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# PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ

## COMMUNICATION

FROM

## THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A SIX MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ THAT WAS DECLARED IN EXECUTIVE ORDER 12722 OF AUGUST 2, 1990, PURSUANT TO 50 U.S.C. 1641(c) AND 50 U.S.C. 1703(c)

SEPTEMBER 3, 2003.—Referred to the Committee on International Relations and ordered to be printed

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WASHINGTON : 2003

THE WHITE HOUSE,
*Washington, July 31, 2003.*

Hon. J. DENNIS HASTERT,
*Speaker of the House of Representatives,*
*Washington, DC.*

DEAR MR. SPEAKER: Consistent with 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), I am providing a 6-month periodic report prepared by my Administration on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

Sincerely,

GEORGE W. BUSH.

## PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ

This report to the Congress addresses the developments over the course of the past 6 months concerning the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990, and matters relating to Executive Order 12724 of August 9, 1990, and Executive Order 12817 of October 23, 1992. This report is submitted consistent with section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c).

1. Since my last report, I have issued two new Executive Orders dealing with the national emergency with respect to Iraq. First, in Executive Order 13290 of March 20, 2003, I took additional steps with respect to the national emergency declared in Executive Order 12722 by ordering the confiscation and vesting of all blocked funds held in the United States in accounts in the name of the Government of Iraq, the Central Bank of Iraq, Rafidain Bank, Rasheed Bank, or the State Organization for Marketing Oil, except for diplomatic accounts and any amounts that were subject to post-judgment writs of execution or attachment in aid of execution of judgments pursuant to section 201 of the Terrorism Risk Insurance Act of 2002 (Public Law 107–297). Executive Order 13290 resulted in the confiscation and vesting of more than $1.7 billion, which is being used to assist the Iraqi people and to assist in the reconstruction of Iraq.

Second, in Executive Order 13303 of May 22, 2003, I declared a new national emergency to deal with a threat to the orderly reconstruction of Iraq, the restoration and maintenance of peace and security in the country, and the development of political, administrative, and economic institutions in Iraq. Among other things, I ordered that previous Iraq-related Executive Orders—specifically Executive Order 12722 of August 2, 1990, Executive Order 12724 of August 9, 1990, and Executive Order 13290 of March 20, 2003—shall not apply to the Development Fund for Iraq or to Iraqi petroleum and petroleum products, and interests therein, and proceeds, obligations, or any financial instruments of any nature whatsoever arising from or related to the sale or marketing thereof, and interests therein, in which any foreign country or a national thereof has any interest, 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.

2. In Presidential Determination 2003–23 of May 7, 2003, I took important steps toward lifting economic sanctions against Iraq by exercising my statutory authority to suspend the application of all of the provisions, other than section 586E, of the Iraq Sanctions Act of 1990, Public Law 101–513, and to make inapplicable with respect to Iraq section 620A of the Foreign Assistance Act of 1961,

Public Law 87–195, as amended, and any other provision of law that applies to countries that have supported terrorism.

3. There have been several substantive amendments to the Iraqi Sanctions Regulations, 31 CFR Part 575 (the "Regulations"), during the current reporting period. On March 12, 2003, the Department of the Treasury's Office of Foreign Assets Control ("OFAC") published new sections 575.527 and 575.528 of the Regulations. Section 575.527 provided for the case-by-case authorization of non-governmental organizations to conduct certain defined humanitarian activities in the areas of Iraq not controlled by the Government of Iraq. Section 575.528 authorized, by general license, more limited survey or assessment missions in Iraq (including those areas controlled by the Government of Iraq). A copy of new sections 575.527 and 575.528 to the Regulations is attached to this report.

On May 7, 2003, OFAC issued four more general licenses authorizing the following activities involving Iraq: Non-commercial funds transfers (including family remittances) and related transactions, activities by the United States Government and its contractors or grantees, privately financed humanitarian transactions, and certain exports and re-exports to Iraq. These four general licenses have been incorporated into the Regulations as sections 575.529 through 575.532. A copy of new sections 575.529 through 575.532 of the Regulations is attached to this report.

Finally, on May 23, 2003, in light of the United Nations Security Council Resolution No. 1483 of May 22, 2003, that substantially lifted multilateral economic sanctions against Iraq, OFAC issued a broad general license authorizing all transactions otherwise prohibited by the Regulations, with four exceptions: (1) All property and interests in property that were blocked as of May 23 remain blocked, (2) certain exports and re-exports continue to require an OFAC license, (3) transactions with certain Iraqi persons remain prohibited, and (4) transactions in certain Iraqi cultural properties remain prohibited. This May 23 general license was incorporated into the Regulations as section 575.533. A copy of the new section 575.533 of the Regulations is attached to this report.

4. Since December 10, 1996, OFAC has issued specific licenses authorizing participation by U.S. persons in commercial sales of humanitarian goods to Iraq funded by Iraqi oil sales, and imports of Iraqi petroleum products, pursuant to United Nations Security Council Resolution ("UNSCR") 986 and succeeding resolutions. The total value of humanitarian sales since 1996 is more than $813 million. Of this amount, OFAC licenses have authorized the sale of $521 million in basic foodstuffs, about $113 million for medicines and medical supplies, nearly $149 million for water testing and treatment equipment, irrigation systems, and other infrastructure components essential to the delivery to the Iraqi people of food, medicine, and other necessities of life, and approximately $30 million to fund a variety of United Nations activities in Iraq. During the current reporting period, as of June 3, 2003, OFAC-authorized humanitarian sales were valued at approximately $20 million.

In addition, sales of oil infrastructure merchandise authorized since November 10, 1998, in conformity with UNSCRs 1153 and 1175, were valued at approximately $190 million. OFAC issued 18

licenses during the reporting period for the sale of oilfield parts and equipment to the Government of Iraq.

5. As of May 28, 2003, 11 transactions totaling approximately $320,000 were blocked during the reporting period. Seventy-four transactions, not involving blockable interests, were rejected by U.S. banks causing a disruption of more than $2.8 million in business for the former regime. During the current reporting period, while the Iraqi non-governmental organization registration program was in effect, 31 non-governmental organizations were registered for humanitarian activities in Iraq.

6. Since my last report, OFAC has collected three civil monetary penalties or settlements totaling more than $25,000 for violations of the sanctions from one individual, one U.S. financial institution, and one U.S. corporation. An additional five cases have been completed, with a finding of a violation or an agreed settlement of allegations with assessed penalties or settlements totaling more than $33,000, and are either awaiting payment or undergoing Departmental debt collection efforts by the Financial Management Division. Fifteen other cases are undergoing agency penalty enforcement action for violations of the Regulations.

On February 26, 2003, a criminal indictment was filed against two organizations and four individuals charging conspiracy to send money to Iraq in violation of the Regulations. One individual pleaded guilty to related charges on April 23, 2003, and charges are still pending against the organizations and the other individual. No trial date has been set.

7. The expenses incurred by the Federal Government in the 6-month period from February 2 through August 1, 2003, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq, are reported to be about $1.5 million, 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, while it was a part of the Department of the Treasury; the former Office of the Under Secretary for Enforcement; and the Office of the General Counsel); the Bureau of Customs and Border Protection at the Department of Homeland Security; and the Department of State.

8. The United States, along with its coalition partners, continues to work to stabilize Iraq, identify and dismantle Iraq's weapons of mass destruction, capture former regime leaders, and locate and return Iraqi assets overseas for the benefit of the Iraqi people. As part of the Coalition Provisional Authority, the United States is providing for the temporary governance of Iraq, including the establishment of a process to lead to a new internationally recognized government.

## PART 301—PROCEDURE AND ADMINISTRATION

**Paragraph 1.** The authority citation for part 301 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 * * *

**Par. 2.** In § 301.6103(n)–1, paragraph (c) is revised and paragraph (f) is added to read as follows:

**§ 301.6103(n)–1 Disclosure of returns and return information in connection with procurement of property and services for tax administration purposes.**

* * * * *

(c) *Notification requirements.* Persons to whom returns or return information is or may be disclosed as authorized by paragraph (a) of this section shall provide written notice to their officers or employees—

(1) That returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized by paragraph (a) of this section;

(2) That further inspection of any returns or return information for a purpose or to an extent unauthorized by paragraph (a) of this section constitutes a misdemeanor, punishable upon conviction by a fine of as much as $1,000, or imprisonment for as long as 1 year, or both, together with costs of prosecution;

(3) That further disclosure of any returns or return information for a purpose or to an extent unauthorized by paragraph (a) of this section constitutes a felony, punishable upon conviction by a fine of as much as $5,000, or imprisonment for as long as 5 years, or both, together with the costs of prosecution;

(4) That any such unauthorized further inspection or disclosure of returns or return information may also result in an award of civil damages against any person who is not an officer or employee of the United States in an amount not less than $1,000 for each act of unauthorized inspection or disclosure or the sum of actual damages sustained by the plaintiff as a result of such unauthorized disclosure or inspection as well as an award of costs and reasonable attorneys fees; and

(5) If such person is an officer or employee of the United States, a conviction for an offense referenced in paragraph (c)(2) or (c)(3) of this section shall result in dismissal from office or discharge from employment.

