

of companies, including by small and medium-sized enterprises, both on a solicited and unsolicited basis.

- (xiv) To foster effective consultations to ensure that planned infrastructure meets our communities' needs.

We direct the relevant Ministers to take the necessary measures to make good these declara-

tions of intent with the express purpose of substantially and measurably increasing the participation of the private sector in infrastructure development in the APEC region and promoting infrastructure development in support of overall economic growth and development goals.

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

November 25, 1997

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

I hereby report to the Congress on developments since the last Presidential report of May 13, 1997, concerning the national emergency with respect to Iran that was declared in Executive Order 12170 of November 14, 1979. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA). This report covers events through September 30, 1997. My last report, dated May 13, 1997, covered events through March 31, 1997.

1. The Iranian Assets Control Regulations, 31 CFR Part 535 (IACR), were amended on August 25, 1997. General reporting, record keeping, licensing, and other procedural regulations were moved from the IACR to a separate part (31 CFR Part 501) dealing solely with such procedural matters (62 *Fed. Reg.* 45098, August 25, 1997). No substantive changes to the IACR were made. A copy of the amendment is attached.

2. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since the period covered in my last report, the Tribunal has rendered five awards. This brings the total number of awards rendered by the Tribunal to 584, the majority of which have been in favor of U.S. claimants. As of September 30, 1997, the value of awards to successful U.S. claimants from the Security Account held by the NV Settlement Bank was \$2,480,897,381.53.

Since my last report, Iran has failed to replenish the Security Account established by the Algiers Accords to ensure payment of awards to successful U.S. claimants. Thus, since November

5, 1992, the Security Account has continuously remained below the \$500 million balance required by the Algiers Accords. As of September 30, 1997, the total amount in the Security Account was \$127,880,441.04, and the total amount in the Interest Account was \$17,771,382.12. Therefore, the United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligation under the Algiers Accords to replenish the Security Account. Iran filed its Rejoinder in Case A/28 on April 7, 1997. The United States has requested that the Tribunal schedule a hearing in the case.

The United States also continues to pursue Case A/29 to require Iran to meet its obligation of timely payment of its equal share of advances for Tribunal expenses when directed to do so by the Tribunal. Iran has not yet filed its Rejoinder in the case.

3. The Department of State continues to respond to claims brought against the United States by Iran, in coordination with concerned government agencies. On August 8, 1997, the United States filed its Statement of Defense in Case A/30, in which Iran alleges that the United States has violated paragraphs 1 and 10 of the General Declaration of the Algiers Accords. Iran bases its claim, *inter alia*, on press statements about an alleged covert action program aimed at Iran and on U.S. economic sanctions.

Under the February 22, 1996, settlement agreement related to the Iran Air case before the International Court of Justice and Iran's bank-related claims against the United States before the Tribunal (reported in my report of May 17, 1996), the Department of State has been processing payments. As of September 30, 1997,

the Department has authorized payment to U.S. nationals of 35 claims against Iranian banks totaling \$12,021,532.54. The Department has also authorized payments to surviving family members of the aerial incident, totaling \$41,550,000.00.

The Tribunal has scheduled a hearing date of February 17–19, 1998, in Case No. A/11. In this case, Iran alleges that the United States failed to perform its obligations under Paragraphs 12–14 of the Algiers Accords, relating to the return to Iran of assets of the late Shah and his close relatives.

4. U.S. nationals continue to pursue claims against Iran at the Tribunal. Since my last report, the Tribunal has issued awards in five private claims, all of which were filed prior to the January 19, 1982, filing deadline by individuals who are dual U.S.-Iranian nationals.

On April 23, 1997, Chamber Three issued an award in *Vivian, Jamshid and Keyvan Tavakoli v. Iran*, AWD No. 580–832–3. The Tribunal dismissed the claims of Jamshid and Keyvan Tavakoli for lack of jurisdiction, finding that they had not proven their dominant and effective U.S. nationality. The Tribunal determined that Vivian Tavakoli's claim fell within the Tribunal's jurisdiction and awarded her \$375,952 plus interest plus \$10,000 in arbitration costs for Iran's expropriation of 170 shares in the Western Industrial Group recorded in her name. The Tribunal rejected her claim for other additional shares in that company for lack of proof.

On May 22, 1997, Chamber One issued an award in *Vera-Jo, Laura and J.M. Aryeh v. Iran*, AWD No. 581–842/843/866–1, finding that all three claimants were dominant and effective U.S. nationals for purposes of Tribunal jurisdiction, and awarding the claimants a total of \$19,658,063.84 plus interest and \$200,000 in arbitration costs for Iran's expropriation of the claimants' shares in various Iranian companies.

