counter-narcotics cooperation. Even direct promises of action have remained unredeemed. A December, 1996, United States mission to Nigeria received the Government of Nigeria's assurance that extraditions of criminals to the United States could resume immediately. No action has been taken on extraditions over one year later.

Notice of March 4, 1998

Continuation of Iran Emergency

On March 15, 1995, by Executive Order 12957, I declared a national emergency with respect to Iran pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701-1706) to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the actions and policies of the Government of Iran, including

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its support for international terrorism, efforts to undermine the Middle East peace process, and acquisition of weapons of mass destruction and the means to deliver them. On May 6, 1995, I issued Executive Order 12959 imposing more comprehensive sanctions to further respond to this threat, and on August 19, 1997, I issued Executive Order 13059 consolidating and clarifying these previous orders.

Because the actions and policies of the Government of Iran continue to threaten the national security, foreign policy, and economy of the United States, the national emergency declared on March 15, 1995, must continue in effect beyond March 15, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. Because the emergency declared by Executive Order 12957 constitutes an emergency separate from that declared on November 14, 1979, by Executive Order 12170, this renewal is distinct from the emergency renewal of October 1997. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
March 4, 1998.

Presidential Determination No. 98-16 of March 4, 1998

Vietnamese Cooperation in Accounting for United States Prisoners of War and Missing in Action (POW/MIA)

Memorandum for the Secretary of State

As provided under section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998, Public Law 105-119, I hereby determine, based on all information available to the United States Government, that the Government of the Socialist Republic of Vietnam is fully cooperating in good faith with the United States in the following four areas related to achieving the fullest possible accounting for Americans unaccounted for as a result of the Vietnam War:

- (1) resolving discrepancy cases, live sightings, and field activities;
- (2) recovering and repatriating American remains;
- (3) accelerating efforts to provide documents that will help lead to the fullest possible accounting of POW/MIAs; and
- (4) providing further assistance in implementing trilateral investigations with Laos.

I further determine that the appropriate laboratories associated with POW/MIA accounting are thoroughly analyzing remains, material, and other information, and fulfilling their responsibilities as set forth in subsection (B) of section 609, and information pertaining to this accounting is being made available to immediate family members in compliance with 50 U.S.C. 435 note.

I have been advised by the Department of Justice and believe that section 609 is unconstitutional because it purports to use a condition on appropria-

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tions as a means to direct my execution of responsibilities that the Constitution commits exclusively to the President. I am providing this determination as a matter of comity, while reserving the position that the condition enacted in section 609 is unconstitutional.

In making this determination I have taken into account all information available to the United States Government as reported to me, the full range of ongoing accounting activities in Vietnam, including joint and unilateral Vietnamese efforts, and the concrete results we have attained as a result.

Finally, in making this determination, I wish to reaffirm my continuing personal commitment to the entire POW/MIA community, especially to the immediate families, relatives, friends, and supporters of these brave individuals, and to reconfirm that the central, guiding principle of my Vietnam policy is to achieve the fullest possible accounting of our prisoners of war and missing in action.

You are authorized and directed to report this determination to the appropriate committees of the Congress and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, March 4, 1998.

Memorandum of March 5, 1998

Delegation of Authority With Respect to Reporting Obligations Regarding Counterterrorism and Antiterrorism Programs and Activities

Memorandum for the Director of the Office of Management and Budget

By the authority vested in me by the Constitution and laws of the United States of America, including section 301 of title 3 of the United States Code, and section 1051(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85), I hereby delegate to you the reporting function vested in me by section 1051(b) of that Act.

You are authorized and directed to publish this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, March 5, 1998.

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Presidential Determination No. 98-17 of March 9, 1998

Presidential Determination on Section 402(c)(2)(A) of the Trade Act of 1974—Vietnam

Memorandum for the Secretary of State

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (Public Law 93-618, January 3, 1975; 88 Stat. 1978, 19 U.S.C. 2432(c)(2)(A)) as amended (the "Act"), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Vietnam will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, March 9, 1998.

Presidential Determination No. 98-18 of March 9, 1998

Presidential Determination Under Subsection 2(b)(2)(D) of the Export-Import Bank Act of 1945, as Amended—Vietnam

Memorandum for the Secretary of State

Pursuant to subsection 2(b)(2)(D) of the Export-Import Bank Act of 1945, as amended, I determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to Vietnam.

You are authorized and directed to report this determination to the Congress and publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, March 9, 1998.

Presidential Determination No. 98-19 of March 13, 1998

Military Drawdown for Jordan

Memorandum for the Secretary of State [and] the Secretary of Defense

Pursuant to the authority vested in me by the laws and Constitution of the United States, including Title III (Military Assistance) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118) ("Title III"), I hereby direct the drawdown of defense articles from the stocks of the Department of Defense, defense services of

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the Department of Defense, and military education and training of an aggregate value of \$25,000,000 under the authority of the fifth proviso under the heading "Foreign Military Financing Program" in Title III for Jordan for the purposes of part II of the Foreign Assistance Act of 1961.

The Secretary of State is authorized and directed to report this determination to the Congress and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, March 13, 1998.

Presidential Determination No. 98-20 of April 3, 1998

Use of Nonproliferation, Anti-Terrorism, Demining and Related Programs Account Funds for the U.S. Contribution to the Korean Peninsula Energy Development Organization (KEDO)

Memorandum for the Secretary of State

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1), I hereby determine that it is important to the security interests of the United States to furnish up to \$30 million in funds made available under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs" in title II of the Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1998 (Public Law 105-118) for the United States contribution to the Korean Peninsula Energy Development Organization without regard to any provision of law within the scope of section 614(a)(1). I hereby authorize the furnishing of such assistance.

You are hereby authorized and directed to transmit this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, April 3, 1998.

Presidential Determination No. 98-21 of April 28, 1998

Presidential Determination on the Proposed Agreement for Cooperation Between the United States of America and Ukraine Concerning Peaceful Uses of Nuclear Energy

Memorandum for the Secretary of State [and] the Secretary of Energy

I have considered the proposed Agreement for Cooperation Between the United States of America and Ukraine Concerning Peaceful Uses of Nuclear Energy, along with the views, recommendations, and statements of the interested agencies.