* * * * *

(f) *Effective date.* Section 301.6103(n)–1(c) is applicable on March 12, 2003.

## PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

**Par. 4.** The authority citation for part 602 continues to read as follows:

**Authority:** 26 U.S.C. 7805.

**Par. 5.** In § 602.101, paragraph (b) is amended by adding an entry in numerical order to the table to read as follows:

**§ 602.101 OMB Control numbers.**

* * * * *

(b) * * *

| CFR part or section where identified and described | Current OMB control No. |
|---|---|
| * * * * * | |
| 301.6103(n)–1(c). | |
| * * * * * | 1545–1841 |

Approved: February 11, 2003.

**David A. Mader,**

*Assistant Deputy Commissioner of Internal Revenue.*

**Pamela F. Olsen,**

*Assistant Secretary of the Treasury.*

[FR Doc. 03–5462 Filed 3–11–03; 8:45 am]

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## DEPARTMENT OF THE TREASURY

## Office of Foreign Assets Control

## 31 CFR Parts 560 and 575

## Authorization of Certain Humanitarian Activities by Nongovernmental Organizations in Iraq and Iran

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Interim final rule.

**SUMMARY:** The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury is adding new provisions to the Iraqi Sanctions Regulations, 31 CFR part 575, to facilitate certain humanitarian activities in and around Iraq. These new regulations provide for the establishment of a registration program that would authorize nongovernmental organizations to engage in humanitarian activities in the areas of Iraq not controlled by the Government of Iraq. They also permit certain humanitarian assessment missions in Iraq. Related regulations are being added to the Iranian Transactions Regulations, 31 CFR part 560, authorizing certain activities in Iran by nongovernmental organizations to the extent necessary to support authorized humanitarian activities in Iraq, as well as certain assessment activities in Iran.

**DATES:** Effective March 12, 2003. Written comments must be received no later than May 12, 2003.

**ADDRESSES:** Comments may be submitted to the Chief of Records, ATTN: Request for Comments, Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. Alternatively, comments may be submitted via facsimile to the Chief of Records at (202) 622–1657 or via OFAC's Web site *<http://www.treas.gov/offices/enforcement/ofac/comment.html>*.

**FOR FURTHER INFORMATION CONTACT:** Chief of Licensing, tel. (202) 622–2480, Chief of Compliance Programs, tel. (202) 622–2490, or Chief Counsel, tel. (202) 622–2410.

**SUPPLEMENTARY INFORMATION:**

### Background

On August 2, 1990, upon Iraq's invasion of Kuwait, the President issued Executive Order 12722, declaring a national emergency with respect to Iraq. This order, issued under the authority of, *inter alia*, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the U.S. Code, imposed economic sanctions, including a complete trade embargo, against Iraq. In keeping with United Nations Security Council Resolution 661 of August 6, 1990, and under the United Nations Participation Act (22 U.S.C. 287c), the President also issued Executive Order 12724 of August 9, 1990, which imposed additional restrictions. The Iraqi Sanctions Regulations, 31 CFR part 575, implement Executive Orders 12722 and 12724 and are administered by the Treasury Department's Office of Foreign Assets Control ("OFAC").

The new sections published today are intended to facilitate humanitarian activities with respect to Iraq, including certain activities in neighboring Iran that are directly incidental and essential to such humanitarian activities. Section 575.527 provides for the case-by-case authorization of nongovernmental organizations to conduct certain defined humanitarian activities in the areas of Iraq not controlled by the Government of Iraq. These provisions incorporate the procedures and requirements set forth in 31 CFR 501.801(c) with respect to the application for obtaining a registration number. Applications from interested

nongovernmental organizations should be submitted to OFAC as described in section 575.527. Section 575.528 authorizes, by general license, more limited survey or assessment missions in Iraq (including those areas controlled by the Government of Iraq).

Sections 575.329 and 575.330 provide definitions of the terms "areas of Iraq not controlled by the Government of Iraq," "humanitarian activities," "humanitarian purposes," and "humanitarian support."

Section 560.536 provides that nongovernmental organizations authorized by specific license or under the new provisions of the Iraqi Sanctions Regulations may conduct certain activities in Iran that are directly incidental to their authorized humanitarian activities in Iraq. Section 560.537 authorizes such organizations to conduct limited survey or assessment missions in Iran pertaining to the planning of or preparation for the provision of humanitarian support to the Iraqi people.

Where relevant, each of the regulatory changes referenced above indicates that, with limited exceptions, exportations and re-exportations to Iraq and Iran remain proscribed. To the extent that nongovernmental organizations seek specific authorization from OFAC for the exportation or re-exportation of any item to Iraq or Iran, they are advised to ascertain the Export Control Classification Number assigned to the item by the Department of Commerce's Bureau of Industry and Security prior to submitting their request to OFAC.

**Request for Comments**

Because amendment of these regulations involves a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) (the "APA") requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. However, because of the importance of the issues addressed in these regulations, this rule is being issued in interim form and comments will be considered in the development of final regulations. Accordingly, the Department encourages interested persons who wish to comment to do so at the earliest possible time to permit the fullest consideration of their views. Comments may address the impact of the Regulations on the submitter's activities, whether of a commercial, non-commercial or humanitarian nature, as well as changes that would improve the clarity and organization of the Regulations.

The period for submission of comments will close May 12, 2003. The address for submitting comments appears near the beginning of this notice. The Department will consider all comments received before the close of the comment period in developing final regulations. Comments received after the end of the comment period will be considered if possible, but their consideration cannot be assured. The Department will not accept public comments accompanied by a request that a part or all of the submission be treated confidentially because of its business proprietary nature or for any other reason. The Department will return such a submission to the originator without considering the comments in the development of final regulations. In the interest of accuracy and completeness, the Department requires comments in written form.

All public comments on these Regulations will be a matter of public record. Copies of the public record concerning these Regulations will be made available not sooner than June 10, 2003 and will be obtainable from OFAC's Web site <*http://www.treas.gov/ofac*>. If that service is unavailable, written requests for copies may be sent to Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Ave, NW., Washington, DC 20220, Attn: Chief, Records Division.

**Electronic Availability**

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**Paperwork Reduction Act**

The collections of information related to these regulations can be found in 31 CFR part 501. Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been previously approved by the Office of Management and Budget under control number 1505–0164.

**List of Subjects**

*31 CFR Part 560*

Administrative practice and procedure, Agricultural commodities, Banks, Banking, Drugs, Exports, Foods, Foreign trade, Imports, Information, Investments, Iran, Iraq, Loans, Medical devices, Medicine, Penalties, Reporting and recordkeeping requirements, Services, Specially designated nationals, Terrorism, Transportation.

*31 CFR Part 575*

Administrative practice and procedure, Banks, banking, Blocking of assets, Exports, Foreign trade, Humanitarian aid, Imports, Iran, Iraq, Oil imports, Penalties, Petroleum, Petroleum products, Reporting and recordkeeping requirements, Specially designated nationals, Terrorism, Travel restrictions.

For the reasons stated in the preamble, 31 CFR chapter V, parts 560 and 575, are amended as set forth below:

## PART 560—IRANIAN TRANSACTIONS REGULATIONS

1. The authority citation for Part 560 continues to read as follows:

**Authority:** 3 U.S.C. 301; 18 U.S.C. 2339B, 2332d, 22 U.S.C., 2349aa-9, 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 106–387, 114 Stat 1549; E.O. 12613, 52 FR 41940, 3 CFR, 1987 Comp., p. 256; E.O. 12957, 60 FR 14615, 3 CFR, 1995 Comp., p. 332, E.O. 12959, 60 FR 24757, 3 CFR, 1995 Comp., p. 356, E.O. 13059, 62 FR 44531; 3 CFR, 1997 Comp., p. 217.

### Subpart E—Licenses, Authorizations, and Statements of Licening Policy

2. Add a new § 560.536 to subpart E to read as follows:

**§ 560.536 Humanitarian activities in and around Iraq.**

(a) A nongovernmental organization specifically licensed pursuant to 31 CFR part 575 or otherwise authorized pursuant to 31 CFR 575.527 to conduct certain humanitarian activities in and around Iraq is authorized to conduct activities in Iran that are directly incidental and essential to its authorized humanitarian activities in and around Iraq, subject to all conditions and restrictions imposed on the organization pursuant to 31 CFR 575.527 and the terms of its license or registration. This section does not authorize the actual provision of humanitarian support in Iran.

