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1974, I herewith report two deferrals of budgetary resources, totaling $167.6 million.

The deferrals affect programs of the Department of State and International Security Assistance.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on October 23.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Angola

October 23, 1998

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

I hereby report to the Congress on the developments since my last report of March 23, 1998, concerning the national emergency with respect to Angola that was declared in Executive Order 12865 of September 26, 1993. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

On September 26, 1993, I declared a national emergency with respect to the National Union for the Total Independence of Angola (''UNITA''), invoking the authority, *inter alia*, of the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) and the United Nations Participation Act of 1945 (22 U.S.C. 287c). Consistent with United Nations Security Council Resolution (''UNSCR'') 864, dated September 15, 1993, the order prohibited the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to the territory of Angola other than through designated points of entry. The order also prohibited such sale or supply to UNITA. United States persons are prohibited from activities which promote or are calculated to promote such sales or supplies, or from attempted violations, or from evasion or avoidance, or transactions that have the purpose of evasion or avoidance, of the stated prohibitions. The order authorized the Secretary of the Treasury, in consultation with the Secretary of State, to take such actions, including the promulgation of rules and regulations, as might be necessary to carry out the purposes of the order.

1. On December 10, 1993, the Department of the Treasury's Office of Foreign Assets Control (OFAC) issued the UNITA (Angola) Sanctions Regulations (the ''Regulations'') (58 Fed. Reg. 64904) to implement the imposition of sanctions against UNITA. The Regulations prohibit the sale or supply by United States persons or from the United States, or using U.S.-registered vessels or aircraft, of arms and related materiel of all types, including weapons and ammunition, military vehicles, equipment and spare parts, and petroleum and petroleum products to UNITA or to the territory of Angola other than through designated points. United States persons are also prohibited from activities which promote or are calculated to promote such sales or supplies to UNITA or Angola, or from any transactions by any United States persons that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive order. Also prohibited are transactions by United States persons, or involving the use of U.S.-registered vessels or aircraft, relating to transportation to Angola or UNITA of goods the exportation of which is prohibited.

The Government of Angola has designated the following points of entry as points in Angola to which the articles otherwise prohibited by the Regulations may be shipped: *Airports*: Luanda and Katumbela, Benguela Province; *Ports*: Luanda and Lobito, Benguela Province; and Namibe, Namibe Province; and *Entry Points*: Malongo, Cabinda Province. Although no specific license is required by the Department of the Treasury for shipments to these designated points of entry (unless the item is destined for UNITA), any such exports remain subject to the licensing requirements of the Departments of State and/or Commerce.

2. On August 28, 1997, the United Nations Security Council adopted UNSCR 1127, expressing its grave concern at the serious difficulties in the peace process, demanding that the Government of Angola and in particular UNITA comply fully and completely with those obligations, and imposing additional sanctions against UNITA. Subsequently, the Security Council adopted UNSCR 1130 postponing the effective date of measures specified by UNSCR 1127 until 12:01 a.m., eastern standard time on October 30, 1997, at which time they went into effect.

On December 12, 1997, I issued Executive Order 13069 to implement in the United States the provisions of UNSCRs 1127 and 1130 (62 *Fed. Reg.* 65989, December 16, 1997). Executive Order 13069 prohibits (a) the sale, supply, or making available in any form, by United States persons or from the United States or using U.S.-registered vessels or aircraft, of any aircraft or aircraft components, regardless of origin, (i) to UNITA, or (ii) to the territory of Angola other than through a specified point of entry; (b) the insurance, engineering, or servicing by United States persons or from the United States of any aircraft owned or controlled by UNITA; (c) the granting of permission to any aircraft to take off from, land in, or overfly the United States if the aircraft, as part of the same flight or as a continuation of that flight, is destined to land in or has taken off from a place in the territory of Angola other than a specified point of entry; (d) the provision or making available by United States persons or from the United States of engineering and maintenance servicing, the certification of airworthiness, the payment of new claims against exiting insurance contracts, or the provision, renewal, or making available of direct insurance with respect to (i) any aircraft registered in Angola other than those specified by the Secretary of the Treasury, in consultation with the Secretary of State, and other appropriate agencies; (ii) any aircraft that entered the territory of Angola other than through a specified point of entry; (e) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order. Executive Order 13069 became effective at 12:01 a.m., eastern standard time on December 15, 1997.

