

SIX MONTH PERIODIC REPORTS ON TERRORISTS
WHO THREATEN THE MIDDLE EAST PEACE PROCESS

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT ON DEVELOPMENTS CONCERNING THE NATIONAL
EMERGENCY WITH RESPECT TO TERRORISTS WHO THREATEN
TO DISRUPT THE MIDDLE EAST PEACE PROCESS THAT WAS DE-
CLARED IN EXECUTIVE ORDER 12947 OF JANUARY 23, 1995, PUR-
SUANT TO 50 U.S.C. 1641(c)



FEBRUARY 7, 2000.—Message and accompanying papers referred to the
Committee on International Relations and ordered to be printed

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To the Congress of the United States:

As required by 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 (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to terrorists who threaten to disrupt the Middle East Peace Process that was declared in Executive Order 12947 of January 23, 1995.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 7, 2000.*

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH
RESPECT TO TERRORISTS WHO THREATEN TO DISRUPT THE MID-
DLE EAST PEACE PROCESS

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. 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 ("IEEPA"), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order") (60 *Fed. Reg.* 5079, January 25, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively "Specially Designated Terrorists" or "SDTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or her delegate, or the Director of the Office of Foreign Assets Control ("OFAC") acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the *Fed. Reg.*, or upon prior actual notice.

Because terrorists' activities continue to threaten the Middle East peace process and vital interests of the United States in the Middle East, on January 20, 2000, I continued for another year the national emergency declared on January 23, 1995, and the meas-

ures that took effect on January 24, 1995, to deal with that emergency. This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a Notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 *Fed. Reg.* 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided nine (9) name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional Notices adding the names of three individuals, as well as their pseudonyms, to the List of SDTs (60 *Fed. Reg.* 41152, August 11, 1995; 60 *Fed. Reg.* 44932, August 29, 1995; and 60 *Fed. Reg.* 58435, November 27, 1995).

On August 20, 1998, I signed Executive Order 13099 (63 *Fed. Reg.* 45167, August 20, 1998) amending Executive Order 12947 by adding Usama bin Muhammad bin Awad bin Ladin (a.k.a. Usama bin Ladin) and two of his associates, Abu Hafs al-Masri and Rifa'i Ahmad Taha Musa, and the Islamic Army (a.k.a. Al-Qaida, Islamic Salvation Foundation, The Islamic Army for the Liberation of the Holy Places, The World Islamic Front for Jihad Against Jews and Crusaders, and The Group for the Preservation of the Holy Sites) to the Annex of Executive Order 12947 as terrorists who threaten to disrupt the Middle East peace process. The Order further provides Executive Order 13099 does not limit or otherwise affect the other provisions of Executive Order 12947.

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the "TSR" or the "Regulations") (61 *Fed. Reg.* 3805, February 2, 1996). The TSR implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. Pursuant to Executive Order 13099 of August 20, 1998, "Prohibiting Transactions with Terrorists Who threaten to Disrupt the Middle East Peace Process", (63 *Fed. Reg.* 45167, 3 C.F.R., 1998 Comp., p. 208) and the Regulations, on June 28, 1999, OFAC amended appendix A to 31 C.F.R. chapter V by adding 3 individuals and 1 organization as persons who have been designated in the Executive order as terrorists who threaten to disrupt the Middle East peace process or SDTs (64 *Fed. Reg.* 35575, 31 C.F.R., July 1, 1999). Any property subject to the jurisdiction of the United States in which an SDT has an interest is blocked and U.S. persons are prohibited from engaging in

any transactions or in dealing in any property in which an SDT has an interest.

4. Since the signing of Executive Order 12947 in January 1995 through December 1999, more than \$650,000 in assets were blocked. The blocking of these assets, consisting of funds and real property, stopped their conversion or other disposal for the benefit of the SDTs. Some assets blocked in aid of investigation have been released. In June 1998, a large portion of the assets previously blocked were seized by the Department of Justice as assets subject to civil forfeiture action based on the criminal money laundering statutes.

Federal agencies will continue to work closely to identify and block assets in which SDTs have an interest and will vigorously enforce Executive Orders 12947 and 13099 against Usama bin Ladin and other terrorists who threaten the Middle East peace process.

5. Since January 25, 1995, OFAC has issued nine licenses pursuant to the Regulations. These licenses authorize payment of legal expenses of individuals and the disbursement of funds for normal expenditures for the maintenance of family members, the employment, receipt of salary and payment of educational expenses for an SDT, secure storage of tangible assets of SDTs, the release of assets blocked pending investigation, and certain administrative transactions of individuals designated pursuant to Executive Order 12947.

6. The expenses incurred by the Federal Government in the six-month period from July 23, 1999 through January 22, 2000 that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East peace process are estimated at approximately \$200,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

7. Executive Orders 12947 and 13099 provide this Administration with a tool to combat fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The orders make it harder for such groups to finance these criminal activities by impeding their access to sources of support in the United States and to U.S. financial facilities. They are also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

The Executive orders demonstrate the United States' determination to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).