

Letter to Congressional Leaders on Blocking Property of and Prohibiting Transactions With the Government of Sudan

October 13, 2006

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

Consistent with subsection 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b)(IEEPA), and section 301 of the National Emergencies Act, 50 U.S.C. 1631 (NEA), I hereby report that I have issued an Executive Order (the “order”) to take additional steps with respect to the national emergency declared in Executive Order 13067 of November 3, 1997.

On October 13, 2006, I signed into law the Darfur Peace and Accountability Act of 2006 (DPAA), which, among other things, calls for support of the regional government of Southern Sudan, assistance with the peace efforts in the Darfur region of Sudan, and provision of economic assistance in specified areas of Sudan. Section 7 of the DPAA maintains the sanctions currently imposed on the Government of Sudan. However, section 8(e) of the DPAA exempts from the prohibitions of Executive Order 13067 certain areas in Sudan, including Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, Abyei, Darfur, and marginalized areas in and around Khartoum.

Pursuant to IEEPA and the NEA, I determined that the Government of Sudan continues to implement policies and actions that violate human rights, in particular with respect to the conflict in Darfur, where the Government of Sudan exercises administrative and legal authority and pervasive practical influence, and that the Government of Sudan has a pervasive role in the petroleum and petrochemical industries in Sudan. In light of these determinations, and

in order to reconcile sections 7 and 8 of the DPAA, I issued this order to continue the country-wide blocking of the Government of Sudan’s property and to prohibit transactions relating to the petroleum and petrochemical industries in Sudan.

The order blocks the property and interests in property of the Government of Sudan 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, including their overseas branches. The order also prohibits all transactions by United States persons relating to the petroleum or petrochemical industries in Sudan, including, but not limited to, oilfield services and oil or gas pipelines.

The order specifies that Executive Order 13067 remains in force, but that the prohibitions in section 2 of that order shall not apply to activities and transactions with respect to Southern Sudan, Southern Kordofan/Nuba Mountains State, Blue Nile State, Abyei, Darfur, or marginalized areas in and around Khartoum, provided that the activities or transactions do not involve any property or interests in property of the Government of Sudan.

Sincerely,

GEORGE W. BUSH

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Richard B. Cheney, President of the Senate. The Executive order is listed in Appendix D at the end of this volume.

The President's Radio Address *October 14, 2006*

Good morning. Earlier this week, the Government of North Korea proclaimed to the world that it had conducted a successful nuclear weapons test. In response to North Korea's provocative actions, America is working with our partners in the region and in the United Nations Security Council to ensure that there are serious repercussions for the North Korean regime.

North Korea has been pursuing nuclear weapons and defying its international commitments for years. In 1993, North Korea announced that it was withdrawing from the Nuclear Nonproliferation Treaty. The United States negotiated with North Korea and reached a bilateral agreement in 1994: North Korea committed to giving up its pursuit of nuclear weapons in exchange for help with peaceful nuclear power.

After I came to office, we discovered that North Korea had been violating this agreement for some time by continuing work on a covert nuclear weapons program. My administration confronted the North Korea regime with this evidence in 2002, and the North Koreans subsequently walked away from the 1994 agreement.

So my administration decided to take a new approach. We brought together other nations in the region in an effort to resolve the situation through multilateral diplomacy. The logic behind this approach is clear: North Korea's neighbors have the most at stake, and they are North Korea's principal sources of food, energy, and trade, so it makes sense to enlist them in the effort to get the North Korean regime to end its nuclear program.

This diplomatic effort was called the six-party talks, and these talks included North and South Korea, China, Japan, Russia, and the United States. In September of last year, these diplomatic efforts resulted in a wide-ranging joint statement that offered a resolution to the problem and a better

life for the North Korean people. In this joint statement, North Korea committed to abandoning all nuclear weapons and existing nuclear programs. North Korea was offered the prospect of normalized relations with Japan and the United States, as well as economic cooperation in energy, trade, and investment. And the United States affirmed that we have no nuclear weapons on the Korean Peninsula and no intention to attack or invade North Korea.

Unfortunately, North Korea failed to act on its commitment. And with its actions this week, the North Korean regime has once again broken its word, provoked an international crisis, and denied its people the opportunity for a better life. We are working for a resolution to this crisis. Nations around the world, including our partners in the six-party talks, agree on the need for a strong United Nations Security Council resolution that will require North Korea to dismantle its nuclear programs. This resolution should also specify measures to prevent North Korea from importing or exporting nuclear or missile technologies. And it should prevent financial transactions or asset transfers that would help North Korea develop its nuclear or missile capabilities.

By passing such a resolution, we will send a clear message to the North Korean regime that its actions will not be tolerated. And we will give the nations with the closest ties to North Korea—China and South Korea—a framework to use their leverage to pressure Pyongyang and persuade its regime to change course.

As we pursue a diplomatic solution, we are also reassuring our allies in the region that America remains committed to their security. We have strong defense alliances with Japan and South Korea, and the United States will meet these commitments. And in response to North Korea's