Other Presidential Documents

I have determined that the performance of the agreement will promote, and will not constitute an unreasonable risk to, the common defense and security. Pursuant to section 123b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b)), I hereby approve the proposed agreement and authorize you to arrange for its execution.

The Secretary of State is authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, April 28, 1998.

Presidential Determination No. 98-22 of May 13, 1998

Sanctions Against India for Detonation of a Nuclear Explosive Device

Memorandum for the Secretary of State

In accordance with section 102(b)(1) of the Arms Export Control Act, I hereby determine that India, a non-nuclear-weapon state, detonated a nuclear explosive device on May 11, 1998. The relevant agencies and instrumentalities of the United States Government are hereby directed to take the necessary actions to impose the sanctions described in section 102(b)(2) of that Act.

You are hereby authorized and directed to transmit this determination to the appropriate committees of the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, May 13, 1998.

Notice of May 18, 1998

Continuation of Emergency With Respect to Burma

On May 20, 1997, I issued Executive Order 13047, effective at 12:01 a.m. eastern daylight time on May 21, 1997, certifying to the Congress under section 570(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104-208), that the Government of Burma has committed large-scale repression of the democratic opposition in Burma after September 30, 1996, thereby invoking the prohibition on new investment in Burma by United States persons, contained in that section. I also declared a national emergency to deal with the threat posed to the national security and foreign policy of the United States by the actions and policies of the Government of Burma, invoking the authority, *inter alia*, of the International Emergency Economic Powers Act (50 U.S.C. 1701-1706).

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The national emergency declared on May 20, 1997, must continue beyond May 20, 1998, as long as the Government of Burma continues its policies of committing large-scale repression of the democratic opposition in Burma. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Burma. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
May 18, 1998.

Presidential Determination No. 98-23 of May 23, 1998

Assistance Program for the Government of the Russian Federation

Memorandum for the Secretary of State

Pursuant to section 577(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118), I hereby determine and certify that the Government of the Russian Federation has implemented no statute, executive order, regulation, or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party. During the period under review, the Government of Russia has applied the new Russian Law on Religion in a manner that is not in conflict with its international obligations on religious freedom. However, this issue requires continued and close monitoring as the Law on Religion furnishes regional officials with an instrument that can be interpreted and used to restrict the activities of religious minorities.

You are authorized and directed to notify the Congress of this determination and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, May 23, 1998.

Memorandum of Justification Regarding Determination Under Section 577(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118)

Summary: During the period under review, the Government of Russia has applied the new Law on Religion in a manner that is not in conflict with its international obligations on religious freedom. To the extent that violations of internationally recognized rights have occurred, they have been the consequence of actions taken by regional or local officials and do not appear to be a manifestation of federal government policy.

Other Presidential Documents

At the same time, the Law on Religion furnishes regional officials with an instrument that can be interpreted and used to restrict the activities of religious minorities. Thus, this issue requires continued and close monitoring.

1. The New Law on Religion: On October 1, 1997, the Russian Federation enacted a restrictive and potentially discriminatory law "On Freedom of Conscience and Religious Associations" (Law on Religion). The new law is complex, with many ambiguous and contradictory provisions.

The law accords more favorable legal status and privileges to religions that have been present in Russia for an extended period of time. New religious associations must wait 15 years before acquiring all of the rights of a juridical person, such as the right to own property and open a bank account, as well as the right to engage in a range of religious activities. Article 27(3) of the law is also controversial because it applies certain aspects of the 15-year rule to religious organizations that enjoyed full legal status under prior legislation. Portions of the law appear inconsistent with Russia's constitution and civil code as well as its international commitments. Some Russian officials had indicated that the implementing regulations would clarify ambiguities, but the regulations share the ambiguities of the law.

2. Key Concern: Through its acceptance and accession to international human rights instruments, the Government of Russia has committed itself to respecting freedom of association and assembly and, more specifically, freedom of thought, conscience and religion, including freedom to change religion or belief and freedom to manifest religion or belief in worship, teaching, practice and observance. The Law on Religion is of great concern because it could be applied to restrict the ability of communities of believers to establish organizations with full legal rights.

3. Application: Over the past year, Russian government officials, including President Yeltsin and then-Prime Minister Chernomyrdin, pledged to Vice President Gore that the new law would not result in any erosion of religious freedom in Russia. Officials in the Presidential Administration and the Cabinet of Ministers have echoed and clarified Yeltsin's promises. In particular, the Ministry of Justice has adopted a permissive approach to registering religious organizations with full legal rights, effectively bypassing elements of the 15-year rule. In addition, Presidential Administration officials have announced the establishment of two consultative mechanisms to facilitate government interaction with religious communities and to monitor application of the new law.

The Presidential Administration and the Ministry of Justice have also promised to support efforts now underway by nongovernmental organizations to challenge the constitutionality of the law's retroactive provisions (article 27(3)) before the Constitutional Court. Officials in these organs have indicated their view that article 27(3) violates Russia's constitution.

Despite the federal government's efforts, however, a number of regional officials continue to violate rights of minority religious organizations, in some cases citing the new federal law. Based on anecdotal, limited information we have to date, we are aware of about 25 cases of harassment between the date of enactment of the Law on Religion and early May 1998.

4. Evaluation: Local and regional abuses of religious rights raise serious concerns, especially if the new law is being used by some officials to justify such actions. At the same time, reported incidents represent a rel-

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atively small number of problems when viewed against the size of the country and complexity of political and social changes underway. Moreover, we have no evidence to suggest that these local actions result from a deliberate policy of the federal government. Finally, these incidents are, unfortunately, consistent with a pattern of local and regional harassment and restrictions on minority religious communities that was clearly discernible prior to passage of the law.

Regional and local abuses reflect a larger problem in Russia—which is also evidenced in matters ranging from tax collection to elections to law enforcement—of the center exercising weak control over events throughout the regions. We believe local officials have taken advantage of a poorly developed legal tradition and weak oversight to advance intolerant ideas at odds with Russia's constitution and the flexible and fair interpretation of the Law on Religion articulated by the central authorities.

