

**Sec. 10.** For those persons listed in the Annex to this order or determined to be subject to this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or assets instantaneously, prior notice to such persons of measures to be taken pursuant to this order would render these measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in this order, there need be no prior notice of a listing or determination made pursuant to this order.

**Sec. 11.** (a) This order is effective at 12:01 a.m. eastern daylight time on September 24, 2001.

(b) This order shall be transmitted to the Congress and published in the *Federal Register*.

**George W. Bush**

The White House,  
September 23, 2001.

[Filed with the Office of the Federal Register, 1:05 p.m., September 24, 2001]

NOTE: This Executive order was released by the Office of the Press Secretary on September 24. This Executive order and the attached annex were published in the *Federal Register* on September 25.

### **Message to the Congress on United States Financial Sanctions Against Foreign Terrorists and Their Supporters**

*September 23, 2001*

*To the Congress of the United States:*

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b) (IEEPA), and section 301 of the National Emergencies Act, 50 U.S.C. 1631, I hereby report that I have exercised my statutory authority to declare a national emergency in response to the unusual and extraordinary threat posed to the national security, foreign policy, and economy of the United States by grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the September 11, 2001, terrorist attacks at the World Trade Center, New York, at the Pentagon, and in Pennsyl-

vania. I have also issued an Executive Order to help deal with this threat by giving the United States more powerful tools to reach the means by which terrorists and terrorist networks finance themselves and to encourage greater cooperation by foreign financial institutions and other entities that may have access to foreign property belonging to terrorists or terrorist organizations.

The attacks of September 11, 2001, highlighted in the most tragic way the threat posed to the security and national interests of the United States by terrorists who have abandoned any regard for humanity, decency, morality, or honor. Terrorists and terrorist networks operate across international borders and derive their financing from sources in many nations. Often, terrorist property and financial assets lie outside the jurisdiction of the United States. Our effort to combat and destroy the financial underpinnings of global terrorism must therefore be broad, and not only provide powerful sanctions against the U.S. property of terrorists and their supporters, but also encourage multilateral cooperation in identifying and freezing property and assets located elsewhere.

This Executive Order is part of our national commitment to lead the international effort to bring a halt to the evil of terrorist activity. In general terms, it provides additional means by which to disrupt the financial support network for terrorist organizations by blocking the U.S. assets not only of foreign persons or entities who commit or pose a significant risk of committing acts of terrorism, but also by blocking the assets of their subsidiaries, front organizations, agents, and associates, and any other entities that provide services or assistance to them. Although the blocking powers enumerated in the order are broad, my Administration is committed to exercising them responsibly, with due regard for the culpability of the persons and entities potentially covered by the order, and in consultation with other countries.

The specific terms of the Executive Order provide for the blocking of the property and interests in property, including bank deposits, of foreign persons designated in the order or pursuant thereto, when such property is within the United States or in the possession

or control of United States persons. In addition, the Executive Order prohibits any transaction or dealing by United States persons in such property or interests in property, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such designated persons.

I have identified in an Annex to this order eleven terrorist organizations, twelve individual terrorist leaders, three charitable or humanitarian organizations that operate as fronts for terrorist financing and support, and one business entity that operates as a front for terrorist financing and support. I have determined that each of these organizations and individuals have committed, supported, or threatened acts of terrorism that imperil the security of U.S. nationals or the national security, foreign policy, or economy of the United States. I have also authorized the Secretary of State to determine and designate additional foreign persons who have committed or pose a significant risk of committing acts of terrorism that threaten the security of U.S. nationals or the national security, foreign policy, or economy of the United States. Such designations are to be made in consultation with the Secretary of the Treasury and the Attorney General.

The Executive Order further authorizes the Secretary of the Treasury to identify, in consultation with the Secretary of State and the Attorney General, additional persons or entities that:

- Are owned or controlled by, or that act for or on behalf of, those persons designated in or pursuant to the order;
- Assist in, sponsor, or provide financial, material, or technological support for, or financial or other services to or in support of acts of terrorism or those persons designated in or pursuant to the order; or
- Are otherwise associated with those persons designated in or pursuant to the order.