On June 20, 1997, Chamber Two issued an award in *Betty Monemi v. Iran*, AWD No. 582–274–2, dismissing the claim for lack of proof. The Tribunal held that the claimant had not established that Iran had taken actions resulting in the loss of rent from and real estate value of the home to which her claim related or that she had made the requisite demand for the funds in her bank account to allow recovery.

On September 25, 1997, Chamber Three issued an award in *Moussa Aryeh v. Iran*, AWD

No. 583–266–3, directing Iran to pay the claimant \$519,571 plus interest and \$15,000 in arbitration costs for Iran's expropriation of the claimant's real property. In so doing, the Tribunal found that Iranian law did not expressly prohibit ownership of real property by dual nationals so as to bar recovery in this case. It held that while Iranian law placed certain restrictions on the ownership of real property by an Iranian national who acquires a second nationality, those restrictions as applied in the Aryeh case simply required sale of the property under certain conditions, with the proceeds to be paid to the dual national owner. Also on September 25, 1997, Chamber Three issued an award in *Ouziel and Eliyahou Aryeh v. Iran*, AWD No. 584–839/840–3, dismissing the claims on the grounds that the claimants did not prove that they inherited under their father's will the property which they alleged was expropriated by Iran or that they held a beneficial interest in other properties purchased by their brother.

In Tribunal-related litigation in United States courts, on June 23, 1997, the District Court of the District of Columbia issued its decision in *McKesson Corp. v. The Islamic Republic of Iran*, granting McKesson's motion for summary judgment. The court found that Iran's interference with McKesson's shareholder rights ripened into an expropriation by April of 1982. In its decision, the court gave preclusive effect to the Tribunal's findings in the *Foremost Tehran, Inc. v. Iran* award, issued on April 10, 1986.

5. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives,

and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on November 26.

Remarks at the Thanksgiving Turkey Presentation Ceremony and an Exchange With Reporters *November 26, 1997*

The President. Good morning, ladies and gentlemen. I want to welcome the folks from the National Turkey Federation here, the chairman, Sonny Faison, and the president, Stuart Proctor. And a special word of welcome to all the kids who are here from Horton's Kids in Anacostia and all the rest of you who want to see one more turkey before Thanksgiving. *[Laughter]*

This is a special day in the Rose Garden every year, and let me thank again the National Turkey Federation on their golden anniversary for donating a Thanksgiving turkey to the White House every year for 50 years. That's right. Now, this marks the 50th year when we give one more turkey in Washington a second chance. *[Laughter]*

I want to acknowledge our special guest, this fine tom from the Tarheel State of North Carolina, the number one turkey-producing State in our Nation. President Truman was the first President to pardon a turkey, but in some ways, the tradition actually began 83 years earlier when President Lincoln received a turkey for Christmas holiday. His son, Tad, grew so attached to the turkey that he named him "Jack," and President Lincoln had no choice but to give Jack the full run of the White House. Jack was here, actually, for some monumental events.

On election day in 1864 when Mr. Lincoln was running for reelection, a special polling place was actually set up right here on the grounds of the White House so that the soldiers could vote. Well, Jack the turkey actually strutted in front of some of the would-be voters and broke in line. Lincoln asked his son, "Why is your turkey at the polls? Does he vote?" Without hesitation, Tad said, "He's not old enough yet." *[Laughter]*

Tomorrow 45 million turkeys will make the ultimate sacrifice for America's feast—but not this one. I'm granting this turkey a permanent reprieve. After many years in the coop, he's on his way to a farm in Virginia to bask in the sun, collect his hard-earned pension, and enjoy his golden years. And that's one less turkey in Washington. *[Laughter]* Happy Thanksgiving.

Attorney General Janet Reno

Q. Mr. President, how is the Attorney General?

The President. She's fine. I talked to her this morning. She said she was feeling great.

NOTE: The President spoke at 11:20 a.m. in the Rose Garden at the White House.

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 *November 26, 1997*

Today I have signed into law H.R. 2159, the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998."

I am pleased that the Act contains funding for many key international affairs programs at or near the amounts requested. The Act contains

vital funding and other needed authorities in support of the Middle East peace process. It also provides for contributions to the multilateral development banks, including a down payment on the clearance of arrears, notably to the International Development Association; assistance to