Nevertheless, it remains to be seen how the Law on Religion's restrictions will be interpreted in the longer run, and whether the federal government will respond appropriately over time to cases in which local officials apply the law in a manner at odds with Russia's international commitments. Given the political commitments made and constitutional positions taken by the central government, the fact that the implementing regulations are only now making their way to regional officials and the fact that federal officials are only now establishing mechanisms for addressing differences in interpretation, we believe that the relatively small number of local incidents does not require a finding that the "Government of the Russian Federation" has implemented discriminatory measures. Similarly, we believe it would be premature to conclude that the law's restrictions, as implemented, constitute violations of Russia's international obligations.

5. U.S. Engagement: Freedom of conscience has been a central element of the U.S. bilateral agenda with Moscow since the early 1970's, and the Law on Religion has been the subject of numerous high-level communications between the Administration and the Russian Government, involving the President, the Vice President, Secretary Albright, and other senior U.S. officials.

The Department of State and the U.S. Embassy in Moscow will continue to maintain close contact with religious communities and NGOs to assess the effects of the new law and solicit views on appropriate responses. In addition, we will continue to make clear to the Russian Government the requirements of Section 577(a) of the Foreign Operations Appropriations Act for FY 1998 and urge that the federal authorities both reverse discriminatory actions taken at the local level and, when necessary, reprimand the officials at fault. We will also encourage federal action to ensure that regional laws do not contradict Russia's constitutional and international guarantees of religious freedom, and continue to make clear our view that the federal law should ultimately be changed so it cannot be used to justify curtailing religious freedom in Russia.

Other Presidential Documents

Notice of May 28, 1998

Continuation of Emergency With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Bosnian Serbs

On May 30, 1992, by Executive Order 12808, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions and policies of the Governments of Serbia and Montenegro, blocking all property and interests in property of those Governments. President Bush took additional measures to prohibit trade and other transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro) by Executive Order 12810 and 12831, issued on June 5, 1992, and January 15, 1993, respectively. On April 25, 1993, I issued Executive Order 12846, blocking the property and interests in property of all commercial, industrial, or public utility undertakings or entities organized or located in the Federal Republic of Yugoslavia (Serbia and Montenegro), and prohibiting trade-related transactions by United States persons involving those areas of Bosnia and Herzegovina controlled by Bosnian Serb forces and the United Nations Protected Areas in the Republic of Croatia. On October 25, 1994, because of the actions and policies of the Bosnian Serbs, I expanded the scope of the national emergency by issuing Executive Order 12934 to block the property of the Bosnian Serb forces and the authorities in the territory that they control within Bosnia and Herzegovina, as well as the property of any entity organized or located in, or controlled by any person in, or resident in, those areas.

On December 27, 1995, I issued Presidential Determination No. 96-7, directing the Secretary of the Treasury, *inter alia*, to suspend the application of sanctions imposed on the Federal Republic of Yugoslavia (Serbia and Montenegro) pursuant to the above-referenced Executive orders and to continue to block property previously blocked until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia. This sanctions relief, in conformity with United Nations Security Council Resolution 1022 of November 22, 1995 (hereinafter the "Resolution"), was an essential factor motivating Serbia and Montenegro's acceptance of the General Framework Agreement for Peace in Bosnia and Herzegovina initialed by the parties in Dayton on November 21, 1995, and signed in Paris on December 14, 1995 (hereinafter the "Peace Agreement"). The sanctions imposed on the Federal Republic of Yugoslavia (Serbia and Montenegro) were accordingly suspended prospectively, effective January 16, 1996. Sanctions imposed on the Bosnian Serb forces and authorities and on the territory that they control within Bosnia and Herzegovina were subsequently suspended prospectively, effective May 10, 1996, also in conformity with the Peace Agreement and the Resolution. Sanctions against both the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Bosnian Serbs were subsequently terminated by United Nations Security Council Resolution 1074 of October 1, 1996. This termination, however, did not end the requirement of the Resolution that blocked funds and assets that are subject to claims and encumbrances remain blocked, until unblocked in accordance with applicable law.

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In the last year, further substantial progress has been achieved to bring about a settlement of the conflict in the former Yugoslavia acceptable to the parties. Another set of elections occurred in Bosnia and Herzegovina, as provided for in the Peace Agreement, and the Bosnian Serb forces have continued to respect the zones of separation as provided in the Peace Agreement. The ultimate disposition of the various remaining categories of blocked assets is being addressed on a case-by-case basis.

Until the status of all remaining blocked property is resolved, the Peace Agreement implemented, and the terms of the Resolution met, the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and the measures adopted pursuant thereto to deal with that emergency must continue beyond May 30, 1998.

Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Bosnian Serb forces and those areas of Bosnia and Herzegovina under the control of the Bosnian Serb forces. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
May 28, 1998.

Presidential Determination No. 98-24 of May 29, 1998

Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Memorandum for the Secretary of State

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to \$37,000,000 be made available from the United States Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs of refugees, victims of conflict, and other persons at risk in Africa and Southeast Asia. These funds may be used, as appropriate, to provide contributions to international and non-governmental agencies.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, May 29, 1998.

Other Presidential Documents

Memorandum of May 30, 1998

Action Under Section 203 of the Trade Act of 1974 Concerning Wheat Gluten

Memorandum for the Secretary of the Treasury[,] the Secretary of Agriculture[, and] the United States Trade Representative

On March 18, 1998, the United States International Trade Commission (USITC) submitted to me a report that contained: (1) a determination pursuant to section 202 of the Trade Act of 1974 (19 U.S.C. 2252) (the "Trade Act") that imports of wheat gluten are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry; and (2) negative findings made pursuant to section 311(a) of the North American Free Trade Agreement Implementation Act (the "NAFTA Implementation Act") (19 U.S.C. 3371(a)) with respect to imports of wheat gluten from Canada and Mexico.