(b) No exportations or re-exportations of goods or technology, whether U.S. or

foreign origin, to Iran are permitted pursuant to this section, except for articles, such as food, clothing, and medicine, intended to be used to relieve human suffering or items intended for temporary use, as personal baggage, by representatives of the authorized nongovernmental organization, provided that:

(1) Any such goods or technology are not of the type controlled under the Department of Commerce's Export Administration Regulations for exportation or re-exportation to Iran or controlled on the United States Munitions List, and

(2) Any such personal items are either consumed by representatives of that organization during the visit or removed from Iran at the end of each visit.

(c) This section does not authorize the shipment or transshipment of goods or technology, whether U.S. or foreign origin, from Iran to any other country, including Iraq, except for the shipment or transshipment to Iraq of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering. Nongovernmental organizations that wish to transport other types of goods or technology from Iran to Iraq must apply for specific authorization from the Office of Foreign Assets Control pursuant to § 501.801(b), 31 CFR chapter V.

(d) U.S. financial institutions are authorized to engage in funds transfers in connection with transactions authorized pursuant to this section consistent with the provisions of 31 CFR 560.516.

(e) Nongovernmental organizations conducting transactions under this section based on a specific license or a registration issued pursuant to 31 CFR part 575 must reference their license or registration number on all payments and funds transfers and on all related documentation.

3. Add a new § 560.537 to subpart E to read as follows:

**§ 560.537 Authorization of certain survey or assessment missions in Iran.**

(a) Subject to the conditions of paragraphs (b), (c), and (d) of this section, nongovernmental organizations are authorized to conduct survey or assessment missions in Iran related to the planning or preparation for the provision of humanitarian support to the Iraqi people. This section does not authorize the actual provision of such humanitarian support in Iran.

(b) The authorization of paragraph (a) of this section is available only to the following types of nongovernmental organizations:

(1) Nongovernmental organizations registered pursuant to 31 CFR 575.527; or

(2) Nongovernmental organizations that have been issued specific licenses under 31 CFR part 575 to carry out humanitarian activities in Iraq, but not including organizations that have been issued specific licenses solely to export goods to Iraq.

(c) This section does not authorize nongovernmental organizations to open offices or to establish permanent facilities of any kind or to purchase any goods, services, or technology in Iran of any kind, except those described in paragraph (d)(3) of this section.

(d) The authorization of this section is subject to the following conditions:

(1) U.S. financial institutions are authorized to engage in funds transfers in connection with transactions authorized pursuant to this section consistent with the provisions of 31 CFR 560.516.

(2) Nongovernmental organizations conducting transactions under this section based on a specific license or a registration issued pursuant to 31 CFR part 575 must reference their license or registration number on all payments and funds transfers and on all related documentation.

(3) Any funds transferred to Iran pursuant to this section may be used only for the purchase of services and goods necessary and essential to the conduct of the assessment mission and, whether U.S. or foreign origin, not of the type controlled under the Department of Commerce's Export Administration Regulations for exportation or re-exportation to Iran or controlled on the United States Munitions List.

(4)(i) No exportations or re-exportations of goods or technology, whether U.S. or foreign origin, to Iran are permitted pursuant to this section, except for those items intended for temporary use, as personal baggage, by mission representatives, provided that such items are either consumed by mission representatives during the visit or removed from Iran at the end of each visit, and further provided that any such personal items are not of the type controlled under the Department of Commerce's Export Administration Regulations for exportation or re-exportation to Iran or controlled on the United States Munitions List.

(ii) Nongovernmental organizations that wish to export or re-export goods or technology to Iran, beyond personal baggage items described in paragraph (d)(4)(i) of this section, as part of a survey or assessment mission must apply for specific authorization from the Office of Foreign Assets Control pursuant to § 501.801(b), 31 CFR chapter V.

(5) Nongovernmental organizations acting under this section shall take adequate measures to prevent any items authorized for exportation, re-exportation, or local purchase from being obtained or acquired by the Government of Iran.

## PART 575—IRAQI SANCTIONS REGULATIONS

4. The authority citation for 31 CFR part 575 continues to read as follows:

Authority: 3 U.S.C. 301; 18 U.S.C. 2332d; 22 U.S.C. 287c; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–513, 104 Stat. 2047–2055 (50 U.S.C. 1701 note); E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p. 294; E.O. 12724, 55 FR 33089, 3 CFR, 1990 Comp., p. 297; E.O. 12817, 57 FR 48433, 3 CFR, 1992 Comp., p. 317.

### Subpart C—General Definitions

5. Add a new § 575.329 to subpart C to read as follows:

**§ 575.329 Areas of Iraq not controlled by the Government of Iraq.**

The term *areas of Iraq not controlled by the Government of Iraq* means, as of January 30, 2003, the areas north of the "Green Line" and under the control of the Kurdistan Democratic Party (KDP) or the Patriotic Union of Kurdistan (PUK) in the following provinces of Iraq: Dahuk (Dohuk), Arbil (Erbil), and Sulaymaniyah (Suleimaniyah). The description of the term *areas of Iraq not controlled by the Government of Iraq* may be modified by the Department of State.

Note to § 575.329: Questions on the description of this term should be addressed to the Office of Northern Gulf Affairs, Bureau of Near Eastern Affairs, Room 4241, U.S. Department of State, 2201 C Street NW., Washington, DC 20520 (Tel: (202) 647–5692). Any changes to the description of this term will be posted on the Department of State Web site at <*http://www.state.gov/e/eb/*>.

6. Add a new § 575.330 to subpart C to read as follows:

**§ 575.330 Humanitarian activities, humanitarian purposes, and humanitarian support.**

For purposes of §§ 575.527 and 575.528, the terms *humanitarian activities, humanitarian purposes,* and *humanitarian support* mean, as these terms have been defined by the Department of State for relevant United Nations Security Council Resolutions on Iraq, humanitarian relief, educational, cultural, recreational, and human rights-related activities, and activities to ameliorate the effects of or to investigate

war crimes. Such purposes may include preparatory activities and transactions.

**Subpart E—Licenses, Authorizations, and Statements of Licensing Policy**

7. Add a new § 575.527 to subpart E to read as follows:

**§ 575.527 Registration of non-governmental organizations for humanitarian activities.**

(a) Registration numbers may be issued on a case-by-case basis for the registration of nongovernmental organizations involved in humanitarian activities in areas of Iraq not controlled by the Government of Iraq, authorizing transactions by such organizations otherwise prohibited by this part, including the exportation of services, certain goods, software, or technology to areas of Iraq not controlled by the Government of Iraq and the transfer of funds to and from such areas for humanitarian purposes. Applicants for registration numbers must comply with the requirements of § 501.801(c), 31 CFR chapter V.

(b) Successful applicants for registration under this section must comply with the following conditions:

(1) No goods or technology, whether U.S. or foreign origin, of types controlled under the Department of Commerce's Export Administration Regulations for exportation or re-exportation to Iraq, controlled on the United States Munitions List, or listed on the United Nations Goods Review List may be exported or re-exported to Iraq or purchased or used locally in Iraq.

(2) Registered nongovernmental organizations shall take adequate measures to prevent any items authorized for exportation, re-exportation, or local purchase from being obtained or acquired by the Government of Iraq.

(3) U.S. financial institutions are authorized to engage in funds transfers in connection with transactions authorized pursuant to a registration issued under this section, provided that no Iraqi or Iranian financial institution or other agency or instrumentality of the Government of Iraq or the Government of Iran may participate in any such funds transfer.

(4) All transactions pursuant to a registration issued under this section must conform to all relevant United Nations Security Council Resolutions, including 661, 666, 687 and 1409, and relevant procedures issued by the 661 Committee.

(5) U.S. citizens who wish to travel to Iraq pursuant to a registration issued under this section must apply to the Department of State to have their passports validated for travel to Iraq. Such applications should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street NW., Washington, DC 20522–0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. Issuance of a registration number under this section does not in any way create a presumption in favor of passport validation.

(6) Nongovernmental organizations conducting transactions authorized by their registrations pursuant to this section must reference the registration number on all payments and funds transfers and on all related documentation.

(c) This section does not authorize transfers from blocked accounts.