Prior to designating persons that fall within the latter two categories, the Secretary of the Treasury is authorized to consult with any foreign authorities the Secretary of State deems appropriate, in consultation with the Secretary of the Treasury and the Attorney General. Such consultation is intended to

avoid the need for additional designations by securing bilateral or multilateral cooperation from foreign governments and foreign financial and other institutions. Such consultation may include requests to foreign governments to seek, in accordance with international law and their domestic laws, information from financial institutions regarding terrorist property and to take action to deny terrorists the use of such property. The order also provides broad authority, with respect to the latter two categories, for the Secretary of the Treasury, in his discretion, and in consultation with the Secretary of State and the Attorney General, to take lesser action than the complete blocking of property or interests in property if such lesser action is deemed consistent with the national interests of the United States. Some of the factors that may be considered in deciding whether a lesser action against a foreign person is consistent with the national interests of the United States include:

- The impact of blocking on the U.S. or international financial system;
- The extent to which the foreign person has cooperated with U.S. authorities;
- The degree of knowledge the foreign person had of the terrorist-related activities of the designated person;
- The extent of the relationship between the foreign person and the designated person; and
- The impact of blocking or other measures on the foreign person.

The Executive Order also directs the Secretary of State, the Secretary of the Treasury, and other agencies to make all relevant efforts to cooperate and coordinate with other countries, including through existing and future multilateral and bilateral agreements and arrangements, to achieve the objectives of this order, including the prevention and suppression of acts of terrorism, the denial of the financing of and financial services to terrorists and terrorist organizations, and the sharing of intelligence about funding activities in support of terrorism.

In the Executive Order, I also have made determinations to suspend otherwise applicable exemptions for certain humanitarian,

medical, or agricultural transfers or donations. Regrettably, international terrorist networks make frequent use of charitable or humanitarian organizations to obtain clandestine financial and other support for their activities. If these exemptions were not suspended, the provision of humanitarian materials could be used as a loophole through which support could be provided to individuals or groups involved with terrorism and whose activities endanger the safety of United States nationals, both here and abroad.

The Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, is authorized to issue regulations in exercise of my authorities under IEEPA to implement the prohibitions set forth in the Executive Order. All Federal agencies are also directed to take actions within their authority to carry out the provisions of the order, and, where applicable, to advise the Secretary of the Treasury in a timely manner of the measures taken.

The measures taken here will immediately demonstrate our resolve to bring new strength to bear in our multifaceted struggle to eradicate international terrorism. It is my hope that they will point the way for other civilized nations to adopt similar measures to attack the financial roots of global terrorist networks.

In that regard, this Executive Order is an integral part of our larger effort to form a coalition in the global war against terrorism. We have already worked with nations around the globe and groups such as the G-8, the European Union, and the Rio Group, all of which have issued strong statements of their intention to take measures to limit the ability of terrorist groups to operate. In the next several weeks the 33rd Session of the International Civil Aviation Organization (ICAO) General Assembly and other fora will focus on terrorism worldwide. It is our intention to work within the G-7/G-8, the ICAO, and other fora to reach agreement on strong concrete steps that will limit the ability of terrorists to operate. In the G-7/G-8, the United States will work with its partners, drawing on the G-8 Lyon Group on Transnational Crime, the G-8 Group on Counter-terrorism, the G-7 Financial Action Task Force,

and the existing G-8 commitments to build momentum and practical cooperation in the fight to stop the flow of resources to support terrorism. In addition, both the Convention for the Suppression of the Financing of Terrorism and the Convention for the Suppression of Terrorist Bombings have been forwarded to the Senate, and I will be forwarding shortly to the Congress implementing legislation for both Conventions.

I am enclosing a copy of the Executive Order I have issued. This order is effective at 12:01 a.m. eastern daylight time on September 24, 2001.

**George W. Bush**

The White House,  
September 23, 2001.

NOTE: This message was released by the Office of the Press Secretary on September 24.

**Provision of Aviation Insurance Coverage for Commercial Air Carrier Service in Domestic and International Operations**

*September 23, 2001*

Presidential Determination No. 2001-29

*Memorandum for the Secretary of Transportation*

*Subject:* Provision of Aviation Insurance Coverage for Commercial Air Carrier Service in Domestic and International Operations

By virtue of the authority vested in me by 49 U.S.C. 44302, *et seq.*, I hereby:

- (1) determine that continuation of U.S.-flag commercial air service is necessary in the interest of air commerce, national security, and the foreign policy of the United States;
- (2) approve provision by the Secretary of Transportation of insurance to U.S.-flag air carriers against loss or damage arising out of any risk from the operation of an aircraft, and/or reimbursement of insurance cost increases, in the manner and to the extent provided in Chapter 443 of 49 U.S.C.,