After considering all relevant aspects of the investigation, including the factors set forth in section 203(a)(2) of the Trade Act (19 U.S.C. 2253), I have implemented actions of a type described in section 203(a)(3). Specifically, I have determined that the most appropriate action is a quantitative limitation on imports of wheat gluten. I have proclaimed such action for a period of approximately 3 years in order to provide time for the domestic industry to implement an adjustment plan that will facilitate its positive adjustment to import competition. I have set the quantitative limitation at an amount equal to 126.812 million pounds in the first year, an amount which represents total average imports in the crop years ending June 30, 1993, through June 30, 1995. This amount will increase by six percent annually for the duration of the relief period. I believe that this amount is the relief necessary to remedy the serious injury and to promote positive adjustment. The quota is allocated based on average import shares in the period covered by the crop years ending June 30, 1993, through June 30, 1995. Shares of countries excluded from the quota are assigned on a pro rata basis to countries subject to the quota. To ensure that the quota is substantially filled, I have authorized the United States Trade Representative to reallocate any significant unused quota allocations. I considered taking other forms of action, such as increasing tariffs on imports of wheat gluten, and have determined that action in such forms would not, in light of the nature of trade in wheat gluten, meet the goals of remedying serious injury and facilitating industry adjustment.

I agree with the USITC's findings under section 311(a) of the NAFTA Implementation Act, and therefore determine, pursuant to section 312(a) of the NAFTA Implementation Act, that imports of wheat gluten produced in Canada do not contribute importantly to the serious injury caused by imports and that imports of wheat gluten produced in Mexico do not account for a substantial share of total imports of such wheat gluten. Therefore, pursuant to section 312(b) of the NAFTA Implementation Act, the quantitative limitation will not apply to imports of wheat gluten from Canada or Mexico. Similarly, the limitation will not apply to imports of wheat gluten from Israel, and beneficiary countries under the Caribbean Basin Economic Recovery Act (CBERA) and the Andean Trade Preference Act (ATPA), in light of the USITC's statement that its recommendation does not apply to im-

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ports from those countries. Moreover, other developing countries that have accounted for a minor share of wheat gluten imports are excluded from the quantitative limitation.

As an additional means of arriving at a long-term solution to this trade issue, I have directed the United States Trade Representative, with the assistance of the Secretary of Agriculture, to seek to initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury found to exist.

I have determined that the actions described above will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs. This action provides the domestic industry with necessary temporary relief from increased import competition, while also assuring our trading partners significant continued access to the United States market.

I also note that, pursuant to section 204 of the Trade Act, the USITC will monitor developments with respect to the domestic industry, including progress and specific efforts made by workers and firms in the domestic industry to make a positive adjustment to import competition, and will provide to me and to the Congress a report of its monitoring no later than the date that is the midpoint of the period the action is in effect.

The United States Trade Representative is authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, May 30, 1998.

Presidential Determination No. 98-25 of May 30, 1998

Sanctions Against Pakistan for Detonation of a Nuclear Explosive Device

Memorandum for the Secretary of State

In accordance with section 102(b)(1) of the Arms Export Control Act, I hereby determine that Pakistan, a non-nuclear-weapon state, detonated a nuclear explosive device on May 28, 1998. The relevant agencies and instrumentalities of the United States Government are hereby directed to take the necessary actions to impose the sanctions described in section 102(b)(2) of that Act.

You are hereby authorized and directed to transmit this determination to the appropriate committees of the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, May 30, 1998.

Other Presidential Documents

Memorandum of June 1, 1998

Plain Language in Government Writing

Memorandum for the Heads of Executive Departments and Agencies

The Vice President and I have made reinventing the Federal Government a top priority of my Administration. We are determined to make the Government more responsive, accessible, and understandable in its communications with the public.

The Federal Government's writing must be in plain language. By using plain language, we send a clear message about what the Government is doing, what it requires, and what services it offers. Plain language saves the Government and the private sector time, effort, and money.

Plain language requirements vary from one document to another, depending on the intended audience. Plain language documents have logical organization, easy-to-read design features, and use:

- common, everyday words, except for necessary technical terms;
- “you” and other pronouns;
- the active voice; and
- short sentences.

To ensure the use of plain language, I direct you to do the following:

- By October 1, 1998, use plain language in all new documents, other than regulations, that explain how to obtain a benefit or service or how to comply with a requirement you administer or enforce. For example, these documents may include letters, forms, notices, and instructions. By January 1, 2002, all such documents created prior to October 1, 1998, must also be in plain language.
- By January 1, 1999, use plain language in all proposed and final rule-making documents published in the **Federal Register**, unless you proposed the rule before that date. You should consider rewriting existing regulations in plain language when you have the opportunity and resources to do so.

The National Partnership for Reinventing Government will issue guidance to help you comply with these directives and to explain more fully the elements of plain language. You should also use customer feedback and common sense to guide your plain language efforts.

I ask the independent agencies to comply with these directives.

This memorandum does not confer any right or benefit enforceable by law against the United States or its representatives. The Director of the Office of Management and Budget will publish this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 1, 1998.

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Presidential Determination No. 98-26 of June 3, 1998

Determination Under Section 402(d)(1) of the Trade Act of 1974, as Amended—Continuation of Waiver Authority

Memorandum for the Secretary of State

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93-618, 88 Stat. 1978 (hereinafter “the Act”), I determine, pursuant to section 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by section 402 of the Act will substantially promote the objectives of section 402 of the Act. I further determine that continuation of the waiver applicable to the People’s Republic of China will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 3, 1998.

Presidential Determination No. 98-27 of June 3, 1998

Determination Under Subsection 402(d)(1) of the Trade Act of 1974, as Amended—Continuation of Waiver Authority

Memorandum for the Secretary of State

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93-618, 88 Stat. 1978 (hereinafter the “Act”), I determine, pursuant to section 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by section 402 of the Act will substantially promote the objectives of section 402 of the Act. I further determine that continuation of the waiver applicable to Vietnam will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 3, 1998.