**Note to § 575.527:** Registration does not excuse a U.S. person from compliance with other provisions of 31 CFR chapter V or with applicable U.S. laws governing the exportation or re-exportation of U.S.-origin goods, software, or technology (including technical data) to Iraq, Iran, or other countries. *See, e.g.,* the Export Administration Regulations administered by the U.S. Department of Commerce (15 CFR chapter VII, subchapter C) and the International Traffic in Arms Regulations (22 CFR chapters 120–130) administered by the Department of State.

8. Add a new § 575.528 to subpart E to read as follows:

**§ 575.528 Authorization of certain survey or assessment missions in and around Iraq.**

(a) Subject to paragraphs (b), (c), and (d) of this section, nongovernmental organizations are authorized to send representatives to Iraq for the purpose of conducting survey or assessment missions related to the planning or preparation for the provision of humanitarian support to the Iraqi people. This section does not authorize the actual provision of such humanitarian support.

(b) The authorization set forth in paragraph (a) of this section applies only to the following types of nongovernmental organizations:

(1) Nongovernmental organizations registered pursuant to § 575.527; or

(2) Nongovernmental organizations that have been issued specific licenses under this part to carry out humanitarian activities in Iraq, but not including organizations that have been issued specific licenses solely to export goods to Iraq.

(c) This section does not authorize nongovernmental organizations to open offices or to establish permanent facilities of any kind or to purchase any goods, services or technology in Iraq of any kind, except those described in paragraph (d)(3) of this section.

(d) The authorization set forth in this section is subject to the following conditions:

(1) U.S. financial institutions are authorized to engage in funds transfers in connection with transactions authorized pursuant to this section, provided that no Iraqi or Iranian financial institution or other agency or instrumentality of the Government of Iraq or Government of Iran may participate in any such funds transfer.

(2) Nongovernmental organizations conducting transactions authorized by specific license or by registration issued pursuant to § 575.527 must reference their license or registration number on all payments and funds transfers and on all related documentation.

(3) Any funds transferred to Iraq pursuant to this section may be used only for the purchase of services and goods necessary and essential to the conduct of the assessment mission and, whether U.S. or foreign origin, not of the type controlled under the Department of Commerce's Export Administration Regulations for exportation or re-exportation to Iran or Iraq or controlled on the United States Munitions List.

(4)(i) No exportations or re-exportations of goods or technology (whether U.S. or foreign origin) to Iraq are permitted pursuant to this section, except for those items intended for temporary use, as personal baggage, by mission representatives, provided that such items are either consumed by mission representatives during the visit or removed from Iraq at the end of each visit, and further provided that any such personal items regardless of origin are not of the type controlled for exportation or re-exportation to Iran or Iraq under the Department of Commerce's Export Administration Regulations, controlled on the United States Munitions List, or listed on the United Nations Goods Review List.

(ii) Nongovernmental organizations that wish to export or re-export goods or technology to Iraq, beyond personal baggage as described in paragraph (d)(4)(i) of this section, as part of a survey or assessment mission must apply for specific authorization from the Office of Foreign Assets Control pursuant to § 501.801(b), 31 CFR chapter V.

(5) Nongovernmental organizations acting under this section shall take adequate measures to prevent any items authorized for export, re-export, or local

purchase from being obtained or acquired by the Government of Iraq.

(f) U.S. citizens who wish to travel to Iraq pursuant to this section must apply to the Department of State to have their passports validated for travel to Iraq. Such applications should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street NW., Washington, DC 20522–0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. This section does not in any way create a presumption in favor of passport validation.

(g) This section does not authorize transfers from blocked accounts.

**Note to § 575.528:** This section does not excuse a U.S. person from compliance with other provisions of 31 CFR chapter V or with applicable U.S. laws governing the exportation or re-exportation of U.S.-origin goods, software, or technology (including technical data) to Iraq, Iran, or other countries. *See, e.g.*, the Export Administration Regulations administered by the U.S. Department of Commerce (15 CFR chapter VII, subchapter C) and the International Traffic in Arms Regulations (22 CFR chapters 120–130) administered by the Department of State.

Dated: February 28, 2003.

**R. Richard Newcomb,**

*Director, Office of Foreign Assets Control.*

Approved: March 3, 2003.

**Kenneth E. Lawson,**

*Assistant Secretary (Enforcement), Department of the Treasury.*

[FR Doc. 03–5952 Filed 3–10–03; 8:50 am]

BILLING CODE 4810–25–P

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 63

**[AD–FRL–7463–2]**

### National Emission Standards for Hazardous Air Pollutants: Rubber Tire Manufacturing

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule; technical correction.

**SUMMARY:** This action corrects errors and clarifies regulatory text of the "National Emission Standards for Hazardous Air Pollutants: Rubber Tire Manufacturing," which was issued as a final rule on July 9, 2002. These technical corrections will not change the level of health protection the final rule provides or the standards established by the rule.

Section 553 of the Administrative Procedure Act (APA), 5 U.S.C. 553(b)(B), provides that, when an agency for good cause finds that notice and public procedure are impracticable, unnecessary, or contrary to the public interest, the agency may issue a rule without providing notice and an opportunity for public comment. We have determined that there is good cause for making today's action final without prior proposal and opportunity for comment because the changes to the rule are minor technical corrections, are noncontroversial, and do not substantively change the requirements of the rule. Thus, notice and public procedure are unnecessary. We find that this constitutes good cause under 5 U.S.C. 553(b)(B) (*see* also the final sentence of section 307(d)(1) of the Clean Air Act, 42 U.S.C. 7607(d)(1), indicating that the good cause provisions of the APA continue to apply to this type of rulemaking under the Clean Air Act).

Section 553(d)(3) allows an agency, upon a finding of good cause, to make a rule effective immediately. Because today's changes do not substantively change the requirements of the rule, we find good cause to make these technical corrections effective immediately.

**EFFECTIVE DATE:** March 12, 2003.

**FOR FURTHER INFORMATION CONTACT:** Anthony P. Wayne, Policy Planning and Standards Group, Emission Standards Division, C439–04, U.S. EPA, Research Triangle Park, North Carolina, 27711, telephone number (919) 541–5439; Fax (919) 541–0942; Electronic mail address: *wayne.tony@epa.gov.*

**SUPPLEMENTARY INFORMATION:**

*Regulated Entities.* Categories and entities potentially regulated by this action include:

| Category | NAICS [a] | Regulated entities |
|---|---|---|
| Industry | 326211<br>326212<br>314992 | Rubber Tire Manufacturing. Facilities. |

[a] North American Information Classification System.

This list is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated by this action. To determine whether your facility is regulated by this action, you should examine the applicability criteria in 40 CFR 63.5981. If you have questions regarding the applicability of this action to a particular entity, consult your State or local agency (or EPA Regional Office) described in the preceding **FOR FURTHER INFORMATION CONTACT** section.

*Docket.* The EPA has established an official public docket for this action under Docket ID No. OAR–2002–0089. The official public docket consists of the documents that are available for public viewing in the Rubber Tire Manufacturing NESHAP Docket at the EPA Docket Center (Air Docket), EPA West, Room B–108, 1301 Constitution Avenue, NW., Washington, DC 20004. The Docket Center is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the reading room is (202) 566–1742. Although a part of the official docket, the public docket does not include Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

*Electronic Access.* You may access this **Federal Register** document electronically through the EPA Internet under the "**Federal Register**" listings at *http://www.epa.gov/fedrgstr/.*

An electronic version of the public docket is also available through EPA's new electronic public docket, EPA Dockets. You may use EPA Dockets at *http://www.epa.gov/rpas/* to access the index listing of the contents of the official public docket for this action, as well as access those documents in the public docket that are available electronically. Once in the system, select "search," then key in the docket identification number that EPA has established for this action.

Certain types of information will not be placed in the EPA Docket. Information claimed as CBI, and other information whose disclosure is restricted by statute which is not included in the official public docket, will not be available for public viewing in EPA's electronic public docket either. The EPA's policy is that copyrighted material will not be placed in EPA's electronic public docket but will be available only in printed, paper form in the official public docket. To the extent feasible, publicly available supporting materials for this action will be made available in EPA's electronic public docket. When a document is selected from the index list in the EPA Docket, the system will identify whether the document is available for viewing in EPA's electronic public docket. Although not all docket materials may be available electronically, you may still access any of the publicly available docket materials through the Docket Center identified in this notice. The EPA intends to work toward providing electronic access to all of the publicly available docket materials through EPA's electronic public docket.

**Unfunded Mandates Reform Act of 1995**

This rule does not impose unfunded mandates as defined by the Unfunded Mandates Reform Act of 1995 (Pub L. 104–4, March 22, 1995, 109 Stat. 48). This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million in any one year.

