

of Libya's continued support for terrorism and rejection of international norms. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

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. The notice is listed in Appendix D at the end of this volume.

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

December 30, 1998

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

I hereby report to the Congress on the developments since my last report of July 6, 1998, concerning the national emergency with respect to Libya that was declared in Executive Order 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On December 30, 1998, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, virtually all trade with Libya is prohibited, and all assets owned or controlled by the Government of Libya in the United States or in the possession or control of United States persons are blocked.

2. There have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury, since my last report of July 6, 1998.

3. During the reporting period, OFAC reviewed numerous applications for licenses to authorize transactions under the regulations. Consistent with OFAC's ongoing scrutiny of banking transactions, the largest category of license approvals (26) involved types of financial transactions that are consistent with U.S. policy. Most of these licenses authorized personal remittances

not involving Libya between persons who are not blocked parties to flow through Libyan banks located outside Libya. Seven licenses were issued to U.S. firms to allow them to protect their intellectual property rights in Libya. One license was issued in connection with law enforcement activities and one authorized certain travel-related transactions. A total of 35 licenses were issued during the reporting period.

4. During the current 6-month period, OFAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The Office worked closely with the banks to assure the effectiveness of interdiction software systems used to identify such payments. During the reporting period, more than 87 transactions potentially involving Libya, totaling more than \$7.9 million, were interdicted.

5. Since my last report, OFAC has collected 4 civil monetary penalties totaling more than \$15,000 for violations of the U.S. sanctions against Libya. Three of the violations involved the failure of U.S. banks to block payments or letters of credit transactions relating to Libyan-owned or Libyan-controlled financial institutions. One U.S. individual paid an OFAC penalty for dealing in Government of Libya property.

On October 16, 1998, two Canadian corporations entered a guilty plea acknowledging IEEPA violations charged in a March 8, 1995, indictment. Pursuant to the plea agreement, the defendants each paid \$65,000 in criminal fines and \$10,000 in OFAC civil penalties.

Various enforcement actions carried over from previous reporting periods have continued to be

aggressively pursued. Numerous investigations are ongoing and new reports of violations are being scrutinized.

6. The expenses incurred by the Federal Government in the 6-month period from July 7, 1998, through January 6, 1999, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$500,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

7. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the United Nations Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the Security Council in

Resolutions 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States will continue to coordinate its comprehensive sanctions enforcement efforts with those of other U.N. Member States. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

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 December 31.

Statement on Efforts To Increase Child Support Collections

December 31, 1998

Since I became President, my administration has waged an unprecedented campaign to make deadbeat parents pay the support their children need and deserve. Today we have new evidence that our efforts are working: child support collections have gone up a record 80 percent since I took office, from \$8 billion in 1992 to an estimated \$14.4 billion in 1998. But we must do more to ensure that each and every parent honors his obligation to his children. That is why my new budget will propose new funds

to help identify, investigate, and prosecute deadbeat parents. This effort will include new investigative teams in five regions of the country to identify, analyze, and investigate cases for criminal prosecution, and an eightfold increase in legal support personnel to help prosecute these new cases. With continued commitment and this new funding, we can do even more to support our Nation's children.