Other Presidential Documents

Presidential Determination No. 98-28 of June 3, 1998

Determination Under Subsection 402(d)(1) of the Trade Act of 1974, as Amended—Continuation of Waiver Authority

Memorandum for the Secretary of State

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93-618, 88 Stat. 1978 (hereinafter the "Act"), I determine, pursuant to subsection 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by section 402 of the Act will substantially promote the objectives of section 402 of the Act. I further determine that continuation of the waiver applicable to the Republic of Belarus will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 3, 1998.

Presidential Determination No. 98-29 of June 3, 1998

Waiver and Certification of Statutory Provisions Regarding the Palestine Liberation Organization

Memorandum for the Secretary of State

Pursuant to the authority vested in me under section 539(d) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998, Public Law 105-118, I hereby determine and certify that it is important to the national security interests of the United States to waive the provisions of section 1003 of the Anti-Terrorism Act of 1987, Public Law 100-204, through November 26, 1998.

You are authorized and directed to transmit this determination to the Congress and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 3, 1998.

Title 3—The President

Presidential Determination No. 98-30 of June 15, 1998

Report to Congress Regarding Conditions in Burma and U.S. Policy Toward Burma

Memorandum for the Secretary of State

Pursuant to the requirements set forth under the heading “Policy Toward Burma” in section 570(d) of the FY 1997 Foreign Operations Appropriations Act, as contained in the Omnibus Consolidated Appropriations Act (Public Law 104-208), a report is required every 6 months following enactment concerning:

- 1) progress towards democratization in Burma;
- 2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and
- 3) progress made in developing a comprehensive multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Peace and Development Council (SPDC) and democratic opposition groups in Burma.

You are hereby authorized and directed to transmit the attached report fulfilling this requirement to the appropriate committees of the Congress and to arrange for publication of this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 15, 1998.

Presidential Determination No. 98-31 of June 19, 1998

Presidential Determination on U.S. Assistance to the Korean Peninsula Energy Development Organization (KEDO)

Memorandum for the Secretary of State

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1) (the “Act”), I hereby determine that it is important to the security interests of the United States to furnish up to \$5 million in funds made available under Chapter IV, Part II of the Act for a U.S. contribution to KEDO without regard to any provision of law within the scope of section 614(a)(1). I hereby authorize this contribution.

You are hereby authorized and directed to transmit this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, June 19, 1998.

Other Presidential Documents

Memorandum of July 8, 1998

**Delegation of Authority Under Section 1406(b) of the
National Defense Authorization Act for Fiscal Year 1998**

Memorandum for the Secretary of Defense

By the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of Defense the functions conferred upon the President by section 1406(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85).

The authority delegated by this memorandum may be redelegated not lower than the Under Secretary level.

You are authorized and directed to publish this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, July 8, 1998.

Presidential Determination No. 98-33 of July 15, 1998

**Presidential Determination on the Proposed Agreement for
Cooperation Between the Government of the United States of
America and the Government of Romania Concerning
Peaceful Uses of Nuclear Energy**

Memorandum for the Secretary of State, [and] the Secretary of Energy

I have considered the proposed Agreement for Cooperation Between the Government of the United States of America and the Government of Romania Concerning Peaceful Uses of Nuclear Energy, along with the views, recommendations, and statements of the interested agencies.

I have determined that the performance of the agreement will promote, and will not constitute an unreasonable risk to, the common defense and security. Pursuant to section 123b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b)), I hereby approve the proposed agreement and authorize you to arrange for its execution.

The Secretary of State is authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, July 15, 1998.

Title 3—The President

Notice of July 28, 1998

Continuation of Iraqi Emergency

On August 2, 1990, by Executive Order 12722, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders 12722 of August 2, 1990, and 12724 of August 9, 1990, the President imposed trade sanctions on Iraq and blocked Iraqi government assets. Because the Government of Iraq has continued its activities hostile to United States interests in the Middle East, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iraq.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
July 28, 1998.

Notice of August 13, 1998

Continuation of Emergency Regarding Export Control Regulations

On August 19, 1994, consistent with the authority provided me under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), I issued Executive Order 12924. In that order, I declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401 *et seq.*). Because the Export Administration Act has not been renewed by the Congress, the national emergency declared on August 19, 1994, must continue in effect beyond August 19, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency declared in Executive Order 12924.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
August 13, 1998.

Other Presidential Documents

Presidential Determination No. 98-34 of September 9, 1998

Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Memorandum for the Secretary of State

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to \$20,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs of refugees, displaced persons, conflict victims, and other persons at risk due to the Kosovo crisis. These funds may be used, as appropriate, to provide contributions to international and non-governmental organizations.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,

Washington, September 9, 1998.

Presidential Determination No. 98-35 of September 11, 1998

Extension of the Exercise of Certain Authorities Under the Trading With the Enemy Act

Memorandum for the Secretary of State [and] the Secretary of the Treasury

Under section 101(b) of Public Law 95-223 (91 Stat. 1625; 50 U.S.C. App. 5(b) note), and a previous determination made by me on September 12, 1997 (62 *Fed. Reg.* 49729), the exercise of certain authorities under the Trading With the Enemy Act is scheduled to terminate on September 14, 1998.

I hereby determine that the extension for 1 year of the exercise of those authorities with respect to the applicable countries is in the national interest of the United States.

Therefore, pursuant to the authority vested in me by section 101(b) of Public Law 95-223, I extend for 1 year, until September 14, 1999, the exercise of those authorities with respect to countries affected by:

- (1) the Foreign Assets Control Regulations, 31 CFR Part 500;
- (2) the Transaction Control Regulations, 31 CFR Part 505; and
- (3) the Cuban Assets Control Regulations, 31 CFR Part 515.

Title 3—The President

The Secretary of the Treasury is authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 11, 1998.