Additionally, the definition of "Federal mandate" in the Unfunded Mandates Reform Act excludes financial assistance of the type in which State, local, or tribal governments have authority to adjust their participation in the program in accordance with changes made in the program by the Federal government. The Federal-aid highway program permits this type of flexibility to the States.

**Executive Order 13132 (Federalism)**

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 13132, and the FHWA has determined that this action does not have sufficient federalism implications to warrant the preparation of a Federalism assessment. The FHWA also determined that this action does not preempt any State law or State regulation or affect the States' ability to discharge traditional State governmental functions.

By adopting as final the interim final rule, we have permanently eliminated many of the administrative procedures and recordkeeping requirements related to the Federal-aid highway system actions.

**Executive Order 12372 (Intergovernmental Review)**

Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.

**Paperwork Reduction Act**

This action does not contain a collection of information requirement under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–3520.

**National Environmental Policy Act**

The FHWA has analyzed this action for the purpose of the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347) and has determined that this action will not have any effect on the quality of environment.

**Executive Order 13175 (Tribal Consultation)**

The FHWA has analyzed this action under Executive Order 13175, dated November 6, 2000. This action will not have substantial direct effects on one or more Indian tribes; will not impose substantial direct compliance costs on Indian tribal governments; and will not preempt tribal law. Therefore, a tribal summary impact statement is not required.

**Executive Order 13211 (Energy Effects)**

We have analyzed this action under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. Although this proposal is a significant regulatory action under Executive Order 12866, we have determined that it is not a significant energy action under that order, because it is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects under Executive Order 13211 is not required.

**Executive Order 12988 (Civil Justice Reform)**

This action meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

**Executive Order 13045 (Protection of Children)**

We have analyzed this action under Executive Order 13045, protection of Children from Environmental Health Risks and Safety Risks. This action is not an economically significant rule and does not concern an environmental risk to health or safety that may disproportionately affect children.

**Executive Order 12630 (Taking of Private Property)**

This action will not effect a taking of private property or otherwise have taking implications under Executive Order 12630, Government Actions and Interference with Constitutionally Protected Property Rights.

**Regulation Identification Number**

A regulation identification number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document can be used to cross-reference this action with the Unified Agenda.

**List of Subjects in 23 CFR Part 470**

Grant programs—transportation, Highway planning, Highways and roads.

■ In consideration of the foregoing, and under the authority of 23 U.S.C. 103(b)(2), 103(e)(1), (e)(2), and (e)(3), 103(f), 134, 135, and 315; and 49 CFR 1.48(b)(2), the interim final rule amending 23 CFR part 470, subpart A which was published at 62 FR 33351 on June 19, 1997, is adopted as a final rule without change.

Issued on: May 7, 2003.

**Mary E. Peters,**

*Federal Highway Administrator.*

[FR Doc. 03–13066 Filed 5–23–03; 8:45 am]

BILLING CODE 4910–22–P

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**DEPARTMENT OF THE TREASURY**

**Office of Foreign Assets Control**

**31 CFR Part 575**

## Iraqi Sanctions Regulations; Authorizations of Non-Commercial Funds Transfers and Related Transactions, Activities by the U.S. Government and Its Contractors or Grantees, Privately Financed Humanitarian Transactions, and Certain Exports and Reexports to Iraq

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Interim final rule.

**SUMMARY:** The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury is amending the Iraqi Sanctions Regulations, to include four general licenses issued May 7, 2003. Subject to certain conditions, these general licenses authorize the following activities involving Iraq: non-commercial funds transfers (including family remittances) and related transactions, activities by the U.S. Government and its contractors or grantees, privately financed humanitarian transactions, and certain exports and reexports to Iraq. OFAC also is publishing a technical amendment to its regulatory definition of the terms "humanitarian activities," "humanitarian purposes," and "humanitarian support."

**DATES:** Effective May 7, 2003. Written comments must be received no later than July 28, 2003.

**ADDRESSES:** Comments may be submitted to the Chief of Records, ATTN: Request for Comments, Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

Alternatively, comments may be submitted via facsimile to the Chief of Records at 202/622–1657 or via OFAC's Web site *http://www.treas.gov/offices/enforcement/ofac/comment.html.*

**FOR FURTHER INFORMATION CONTACT:** OFAC's Chief of Licensing, tel. 202/622–2480, Chief of Policy Planning and Program Management, tel. 202/622–2500, or Chief Counsel, tel. 202/622–2410.

**SUPPLEMENTARY INFORMATION:**

**Background**

On August 2, 1990, upon Iraq's invasion of Kuwait, the President issued Executive Order 12722, declaring a national emergency with respect to Iraq. This order, issued under the authority of, inter alia, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the U.S. Code, imposed economic sanctions, including a complete trade embargo, against Iraq. In keeping with United Nations Security Council Resolution 661 of August 6, 1990, and under the United Nations Participation Act (22 U.S.C. 287c), the President also issued Executive Order 12724 of August 9, 1990, which imposed additional restrictions. The Iraqi Sanctions Regulations, 31 CFR part 575, implement Executive Orders 12722 and 12724 and are administered by the Treasury Department's Office of Foreign Assets Control ("OFAC").

In light of recent developments in Iraq, OFAC issued four general licenses on May 7, 2003, to authorize additional transactions involving Iraq. The new sections published today incorporate these four general licenses into the Iraqi Sanctions Regulations.

Paragraph (a) of new § 575.529 authorizes U.S. persons to transfer funds to any person in Iraq for non-commercial humanitarian purposes, including family remittances, provided that no U.S. person may transfer more than $500 per month to any person in Iraq. Paragraph (b) authorizes U.S. financial institutions to engage in all transactions ordinarily incident to such transfers of funds. Paragraph (c) provides that this section does not authorize transfers from blocked accounts.

Paragraph (a) of new § 575.530 authorizes activities by the U.S. government and its contractors or grantees. Paragraph (b)(1) contains a restriction on the exportation or reexportation of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq; any such exports or reexports must be separately authorized by OFAC. Paragraph (b)(2) describes the circumstances in which some exports or reexports of goods to Iraq must be submitted to the United Nations "661 Committee." Paragraph (c) requires that all payments and funds transfers initiated pursuant to this authorization, and all related documentation, reference this section number. Note 1 to section 575.530 explains that the activities of any subcontractors or other persons who are engaged to perform activities within the scope of the relevant contract or grant are also authorized and subject to the same restrictions. Note 2 to section 575.530 provides information concerning the use of U.S. passports for travel to, in, or through Iraq.

New § 575.531 authorizes all transactions that are necessary to provide privately financed humanitarian support, or to plan or prepare for the provision of humanitarian support, to the Iraqi people in Iraq. Paragraph (a) includes examples of some of the newly-authorized transactions. The note to paragraph (a) references the definition of "humanitarian support" that appears elsewhere in the Iraqi Sanctions Regulations. Paragraphs (b) and (c) contain special provisions on the exportation or reexportation of goods or technology to Iraq. Paragraph (d) provides that this new section does not authorize any transactions with persons on the Department of Defense's 55-person Watch List. Paragraph (e) requires that all payments and funds transfers initiated pursuant to this authorization, and all related documentation, reference this section number. The note to § 575.531 provides information concerning the use of U.S. passports for travel to, in, or through Iraq.

New § 575.532 authorizes the exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods, subject to two conditions. First, the exportation or reexportation of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations for exportation to Iraq, or listed on the United Nations Goods Review List, must be separately authorized by OFAC. Second, any exportation or reexportation of goods to Iraq must be submitted to the United Nations 661 Committee to the extent and in the manner required under applicable UN Security Council resolutions; for information concerning this second condition, exporters or reexporters should contact the State Department office identified in § 575.532.

These new authorizations do not eliminate the need to comply with other provisions of law, including any aviation, financial, or trade requirements of agencies other than OFAC.

OFAC also is amending § 575.330, which defines the terms "humanitarian activities," "humanitarian purposes," and "humanitarian support." OFAC is amending section 575.330 to remove the phrase "[f]or purposes of §§ 575.527 and 575.528," so that the definition is not limited only to those two sections of the Iraqi Sanctions Regulations.

**Request for Comments**

Because amendment of these regulations involves a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) (the "APA") requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. However, because of the importance of the issues addressed in these regulations, this rule is being issued in interim form and comments will be considered in the development of a final rule.

Accordingly, OFAC encourages interested persons who wish to comment to do so at the earliest possible time to permit the fullest consideration of their views. Comments may address the impact of the regulations on the submitter's activities, whether of a commercial, non-commercial or humanitarian nature, as well as changes that would improve the clarity and organization of the regulations.

