

PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO BURMA

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A 6-MONTH PERIODIC REPORT ON THE NATIONAL EMERGENCY
WITH RESPECT TO BURMA DECLARED BY EXECUTIVE ORDER
13047 OF MAY 20, 1997, PURSUANT TO 50 U.S.C. 1641(c) AND 50
U.S.C. 1703(c)



NOVEMBER 27, 2001.—Referred to the Committee on International
Relations and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

THE WHITE HOUSE,
Washington, November 21, 2001.

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

DEAR MR. SPEAKER: As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Burma that was declared in Executive Order 13047 of May 20, 1997.

Sincerely,

GEORGE W. BUSH.

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO
BURMA

This report to the Congress covers developments over the course of the past six months concerning the national emergency with respect to Burma that was declared in Executive Order 13047 of May 20, 1997, pursuant to section 570 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act ("IEEPA"). This report is submitted pursuant to section 204(c) of IEEPA, 50 U.S.C. 1703(c) and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c).

1. Since the issuance of Executive Order 13047, the Department of the Treasury's Office of Foreign Assets Control ("OFAC") has administered the Burma sanctions. OFAC continues to disseminate details of this program to the financial, securities, and international trade communities by both electronic and conventional media, as well as to the U.S. Embassy in Rangoon for distribution to U.S. companies operating in Burma. In the 6-month period since May 20, 2001, OFAC has issued no specific licenses authorizing transactions otherwise prohibited by the Regulations, and has neither assessed nor collected any civil monetary penalty for a violation of the Regulations.

2. The expenses incurred by the Federal Government in the 6-month period from May 20, 2001 that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Burma are estimated at more than \$12,000, 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 Office of the Under Secretary for Enforcement, and the Office of the General Counsel) and the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of East Asian and Pacific Affairs, and the Office of the Legal Adviser).

3. The situation reviewed above continues to present an extraordinary and unusual threat to the national security and foreign policy of the United States. The declaration of the national emergency with respect to Burma contained in Executive Order 13047 in response to the large-scale repression of the democratic opposition by the Government of Burma since September 30, 1996, reflected the belief that it is in the national security and foreign policy interests of the United States to seek an end to abuses of human rights in Burma, to support efforts to achieve democratic reform which would promote regional peace and stability, and to urge effective counter-narcotics policies.

In the past 6 months, Burma's military government has moved from a policy of confrontation with the National League of Democracy ("NLD") to one of discussion with the NLD's General Sec-

retary, Aun San Suu Kyi. Approximately 180 political prisoners have been released, and several NLD offices were allowed to reopen. However, the pace of progress remains slow. The Burmese regime still refuses to recognize the results of the free and fair 1990 elections in which the National League for Democracy and its allies won a vast majority of the popular vote and parliamentary seats. The regime still holds more than 1,000 political prisoners, and well-documented human rights abuses, particularly against ethnic minorities, continue. Burma has taken limited but still insufficient steps to counter-narcotics productions and trafficking.

The net effect of U.S. and international measures to pressure the State Peace and Development Council (SPDC) to end its repression and move toward democratic government has been a further decline in investor confidence in Burma and deeper stagnation of the Burmese economy. Observers agree that the Burmese economy appears to be further weakening and that the government has a serious shortage of foreign exchange reserves with which to pay for imports. While Burma's economic crisis is largely a result of the SPDC's own heavy-handed mismanagement, the SPDC is unlikely to find a way out of the crisis unless political developments permit an easing of international pressure.