Notice of September 23, 1998

Continuation of Emergency With Respect to UNITA

On September 26, 1993, by Executive Order 12865, I declared a national emergency to deal with the unusual and extraordinary threat to the foreign policy of the United States constituted by the actions and policies of the National Union for the Total Independence of Angola (“UNITA”), prohibiting the sale or supply by United States persons or from the United States, or using U.S. registered vessels or aircraft, of arms, related materiel of all types, petroleum, and petroleum products to the territory of Angola, other than through designated points of entry. The order also prohibits the sale or supply of such commodities to UNITA. On December 12, 1997, in order to take additional steps with respect to the national emergency declared in Executive Order 12865, I issued Executive Order 13069, closing all UNITA offices in the United States and imposing additional sanctions with regard to the sale or supply of aircraft or aircraft parts, the granting of take-off, landing and overflight permission, and the provision of certain aircraft-related services. Most recently, on August 19, 1998, in order to take further steps with respect to the national emergency declared in Executive Order 12865, I issued Executive Order 13098, blocking all property and interests in property of UNITA and designated UNITA officials and adult members of their immediate families, prohibiting the importation of certain diamonds exported from Angola, and imposing additional sanctions with regard to the sale or supply of equipment used in mining, motorized vehicles, watercraft, spare parts for motorized vehicles or watercraft, mining services, and ground or waterborne transportation services.

Because of our continuing international obligations and because of the prejudicial effect that discontinuation of the sanctions would have on the Angolan peace process, the national emergency declared on September 26, 1993, and the measures adopted pursuant thereto to deal with that emergency, must continue in effect beyond September 26, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to UNITA.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
September 23, 1998.

Other Presidential Documents

Presidential Determination No. 98-37 of September 29, 1998

Use of \$10 Million in Nonproliferation, Anti-Terrorism, Demining and Related Programs Account Funds and \$5 Million in Economic Support Funds for a U.S. Contribution to the Korean Peninsula Development Organization (KEDO)

Memorandum for the Secretary of State

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1) (the "Act"), I hereby determine that it is important to the security interests of the United States to furnish up to \$10 million in funds made available under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs" in title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118), and \$5 million in funds made available under Chapter 4 of Part II of the Act for the U.S. contribution to KEDO without regard to any provision of law within the scope of section 614(a)(1). I hereby authorize this contribution.

You are hereby authorized and directed to transmit this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 29, 1998.

Presidential Determination No. 98-38 of September 29, 1998

Presidential Determination Pursuant to Section 582(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998, on Withholding Assistance to the Government of Chad

Memorandum for the Secretary of State, the Secretary of Defense, [and] the Administrator of the Agency for International Development

Pursuant to the authority vested in me by section 582(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (the "Act"), I hereby:

- (1) determine and certify that the Government of the Republic of Chad is violating a sanction against Libya imposed pursuant to United Nations Security Council Resolution 748; and
- (2) direct that funds not yet obligated that were allocated for Chad under section 653(a) of the Foreign Assistance Act of 1961 (the "FAA") out of appropriations in the Act for programs under chapters 4 and 5 of Part II of the FAA shall be withheld from obligation and expenditure for Chad.

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The Secretary of State is authorized and directed to report this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 29, 1998.

Presidential Determination No. 98-39 of September 30, 1998

Presidential Determination on FY 1999 Refugee Admissions Numbers and Authorizations of In-Country Refugee Status Pursuant to Sections 207 and 101(a)(42), Respectively, of the Immigration and Nationality Act, and Determination Pursuant to Section 2(b)(2) of the Migration and Refugee Assistance Act, as Amended

Memorandum for the Secretary of State

In accordance with section 207 of the Immigration and Nationality Act (the "Act") (8 U.S.C. 1157), as amended, and after appropriate consultation with the Congress, I hereby make the following determinations and authorize the following actions:

The admission of up to 78,000 refugees to the United States during FY 1999 is justified by humanitarian concerns or is otherwise in the national interest; provided, however, that this number shall be understood as including persons admitted to the United States during FY 1999 with Federal refugee resettlement assistance under the Amerasian immigrant admissions program, as provided below.

The 78,000 admissions numbers shall be allocated among refugees of special humanitarian concern to the United States in accordance with the following regional allocations; provided, however, that the number allocated to the East Asia region shall include persons admitted to the United States during FY 1999 with Federal refugee resettlement assistance under section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988, as contained in section 101(e) of Public Law 100-202 (Amerasian immigrants and their family members); provided further that the number allocated to the former Soviet Union shall include persons admitted who were nationals of the former Soviet Union, or in the case of persons having no nationality, who were habitual residents of the former Soviet Union, prior to September 2, 1991:

Africa	12,000
East Asia	9,000
Europe (includes 3,000 unfunded)	48,000
Latin America/Caribbean	3,000
Near East/South Asia	4,000
Unallocated	2,000

Within the Europe ceiling are 3,000 unfunded numbers allocated to the former Soviet Union for use as needed provided that resources within

Other Presidential Documents

existing appropriations are available to fund the cost of their admission. The 2,000 unallocated numbers shall be allocated as needed to regional ceilings where shortfalls develop. Unused admissions numbers allocated to a particular region may be transferred to one or more other regions if there is an overriding need for greater numbers for the region or regions to which the numbers are being transferred. You are hereby authorized and directed to consult with the Judiciary Committees of the Congress prior to any such use of the unallocated numbers or reallocation of numbers from one region to another.

Pursuant to section 2(b)(2) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(b)(2), I hereby determine that assistance to or on behalf of persons applying for admission to the United States as part of the overseas refugee admissions program will contribute to the foreign policy interests of the United States and designate such persons for this purpose.

An additional 10,000 refugee admissions numbers shall be made available during FY 1999 for the adjustment to permanent resident status under section 209(b) of the Immigration and Nationality Act (8 U.S.C. 1159(b)) of aliens who have been granted asylum in the United States under section 208 of the Act (8 U.S.C. 1158), as this is justified by humanitarian concerns or is otherwise in the national interest.

In accordance with section 101(a)(42) of the Act (8 U.S.C. 1101(a)(42)) and after appropriate consultation with the Congress, I also specify that, for FY 1999, the following persons may, if otherwise qualified, be considered refugees for the purpose of admission to the United States within their countries of nationality or habitual residence:

- a. Persons in Vietnam
- b. Persons in Cuba
- c. Persons in the former Soviet Union

You are authorized and directed to report this determination to the Congress immediately and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 30, 1998.