The period for submission of comments will close July 28, 2003. The address for submitting comments appears near the beginning of this document. OFAC will consider all comments received before the close of the comment period in developing final regulations. Comments received after the end of the comment period will be considered if possible, but their consideration cannot be assured. OFAC will not accept public comments accompanied by a request that a part or all of the submission be treated confidentially because of its business proprietary nature or for any other reason. OFAC will return such a submission to the originator without considering the comments in the development of final regulations. In the

interest of accuracy and completeness, OFAC requires comments in written form.

All public comments on these regulations will be a matter of public record. Copies of the public record concerning these regulations will be made available not sooner than August 25, 2003, and will be obtainable from OFAC's Web site *http://www.treas.gov/ofac*. If that service is unavailable, written requests for copies may be sent to Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Ave, NW., Washington, DC 20220. Attn: Chief, Records Division.

**Electronic Availability**

This document is available as an electronic file on The Federal Bulletin Board the day of publication in the **Federal Register**. By modem, dial 202/512–1387 and type "/GO FAC," or call 202/512–1530 for disk or paper copies. This file is available for downloading without charge in ASCII and Adobe Acrobat readable (*.PDF) formats. For Internet access, the address for use with the World Wide Web, Telnet, or FTP protocol is *fedbbs.access.gpo.gov*. This document and additional information concerning OFAC are available from OFAC's Web site: *http://www.treas.gov/ofac*.

**Paperwork Reduction Act**

The collections of information related to these regulations can be found in 31 CFR part 501. Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been previously approved by the Office of Management and Budget under control number 1505–0164.

**List of Subjects in 31 CFR Part 575**

Administrative practice and procedure, Banks, banking, Blocking of assets, Exports, Foreign trade, Humanitarian aid, Imports, Iran, Iraq, Oil imports, Penalties, Petroleum, Petroleum products, Reporting and recordkeeping requirements, Specially designated nationals, Terrorism, Travel restrictions.

■ For the reasons stated in the preamble, 31 CFR part 575 is amended as set forth below:

## PART 575—IRAQI SANCTIONS REGULATIONS

■ 1. The authority citation for 31 CFR part 575 continues to read as follows:

Authority: 3 U.S.C. 301; 18 U.S.C. 2332d; 22 U.S.C. 287c; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–513, 104 Stat. 2047–2055 (50 U.S.C. 1701 note); E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p. 294; E.O. 12724, 55 FR 33089, 3 CFR, 1990 Comp., p. 297; E.O. 12817, 57 FR 48433, 3 CFR, 1992 Comp., p. 317.

### Subpart C—General Definitions

■ 2. Revise § 575.330 to read as follows:

**§ 575.330 Humanitarian activities, humanitarian purposes, and humanitarian support.**

The terms *humanitarian activities, humanitarian purposes*, and *humanitarian support* mean, as these terms have been defined by the Department of State for relevant United Nations Security Council Resolutions on Iraq, humanitarian relief, educational, cultural, recreational, and human rights-related activities, and activities to ameliorate the effects of or to investigate war crimes. Such purposes may include preparatory activities and transactions.

### Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 3. Add a new § 575.529 to subpart E to read as follows:

**§ 575.529 Non-commercial funds transfers and related transactions.**

(a) U.S. persons are authorized to transfer funds to any person in Iraq for non-commercial humanitarian purposes, including family remittances, provided that no U.S. person may transfer more than $500 per month to any person in Iraq.

(b) U.S. financial institutions are authorized to engage in all transactions ordinarily incident to the transfer of funds authorized by paragraph (a) of this section, including the opening of new correspondent accounts for funds transfers with Iraqi financial institutions. U.S. financial institutions may rely on originators of funds transfers with regard to compliance with this part.

(c) This section does not authorize transfers from blocked accounts.

■ 4. Add a new § 575.530 to subpart E to read as follows:

**§ 575.530 Activities by the U.S. Government and its contractors or grantees.**

(a) Subject to the provisions of paragraph (b) of this section, U.S. government agencies and their contractors or grantees are authorized to engage in all transactions otherwise prohibited by subpart B of this part that are within the scope of their official duties or the relevant U.S. government contracts or grants.

(b)(1) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq must be separately authorized by or pursuant to this part.

(2) If the contracting or granting U.S. government agency has determined that the relevant contract or grant is not in support of U.S. government humanitarian assistance or reconstruction efforts in Iraq, or not in support of U.S. or allied forces deployed in military contingency, humanitarian, or peacekeeping operations in Iraq, then the exportation or reexportation of any goods to Iraq must be submitted to the 661 Committee to the extent and in the manner required under applicable UN Security Council resolutions. If this paragraph (b)(2) applies to a proposed exportation or reexportation, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW., Washington, DC 20520 (tel 202/647–2708, fax 202/647–3261) for procedures concerning submissions to the 661 Committee.

(c) All payments and funds transfers initiated pursuant to this authorization, and all related documentation, must reference this section number.

**Note 1 to § 575.530:** This authorization and the restrictions on certain exportations or reexportations extend to the activities of any subcontractors or other persons who are engaged to perform activities within the scope of the relevant contract or grant. *See* 31 CFR 575.418.

**Note 2 to § 575.530:** U.S. citizens who wish to travel to Iraq pursuant to this authorization may be required to apply to the Department of State to have their passports validated for travel to Iraq, pursuant to 22 CFR 51.73 and 51.74 and public notices issued thereunder, including Public Notice 4283, 68 FR 8791 (February 25, 2003), as amended by Public Notice 4337, 68 FR 18722 (Apr. 16, 2003), and any subsequent public notices regarding the restriction on the use of U.S. passports for travel to, in or through Iraq. Such applications, if required, should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street, NW., Washington, DC 20522–0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. This general license does not in any way create a presumption in favor of passport validation.

■ 5. Add a new § 575.531 to subpart E to read as follows:

**§ 575.531 Privately financed humanitarian transactions.**

(a) Subject to the conditions and limitations set forth in paragraphs (b)–(e) of this section, all transactions otherwise prohibited by subpart B of this part that are necessary to provide privately financed humanitarian support, or to plan or prepare for the provision of humanitarian support, to the Iraqi people in Iraq are authorized. Transactions authorized by this section include, but are not limited to, the exportation to Iraq of goods and services necessary for the provision of humanitarian support, the financing of such humanitarian support, travel-related transactions necessary to provide humanitarian support, and related funds transfers by U.S. financial institutions.

**Note to paragraph (a):** The term *humanitarian support* means, as this term has been defined by the Department of State for relevant United Nations Security Council Resolutions on Iraq, humanitarian relief, educational, cultural, recreational, and human rights-related activities, and activities to ameliorate the effects of or to investigate war crimes. Such purposes may include preparatory activities and transactions. *See* 31 CFR 575.330.

(b) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq or listed on the United Nations Goods Review List must be separately authorized by or pursuant to this part.

(c) Any exportation or reexportation of goods to Iraq pursuant to this authorization must be submitted to the United Nations 661 Committee to the extent, and in the manner, required under applicable UN Security Council resolutions. For procedures concerning submissions to the 661 Committee, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW., Washington, DC 20520 (tel 202/647–2708, fax 202/647–3261).

(d) This section does not authorize any transactions with persons on the Department of Defense's 55-person Watch List.

(e) All payments and funds transfers initiated pursuant to this authorization, and all related documentation, must reference this section number.

**Note to § 575.531:** U.S. citizens who wish to travel to Iraq pursuant to this authorization may be required to apply to the Department of State to have their passports validated for travel to Iraq, pursuant to 22 CFR 51.73 and 51.74 and public notices issued thereunder, including Public Notice 4283, 68 FR 8791 (February 25, 2003), as amended by Public Notice 4337, 68 FR 18722 (Apr. 16, 2003), and any subsequent public notices regarding the restriction on the use of U.S. passports for travel to, in or through Iraq. Such applications, if required, should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street, NW., Washington, DC 20522–0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. This general license does not in any way create a presumption in favor of passport validation.

■ 6. Add a new § 575.532 to subpart E to read as follows:

**§ 575.532 Certain exports and reexports to Iraq.**

The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods is authorized, provided that the exportation or reexportation of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq, or listed on the United Nations Goods Review List, must be separately authorized by or pursuant to this part, and any exportation or reexportation to Iraq must be submitted to the 661 Committee to the extent and in the manner required under applicable UN Security Council resolutions. For procedures concerning submissions to the 661 Committee, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW., Washington, DC 20520 (tel 202/647–2708, fax 202/647–3261).

Dated: May 9, 2003.

**R. Richard Newcomb,**

*Director, Office of Foreign Assets Control.*

Approved: May 20, 2003.

