

4. During the current 6-month period, OFAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The office worked closely with the banks to assure the effectiveness of interdiction software systems used to identify such payments. During the reporting period, 87 transactions potentially involving Libya, totaling nearly \$3.4 million, were interdicted.

5. Since my last report, OFAC has collected 7 civil monetary penalties totaling \$38,000 from 2 U.S. financial institutions, 3 companies, and 2 individuals for violations of the U.S. sanctions against Libya. The violations involved export transactions relating to Libya and dealings in Government of Libya property or property in which the Government of Libya had an interest.

On April 23, 1999, a foreign national permanent resident in the United States was sentenced by the Federal District Court for the Middle District of Florida to 2 years in prison and 2 years supervised release for criminal conspiracy to violate economic sanctions against Libya, Iran, and Iraq. He had previously been convicted of violation of the Libyan Sanctions Regulations, the Iranian Transactions Regulations, the Iraqi Sanctions Regulations, and the Export Administration Regulations for exportation of industrial equipment to the oil, gas, petrochemical, water, and power industries of Libya, Iran, and Iraq.

Various enforcement actions carried over from previous reporting periods have continued to be

aggressively pursued. Numerous investigations are ongoing and new reports of violations are being scrutinized.

6. The expenses incurred by the Federal Government in the 6-month period from January 7 through July 6, 1999, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$4.4 million. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

7. In April 1999, Libya surrendered the 2 suspects in the Lockerbie bombing for trial before a Scottish court seated in the Netherlands. In accordance with UNSCR 748, upon the suspects' transfer, UN sanctions were immediately suspended. We will insist that Libya fulfill the remaining UNSCR requirements for lifting UN sanctions and are working with UN Secretary Annan and UN Security Council members to ensure that Libya does so promptly. U.S. unilateral sanctions remain in force, and I will continue to exercise the powers at my disposal to apply these sanctions fully and effectively, as long as they remain appropriate. I will continue to report periodically to the Congress on significant developments as required by law.

WILLIAM J. CLINTON

The White House,
July 19, 1999.

Letter to Congressional Leaders Reporting on the Deployment of Military Forces for Stabilization of Areas of the Former Yugoslavia

July 19, 1999

Dear Mr. Speaker: (Dear Mr. President:)

In my report to the Congress of January 19, 1999, I provided further information on the deployment of combat-equipped U.S. Armed Forces to Bosnia and other states in the region in order to participate in and support the North Atlantic Treaty Organization (NATO)-led Stabilization Force (SFOR), which began its mission and assumed authority from the NATO-led Implementation Force on December 20,

1996. I am providing this supplemental report, consistent with the War Powers Resolution, to help ensure that the Congress is kept fully informed on continued U.S. contributions in support of peacekeeping efforts in the former Yugoslavia.

The U.N. Security Council authorized member states to continue SFOR for a period of 12 months in U.N. Security Council Resolution 1247 of June 18, 1999. The mission of SFOR

is to provide a continued military presence in order to deter renewed hostilities, stabilize and consolidate the peace in Bosnia-Herzegovina, and contribute to a secure environment to facilitate the civilian implementation process to which SFOR provides broad support within its means and capabilities.

The U.S. force contribution to SFOR in Bosnia is approximately 6,200. In the first half of 1999, all NATO nations and 19 others, including Russia and Ukraine, have provided military personnel or other support to SFOR. Most U.S. forces are assigned to Multinational Division, North, centered around the city of Tuzla. In addition, approximately 2,200 U.S. military personnel are deployed to Hungary, Croatia, and Italy in order to provide logistical and other support to SFOR. The U.S. forces continue to support SFOR in efforts to apprehend persons indicted for war crimes. In the last 6 months, U.S. forces have sustained no fatalities.

The United Nations mandate for the U.N. Preventive Deployment Force (UNPREDEP) in the Former Yugoslav Republic of Macedonia expired on February 28, 1999, and it was not renewed or extended. The U.S. military contingent that had been deployed to Macedonia as part of UNPREDEP remained in Macedonia under U.S. operational control in anticipation of providing logistical support to U.S. forces that

could support future NATO operations in the area. That contingent subsequently redeployed and was replaced with other U.S. forces more suited for this possible support mission. The new contingent has been incorporated into the U.S. national support element operating in Macedonia that, as I reported in my letter to the Congress of June 12, 1999, is supporting the International Security Presence in Kosovo (KFOR).

I have directed the participation of U.S. Armed Forces in these operations pursuant to my constitutional authority to conduct U.S. foreign relations and as Commander in Chief and Chief Executive, and in accordance with various statutory authorities. I am providing this report as part of my efforts to keep the Congress fully informed about developments in Bosnia and other states in the region. I will continue to consult closely with the Congress regarding our efforts to foster peace and stability in the former Yugoslavia.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Letter to Congressional Leaders on Proposed Education Legislation *July 19, 1999*

Dear Mr. Speaker: (Dear Mr. Leader:)

Nothing will do more to prepare all of our people to succeed in the 21st century than strengthening our public schools. That's why I am deeply concerned about the legislation that the House is preparing to consider that undermines a bipartisan commitment to reduce class size in the early grades across the nation. If the Congress sends me H.R. 1995 in its current form, I will veto it in order to protect our nation's commitment to smaller classes and better schools.

Last year, Congress came together across party lines to make a down payment to begin hiring 100,000 well-prepared teachers to reduce class size to a nationwide average of 18. Earlier

this month, the Education Department released \$1.2 billion in grants to help states and local school districts begin hiring the first 30,000 well-trained teachers for the new school year. Now is the time to work together to keep our bipartisan commitment on class size, not walk away from it.

After all, research confirms what parents and teachers understand: smaller classes with well-prepared teachers have a lasting impact on student achievement, with the greatest benefits for lower achieving, minority, and poor children.