On June 12, 1998, the United Nations Security Council adopted UNSCR 1173, expressing its grave concern at the critical situation in the peace process and the failure of UNITA to implement its obligations under the Lusaka Protocol, and imposing additional sanctions against UNITA. Subsequently, the Security Council adopted UNSCR 1176 postponing the effective date of measures specified by UNSCR 1173 until 12:01 a.m., eastern daylight time on July 1, 1998, at which time they went into effect.

On August 18, 1998, I issued Executive Order 13098 to implement in the United States the provisions of UNSCRs 1173 and 1176 (63 *Fed. Reg.* 44771, August 20, 1998). Executive Order 13098 blocks all property and interests in property that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, of UNITA, or of those senior officials of UNITA, or adult members of their immediate families, who are designated pursuant to the order. In addition, the order prohibits the direct or indirect importation into the United States of all diamonds exported from Angola on or after the effective date of the order that are not controlled through the Certificate of Origin regime of the Angolan Government of Unity and National Reconciliation (the ''GURN''). The order also prohibits the sale or supply by United States persons or from the United States or using U.S.-registered vessels or aircraft, of any equipment used in mining, or motorized vehicles or watercraft, and parts therefor, regardless of origin to the territory of Angola other than through a specified point of entry. Finally, the order prohibits any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order. Executive Order 13098 became effective at 12:01 a.m., eastern daylight time on August 19, 1998.

There have been no amendments to the Regulations since my report of March 23, 1998.

3. On December 31, 1997, OFAC issued an order to the Center for Democracy in Angola ("CEDA" or "CDA") to immediately close its offices in the United States as required by Executive Order 13069. CEDA responded that it had closed its only U.S. office, located in Washington, D.C., in compliance with Executive Order 13069.

The OFAC has worked closely with the U.S. financial and exporting communities to assure a heightened awareness of the sanctions against UNITA—through the dissemination of publications, seminars, and a variety of media, including via the Internet, fax-on-demand, special fliers, and computer bulletin board information initiated by OFAC and posted through the Department of Commerce and the Government Printing Office. There have been no license applications under the program since my last report. One investigation into an alleged violation has been initiated.

4. The expenses incurred by the Federal Government in the 6-month period from March 26 through September 25, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to UNITA are about $160,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Departments of State (particularly the Office of Southern African Affairs) and Commerce.

I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

October 17

In the morning, the President traveled to Queenstown, MD.

In the afternoon, the President met with Chairman Yasser Arafat of the Palestinian Authority in Houghton House at the Aspen Institute Wye River Conference Center. Later, he had a telephone conversation with President Hosni Mubarak of Egypt concerning the Middle East peace process.

In the late afternoon, the President met with Prime Minister Binyamin Netanyahu of Israel in the River House at the conference center. In the evening, he returned to Washington, DC.

October 18

In the morning, the President traveled to Queenstown, MD.

In the afternoon, the President had a luncheon with Prime Minister Netanyahu at the Wye River Conference Center. Later, he twice met with Chairman Arafat at the conference center.

After midnight, the President returned to Washington, DC.

October 19

In the afternoon, the President traveled to Queenstown, MD, where he met separately with Prime Minister Netanyahu and Chairman Arafat at the Wye River Conference Center throughout the day. In the evening, he returned to Washington, DC, arriving after midnight.

The President announced his intention to appoint Marc B. Nathanson as Chair of the Broadcasting Board of Governors for the International Broadcasting Bureau.

The President announced his intention to appoint Eli Segal and Jose Villarreal as members of the Fannie Mae Board of Directors.