**Juan C. Zarate,**

*Deputy Assistant Secretary (Terrorist Financing and Financial Crimes), Department of the Treasury.*

[FR Doc. 03–13053 Filed 5–20–03; 3:19 pm]

BILLING CODE 4810–25–P

**DEPARTMENT OF DEFENSE**

**National Security Agency/Central Security Services**

**32 CFR Part 322**

**[NSA Reg. 10–35]**

**Privacy Act; Implementation**

**AGENCY:** National Security Agency/Central Security Services.

**ACTION:** Final rule.

**SUMMARY:** The National Security Agency/Central Security Services (NSA/CSS) is revising its Privacy Act Program procedural and exemption rules. Revisions include updating the responsibilities assigned to NSA/CSS personnel, and establishing a queue to process Privacy Act requests. Requesters will no longer be required to wait a long period of time to learn that the Agency has a no records responsive to their requests or to obtain records that require minimal review.

The NSA/CSS exemption rules have been revised to add specific subsections of 5 U.S.C. 552a from which information may be exempt, and to add the reasons for taking the specific subsections.

**EFFECTIVE DATES:** April 21, 2003.

**FOR FURTHER INFORMATION CONTACT:** Ms. Anne Hill at (301) 688–6527.

**SUPPLEMENTARY INFORMATION:** No comments were received during the public comment period; therefore, the rules are being adopted as published below.

*Executive Order 12866.* It has been determined that this Privacy Act rule for the Department of Defense does not constitute 'significant regulatory action'. Analysis of the rule indicates that it does not have an annual effect on the economy of $100 million or more; does not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; does not materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; does not raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866 (1993).

*Regulatory Flexibility Act.*

It has been determined that this Privacy Act rule for the Department of Defense does not have significant economic impact on a substantial number of small entities because it is concerned only with the administration of Privacy Act systems of records within the Department of Defense.

*Paperwork Reduction Act.*

■ 3. Section 948.16 is amended by removing and reserving paragraphs (rrrr), (ssss), (tttt), (uuuu), (vvvv), (xxxx), (yyyy), (zzzz), (bbbbb), (ccccc), (ddddd), (eeeee), (ggggg), (hhhhh), (mmmmm), (nnnnn), and (qqqqq).

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## DEPARTMENT OF THE TREASURY

### Office of Foreign Assets Control

### 31 CFR Part 575

### Iraqi Sanctions Regulations; Authorization of Certain New Transactions

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Interim final rule.

**SUMMARY:** The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury is amending the Iraqi Sanctions Regulations, 31 CFR part 575, to include a general license authorizing certain new transactions. The general license reflects United Nations Security Council Resolution 1483 and authorizes all transactions otherwise prohibited by subpart B of the Iraqi Sanctions Regulations, with four exceptions: Accounts and other property that were blocked as of May 23, 2003, remain blocked, certain exports and reexports to Iraq will continue to require an OFAC license, transactions with certain persons are not authorized, and transactions in certain Iraqi cultural property are not authorized. With those four exceptions, this general license effectively lifts the economic sanctions administered by OFAC with respect to Iraq.

**DATES:** Effective May 23, 2003. Written comments must be received no later than August 26, 2003.

**ADDRESSES:** Comments may be submitted to the Chief of Records, ATTN: Request for Comments, Office of Foreign Assets Control, Department of the Treasury, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. Alternatively, comments may be submitted via facsimile to the Chief of Records at 202/622–1657 or via OFAC's Web site *http://www.treas.gov/offices/enforcement/ofac/comment.html*.

**FOR FURTHER INFORMATION CONTACT:** OFAC's Chief of Licensing, tel. 202/622–2480, Chief of Policy Planning and Program Management, tel. 202/622–2500, or Chief Counsel, tel. 202/622–2410.

**SUPPLEMENTARY INFORMATION:**

**Background**

On August 2, 1990, upon Iraq's invasion of Kuwait, the President issued Executive Order 12722, declaring a national emergency with respect to Iraq. This order, issued under the authority of, *inter alia*, the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the U.S. Code, imposed economic sanctions, including a complete trade embargo, with respect to Iraq. In keeping with United Nations Security Council Resolution 661 of August 6, 1990, and under the United Nations Participation Act (22 U.S.C. 287c), the President also issued Executive Order 12724 of August 9, 1990, which imposed additional restrictions. The Iraqi Sanctions Regulations, 31 CFR part 575 (the "Regulations"), implement Executive Orders 12722 and 12724 and are administered by the Treasury Department's Office of Foreign Assets Control ("OFAC").

On May 22, 2003, the United Nations Security Council adopted Resolution 1483, which substantially lifted the multilateral economic sanctions with respect to Iraq. On May 23, 2003, OFAC issued a general license that reflected Resolution 1483. This general license is published today as new section 575.533 of the Regulations.

Paragraph (a) of section 575.533 authorizes all transactions that are otherwise prohibited by subpart B of the Regulations, with four exceptions addressed in paragraph (b). Paragraph (b)(1) provides that all property and interests in property, including accounts, that were blocked pursuant to subpart B of the Regulations as of the effective date of this section remain blocked and subject to the prohibitions and requirements of the Regulations.

Paragraph (b)(2) provides that the exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq must be separately authorized by OFAC. The note to paragraph (b)(2) explains the scope of the term "controlled by the Department of Commerce" and requests that exporters and reexporters contact the Department of Commerce, Bureau of Industry and Security, to inquire whether particular goods or technology are so controlled.

Paragraph (b)(3) provides that the general license does not authorize transactions with three classes of persons: (i) Specially-designated nationals or "SDNs" of the Government of Iraq, (ii) persons on the Defense Department's 55-person Watch List, or (iii) persons identified by the 661 Committee pursuant to paragraphs 19 and 23 of United Nations Security Council Resolution 1483, adopted May 22, 2003. To the extent that such transactions would otherwise be prohibited by the Regulations, they remain prohibited.

Paragraph (b)(4) provides that the general license does not authorize transactions with respect to Iraqi cultural property or other items of archaeological, historical, cultural, rare scientific, and religious importance illegally removed from the Iraq National Museum, the National Library, and other locations in Iraq since August 6, 1990. Any trade in or transfer of such items, including items with respect to which reasonable suspicion exists that they have been illegally removed, remains prohibited by subpart B of the Regulations. The note to paragraph (b)(4) refers inquiries concerning particular Iraqi cultural property to the Cultural Property Office at the Department of State.

Paragraph (c) provides that the effective date of the section is May 23, 2003.

Examples of newly-authorized transactions include investment by U.S. persons in Iraq, the importation of goods or services of Iraqi origin (with the exception of the cultural properties described in paragraph (b)(4)), travel-related transactions involving Iraq, the transfer of funds to or from Iraq, and transactions related to transportation to or from Iraq. This authorization, however, does not eliminate the need to comply with other provisions of 31 CFR chapter V or with other applicable provisions of law, including any aviation, financial, or trade requirements of agencies other than OFAC. Such requirements include the International Traffic in Arms Regulations (22 CFR chapters 120–130) administered by the Department of State.

**Request for Comments**

Because amendment of these regulations involves a foreign affairs function, the provisions of Executive Order 12866 and the Administrative Procedure Act (5 U.S.C. 553) (the "APA") requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. However,

because of the importance of the issues addressed in these regulations, this rule is being issued in interim form and comments will be considered in the development of a final rule. Accordingly, OFAC encourages interested persons who wish to comment to do so at the earliest possible time to permit the fullest consideration of their views. Comments may address the impact of the regulations on the submitter's activities, whether of a commercial, non-commercial or humanitarian nature, as well as changes that would improve the clarity and organization of the regulations.

The period for submission of comments will close August 26, 2003. The address for submitting comments appears near the beginning of this document. OFAC will consider all comments received before the close of the comment period in developing final regulations. Comments received after the end of the comment period will be considered if possible, but their consideration cannot be assured. OFAC will not accept public comments accompanied by a request that a part or all of the submission be treated confidentially because of its business proprietary nature or for any other reason. OFAC will return such a submission to the originator without considering the comments in the development of final regulations. In the interest of accuracy and completeness, OFAC requires comments in written form.

All public comments on these regulations will be a matter of public record. Copies of the public record concerning these regulations will be made available not sooner than September 25, 2003, and will be obtainable from OFAC's Web site *http://www.treas.gov/ofac*. If that service is unavailable, written requests for copies may be sent to Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Ave, NW., Washington, DC 20220, Attn: Chief, Records Division.

**Electronic Availability**

This document is available as an electronic file on the Federal Bulletin Board the day of publication in the **Federal Register**. By modem, dial 202/512–1387 and type "/GO FAC," or call 202/512–1530 for disk or paper copies. This file is available for downloading without charge in ASCII and Adobe Acrobat readable (*.PDF) formats. For Internet access, the address for use with the World Wide Web, Telnet, or FTP protocol is *fedbbs.access.gpo.gov*. This document and additional information concerning OFAC are available from OFAC's Web site *http://www.treas.gov/ofac*.