Presidential Determination No. 98-40 of September 30, 1998

Transfer of Funds To Support Court To Try Accused Perpetrators of Pan Am 103 Bombing

Memorandum for the Secretary of State

Pursuant to the authority vested in me by the laws of the United States, including section 610(a) of the Foreign Assistance Act of 1961, as amended (the "Act"), I hereby determine that, to provide support for the establishment and functioning of the court proposed to be established in The Netherlands for the trial of suspects in the Pan Am 103 bombing case, it is necessary for the purposes of the Act that \$3 million of funds made available

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for section 23 of the Arms Export Control Act for fiscal year 1998 for the costs of direct loans, and \$4,945,800 of funds made available for section 551 of the Act for fiscal year 1998, be transferred to, and consolidated with, funds made available for Chapter 4 of Part II of the Act, and such funds are hereby so transferred and consolidated.

You are hereby authorized and directed to report this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 30, 1998.

Presidential Determination No. 98-41 of September 30, 1998

Drawdown Under Section 506(a)(2) of the Foreign Assistance Act To Provide Counternarcotics Assistance to Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Mexico, Peru, Trinidad and Tobago, and the Countries of the Eastern Caribbean

Memorandum for the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Attorney General, [and] the Secretary of Transportation

Pursuant to the authority vested in me by section 506(a)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2318(a)(2) (the "Act"), I hereby determine that it is in the national interest of the United States to draw down articles and services from the inventory and resources of the Department of Defense, military education and training from the Department of Defense, and articles and services from the inventory and resources of the Departments of Justice, State, Transportation, and the Treasury for the purpose of providing international narcotics assistance to Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Mexico, Peru, and Trinidad and Tobago; and to Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines (hereinafter, "the Eastern Caribbean countries").

Therefore, I direct the drawdown of up to \$75 million of articles and services from the inventory and resources of the Departments of Defense, Transportation, Justice, State, and the Treasury, and military education and training from the Department of Defense, for Bolivia, Brazil, Colombia, Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Mexico, Peru, Trinidad and Tobago, and the Eastern Caribbean countries for the purposes and under the authorities of chapter 8 of part I of the Act.

As a matter of policy and consistent with past practice, the Administration will seek to ensure that the assistance furnished under this drawdown is not provided to any unit of any foreign country's security forces if that unit is credibly alleged to have committed gross violations of human rights unless the government of such country is taking effective measures to bring the responsible members of that unit to justice.

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The Secretary of State is authorized and directed to report this determination to the Congress immediately and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, September 30, 1998.

Notice of October 19, 1998

Continuation of Emergency With Respect to Significant Narcotics Traffickers Centered in Colombia

On October 21, 1995, by Executive Order 12978, I declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions of significant foreign narcotics traffickers centered in Colombia, and the unparalleled violence, corruption, and harm that they cause in the United States and abroad. The order blocks all property and interests in property of foreign persons listed in an Annex to the order, as well as foreign persons determined to play a significant role in international narcotics trafficking centered in Colombia, to materially assist in, or provide financial or technological support for or goods or services in support of, the narcotics trafficking activities of persons designated in or pursuant to the order, or to be owned or controlled by, or to act for or on behalf of, persons designated in or pursuant to the order. The order also prohibits any transaction or dealing by United States persons or within the United States in such property or interests in property. Because the activities of significant narcotics traffickers centered in Colombia continue to threaten the national security, foreign policy, and economy of the United States and to cause unparalleled violence, corruption, and harm in the United States and abroad, the national emergency declared on October 21, 1995, and the measures adopted pursuant thereto to deal with that emergency, must continue in effect beyond October 21, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency for 1 year with respect to significant narcotics traffickers centered in Colombia.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
October 19, 1998.

Title 3—The President

Presidential Determination No. 99-1 of October 21, 1998

Determination To Waive Requirements Relating to Blocked Property of Terrorist-List States

Memorandum for the Secretary of State [and] the Secretary of the Treasury

By the authority vested in me as President by the Constitution and laws of the United States of America, including section 117 of the Treasury and General Government Appropriations Act, 1999, as contained in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (approved October 21, 1998), I hereby determine that the requirements of section 117, including the requirement that any property with respect to which financial transactions are prohibited or regulated pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. 1701-1702), and proclamations, orders, regulations, and licenses issued pursuant thereto, be subject to execution or attachment in aid of execution of any judgment relating to a claim for which a foreign state claiming such property is not immune from the jurisdiction of courts of the United States or of the States under section 1605(a)(7) of title 28, United States Code, would impede the ability of the President to conduct foreign policy in the interest of national security and would, in particular, impede the effectiveness of such prohibitions and regulations upon financial transactions, and, therefore, pursuant to section 117(d), I hereby waive the requirements of section 117 in the interest of national security.

The Secretary of State is authorized and directed to publish this determination in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,

Washington, October 21, 1998.

Memorandum of October 27, 1998

Report to the Congress Regarding Conditions in Burma and U.S. Policy Toward Burma

Memorandum for the Secretary of State

Pursuant to the requirements set forth under the heading "Policy Toward Burma" in section 570(d) of the FY 97 Foreign Operations Appropriations Act, as contained in the Omnibus Consolidated Appropriations Act (Public Law 104-208), a report is required every 6 months following enactment concerning:

- (1) progress toward democratization in Burma;

Other Presidential Documents

- (2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and
- (3) progress made in developing a comprehensive, multilateral strategy to bring democracy to, and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Peace and Development Council (SPDC) and democratic opposition groups in Burma.

You are hereby authorized and directed to transmit the attached report fulfilling these requirements to the appropriate committees of the Congress and to arrange for publication of this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, October 27, 1998.

Notice of October 27, 1998

Continuation of Emergency With Respect to Sudan

On November 3, 1997, by Executive Order 13067, I declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Sudan. By Executive Order 13067, I imposed trade sanctions on Sudan and blocked Sudanese government assets. Because the Government of Sudan has continued its activities hostile to United States interests, the national emergency declared on November 3, 1997, and the measures adopted on that date to deal with that emergency must continue in effect beyond November 3, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency for 1 year with respect to Sudan.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
October 27, 1998.