**Paperwork Reduction Act**

The collections of information related to these regulations can be found in 31 CFR part 501. Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been previously approved by the Office of Management and Budget under control number 1505–0164.

**List of Subjects in 31 CFR Part 575**

Administrative practice and procedure, Banks, banking, Blocking of assets, Exports, Foreign trade, Humanitarian aid, Imports, Iran, Iraq, Oil imports, Penalties, Petroleum, Petroleum products, Reporting and recordkeeping requirements, Specially designated nationals, Terrorism, Travel restrictions.

■ For the reasons stated in the preamble, 31 CFR part 575 is amended as set forth below:

## PART 575—IRAQI SANCTIONS REGULATIONS

■ 1. The authority citation for 31 CFR part 575 continues to read as follows:

**Authority:** 3 U.S.C. 301; 18 U.S.C. 2332d; 22 U.S.C. 287c; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–513, 104 Stat. 2047–2055 (50 U.S.C. 1701 note); E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p. 294; E.O. 12724, 55 FR 33089, 3 CFR, 1990 Comp., p. 297; E.O. 12817, 57 FR 48433, 3 CFR, 1992 Comp., p. 317.

### Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 2. Add a new § 575.533 to subpart E to read as follows:

**§ 575.533 Certain new transactions.**

(a) *New Transactions.* Except as provided in paragraph (b) of this section, on or after the effective date of this section, all transactions that are otherwise prohibited by subpart B of this part are authorized.

**Note to paragraph (a):** This authorization does not eliminate the need to comply with other provisions of 31 CFR chapter V or with other applicable provisions of law, including any aviation, financial, or trade requirements of agencies other than the Department of the Treasury's Office of Foreign Assets Control. Such requirements include the International Traffic in Arms Regulations (22 CFR parts 120 through 130) administered by the Department of State.

(b) *Continued Blocking, Special Provisions for Certain Exports and Reexports, and Additional Conditions.* (1) All property and interests in property that were blocked pursuant to subpart B of this part as of the effective date of this section remain blocked and subject to the prohibitions and requirements of this part.

(2) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq must be separately authorized by or pursuant to this part.

**Note to paragraph (b)(2):** The term "controlled by the Department of Commerce" means subject to a license requirement under the Department of Commerce's Export Administration Regulations (EAR). Items subject to a license requirement under the EAR include items on the Commerce Control List that are listed in 15 CFR 746.3 as requiring a license for exportation or reexportation to Iraq, as well as items and activities that require a license under the end-use and end-user provisions of 15 CFR part 744. To inquire whether particular goods or technology are controlled by the Department of Commerce under the Export Administration Regulations for exportation to Iraq, the exporter or reexporter should contact the Department of Commerce, Bureau of Industry and Security.

(3) This section does not authorize any transactions with:

(i) Persons or organizations determined by the Director of the Office of Foreign Assets Control to be included within § 575.306,

(ii) Persons on the Defense Department's 55-person Watch List, or

(iii) Persons identified by the 661 Committee pursuant to paragraphs 19 and 23 of United Nations Security Council Resolution 1483, adopted May 22, 2003.

**Note to paragraph (b)(3):** Persons determined by the Director of the Office of Foreign Assets Control to be included within § 575.306 are also known as specially-designated nationals ("SDNs") of the Government of Iraq. These persons are included in Appendix A to 31 CFR chapter V, and an up-to-date list is maintained on the Office of Foreign Assets Control's Web site at *http://www.treas.gov/ofac*.

(4) This section does not authorize any transactions with respect to Iraqi cultural property or other items of archaeological, historical, cultural, rare scientific, and religious importance illegally removed from the Iraq National Museum, the National Library, and other locations in Iraq since August 6, 1990. Any trade in or transfer of such items, including items with respect to which reasonable suspicion exists that they have been illegally removed,

remains prohibited by subpart B of this part.

Note to paragraph (b)(4): Questions concerning whether particular Iraqi cultural property or other items are subject to this paragraph should be directed to the Cultural Property Office, U.S. Department of State, tel. 202/619-6612, fax 202/260-4893, Web site *http://www.exchanges.state.gov/culprop, email culprop@pd.state.gov.*

(c) *Effective Date.* This section is effective May 23, 2003.

Dated: June 4, 2003.

**R. Richard Newcomb,**

*Director, Office of Foreign Assets Control.*

Approved: June 23, 2003.

**Juan C. Zarate,**

*Deputy Assistant Secretary (Terrorist Financing and Financial Crimes), Department of the Treasury.*

[FR Doc. 03-16216 Filed 6-24-03; 11:30 am]

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**DEPARTMENT OF HOMELAND SECURITY**

**Coast Guard**

**33 CFR Part 165**

**[CGD09-03-226]**

**RIN 1625-AA00**

## Safety Zone; St. Clair River, Port Huron, MI

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing a temporary safety zone for the Southside Summer Festival Fireworks on June 29, 2003. This safety zone is necessary to control vessel traffic within the immediate location of the fireworks launch site and to ensure the safety of life and property during the event. This safety zone is intended to restrict vessel traffic from a portion of the St. Clair River.

**DATES:** This temporary final rule is effective from 7 p.m. until 11:30 p.m. on June 29, 2003.

**ADDRESSES:** Comments and material received from the public, as well as documents indicated in this preamble as being available in the docket, are part of docket [CGD09-03-226] and are available for inspection or copying at U.S. Coast Guard Marine Safety Office Detroit, 110 Mt. Elliott Ave., Detroit, MI 48207, between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Lieutenant Junior Grade Brandon Sullivan, U. S. Coast Guard Marine Safety Office Detroit, at telephone number (313) 568-9558.

**SUPPLEMENTARY INFORMATION:**

### Regulatory Information

The Coast Guard did not publish a notice of proposed rulemaking (NPRM) for this regulation. Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing an NPRM, and under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. The permit application was not received in time to publish an NPRM followed by a final rule before the effective date. Delaying this rule would be contrary to the public interest of ensuring the safety of spectators and vessels during this event and immediate action is necessary to prevent possible loss of life or property. The Coast Guard has not received any complaints or negative comments previously with regard to this event.

### Background and Purpose

A temporary safety zone is necessary to ensure the safety of vessels and spectators from the hazards associated with fireworks displays. Based on accidents that have occurred in other Captain of the Port zones, and the explosive hazard of fireworks, the Captain of the Port Detroit has determined fireworks launches in close proximity to watercraft pose significant risks to public safety and property. The likely combination of large numbers of recreational vessels, congested waterways, darkness punctuated by bright flashes of light, alcohol use, and debris falling into the water could easily result in serious injuries or fatalities. Establishing a safety zone to control vessel movement around the location of the launch platform will help ensure the safety of persons and property at these events and help minimize the associated risks.

The safety zone will encompass all waters of the St. Clair River surrounding the fireworks launch platform bounded by the arc of a circle with a 300-yard radius with its center in approximate position 42°58'00" N, 082°25'17" W. The geographic coordinates are based upon North American Datum 1983 (NAD 83). The size of this zone was determined using the National Fire Prevention Association guidelines and local knowledge concerning wind, waves, and currents.

All persons and vessels shall comply with the instructions of the Coast Guard Captain of the Port or the designated on-scene patrol representative. Entry into, transiting, or anchoring within this safety zone is prohibited unless authorized by the Captain of the Port Detroit or his designated on-scene representative. The designated on-scene representative will be the Patrol Commander. The Patrol Commander may be contacted via VHF Channel 16.

### Regulatory Evaluation

This rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed this rule under that Order. It is not "significant" under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040, February 26, 1979). The Coast Guard expects the economic impact of this proposed rule to be so minimal that a full Regulatory Evaluation under paragraph 10(e) of the regulatory policies and procedures of DOT is unnecessary. This determination is based on the minimal time that vessels will be restricted from the safety zone.

### Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601-612), the Coast Guard considered whether this rule would have a significant impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

This rule will affect the following entities, some of which might be small entities: The owners or operators of commercial vessels intending to transit or anchor in the activated safety zone.

This safety zone will not have a significant economic impact on a substantial number of small entities for the following reasons: This safety zone is only in effect from 7 p.m. until 11:30 p.m. on the day of the event and allows vessel traffic to pass outside of the safety zone. Before the effective period, the Coast Guard will issue maritime advisories widely available to users of Lake Huron by the Ninth Coast Guard District Local Notice to Mariners and Marine Information Broadcasts. Facsimile broadcasts may also be made.

If you think that your business, organization, or governmental