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Presidential Determination No. 99-3 of November 6, 1998

Drawdown Under Section 506(a)(2)(A)(i)(II) of the Foreign Assistance Act of 1961, as Amended To Provide Emergency Disaster Relief Assistance for Honduras, Nicaragua, El Salvador, and Guatemala

Memorandum for the Secretary of State [and] the Secretary of Defense

Pursuant to the authority vested in me by section 506(a)(2)(A)(i)(II) of the Foreign Assistance Act of 1961, as amended (“the Act”), 22 U.S.C. 2318(a)(2), I hereby determine that it is in the national interest of the United States to draw down articles and services from the inventory and resources of the Department of Defense, for the purpose of providing international disaster relief assistance to Honduras, Nicaragua, El Salvador, and Guatemala.

Therefore, I direct the drawdown of up to \$30 million of articles and services from the inventory and resources of the Department of Defense for the Governments of Honduras, Nicaragua, El Salvador, and Guatemala for the purposes and under the authorities of chapter 9 of part I of the Act.

The Secretary of State is authorized and directed to report this determination to the Congress immediately and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, November 6, 1998.

Notice of November 9, 1998

Continuation of Iran Emergency

On November 14, 1979, by Executive Order 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the situation in Iran. Notices of the continuation of this national emergency have been transmitted annually by the President to the Congress and the **Federal Register**. The most recent notice appeared in the **Federal Register** on October 1, 1997. Because our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981, agreements with Iran is still underway, the national emergency declared on November 14, 1979, must continue in effect beyond November 14, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
November 9, 1998.

Other Presidential Documents

Notice of November 12, 1998

Continuation of Emergency Regarding Weapons of Mass Destruction

On November 14, 1994, by Executive Order 12938, I declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and the means of delivering such weapons. Because the proliferation of weapons of mass destruction and the means of delivering them continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, the national emergency first declared on November 14, 1994, and extended on November 14, 1995, November 12, 1996, and November 13, 1997, must continue in effect beyond November 14, 1998. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency declared in Executive Order 12938.

This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
November 12, 1998.

Presidential Determination No. 99-4 of November 14, 1998

Drawdown Under Section 506(a)(2)(A)(i)(II) of the Foreign Assistance Act To Provide Emergency Disaster Relief Assistance for Honduras, Nicaragua, El Salvador, and Guatemala

Memorandum for the Secretary of State [and] the Secretary of Defense

Pursuant to the authority vested in me by section 506(a)(2)(A)(i)(II) of the Foreign Assistance Act of 1961, as amended ("the Act"), 22 U.S.C. 2318(a)(2), I hereby determine that it is in the national interest of the United States to draw down articles and services from the inventory and resources of the Department of Defense, for the purpose of providing international disaster relief assistance to Honduras, Nicaragua, El Salvador, and Guatemala.

Therefore, I direct the drawdown of up to \$45 million of articles and services from the inventory and resources of the Department of Defense for the Governments of Honduras, Nicaragua, El Salvador, and Guatemala for the purposes and under the authorities of chapter 9 of part I of the Act.

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The Secretary of State is authorized and directed to report this determination to the Congress immediately and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, November 14, 1998.

Memorandum of November 16, 1998

Delegation of Authority Under Section 5(d)(2) of the International Anti-Bribery and Fair Competition Act of 1998

Memorandum for the Secretary of State

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of State the functions and authorities vested in the President by section 5(d)(2) of the International Anti-Bribery and Fair Competition Act of 1998 (Public Law 105–366).

You are authorized and directed to publish this memorandum in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, November 16, 1998.

Presidential Determination No. 99–5 of November 25, 1998

Waiver and Certification of Statutory Provisions Regarding the Palestine Liberation Organization

Memorandum for the Secretary of State

Pursuant to the authority vested in me under section 540(d) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999, Public Law 105–277, I hereby determine and certify that it is important to the national security interests of the United States to waive the provisions of section 1003 of the Anti-Terrorism Act of 1987, Public Law 100–204, through May 24, 1999.

You are authorized and directed to transmit this determination to the Congress and to publish it in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, November 25, 1998.

Other Presidential Documents

Presidential Determination No. 99-8 of December 8, 1998

Assistance Program for the New Independent States of the Former Soviet Union

Memorandum for the Secretary of State

Pursuant to Section 517(b) in Title V of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999 (Public Law 105-277), I hereby determine that it is in the national security interest of the United States to make available funds appropriated under the heading "Assistance for the New Independent States of the Former Soviet Union" in Title II of that Act without regard to the restriction in that section.

You are authorized and directed to notify the Congress of this determination and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, December 8, 1998.

Presidential Determination No. 99-9 of December 24, 1998

Use of \$12 Million in Economic Support Funds for a U.S. Contribution to the Korean Peninsula Development Organization (KEDO)

Memorandum for the Secretary of State

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1) (the "Act"), I hereby determine that it is important to the security interests of the United States to furnish up to \$12 million in funds made available under Chapter 4 of Part II of the Act for assistance for KEDO without regard to any provision of law within the scope of section 614(a)(1). I hereby authorize furnishing of this assistance.

You are hereby authorized and directed to transmit this determination to the Congress and to arrange for its publication in the **Federal Register**.

WILLIAM J. CLINTON

THE WHITE HOUSE,
Washington, December 24, 1998.

Notice of December 30, 1998

Continuation of Libyan Emergency

On January 7, 1986, by Executive Order 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by

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the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order 12544, the President took additional measures to block Libyan assets in the United States. Every President has transmitted to the Congress and the **Federal Register** a notice continuing this emergency each year since 1986.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993), that it demonstrate by concrete actions its renunciation of terrorism. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya. This notice shall be published in the **Federal Register** and transmitted to the Congress.

WILLIAM J. CLINTON

THE WHITE HOUSE,
December 30, 1998.

APPENDICES—OTHER PRESIDENTIAL DOCUMENTS

EDITORIAL NOTE: The following tables include documents issued by the Executive Office of the President and published in the *Federal Register* but not included in title 3 of the *Code of Federal Regulations*.

Appendix A—List of Messages to Congress Transmitting Budget Rescissions and Deferrals

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