

during World War II. Pay it off and get on with the affairs of the Nation. World War II, and the cold war were fought, in a legitimate sense, to defend the Constitution of the United States against all enemies, foreign and domestic. It would be awful if in this moment of victory we should choose to mutilate the basic law of the land for which so much was sacrificed.

Mr. HATCH. I have much more to say. But I am prepared, if the majority leader is willing, to bring the Senate today to a close.

So I will suggest the absence of a quorum and see if we can get that done.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. HATCH. Madam President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH IRAQ—MESSAGE FROM THE PRESIDENT—PM 12

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of August 2, 1994, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to 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).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq), then or thereafter located in the United States or within the possession or control of a United States person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. United States persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Council Resolution 778 of October 2, 1992. Resolution No. 778 requires U.N. Member States temporarily to transfer to a U.N. escrow account up to \$200 million apiece in Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq, to finance Iraq's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction, and to provide humanitarian assistance in Iraq on a nonpartisan basis. A portion of the escrowed funds will also fund the activities of the U.N. Compensation Commission in Geneva, which will handle claims from victims of the Iraqi invasion of Kuwait. Member States also may make voluntary contributions to the account. The funds placed in the escrow account are to be returned, with interest, to the Member States that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No Member State is required to fund more than half of the total transfers or contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817 (the "Executive orders"). The report covers events from August 2, 1994, through February 1, 1995.

1. There has been one action affecting the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (the "Regulations"), administered by the Office of Foreign

Assets Control (FAC) of the Department of the Treasury, since my last report on August 2, 1994. On February 1, 1995 (60 Fed. Reg. 6376), FAC amended the Regulations by adding to the list of Specially Designated Nationals (SDNs) of Iraq set forth in Appendices A ("entities and individuals") and B ("merchant vessels"), the names of 24 cabinet ministers and 6 other senior officials of the Iraqi government, as well as 4 Iraqi state-owned banks, not previously identified as SDNs. Also added to the Appendices were the names of 15 entities, 11 individuals, and 1 vessel that were newly identified as Iraqi SDNs in the comprehensive list of SDNs for all sanctions programs administered by FAC that was published in the Federal Register (59 Fed. Reg. 59460) on November 17, 1994. In the same document, FAC also provided additional addresses and aliases for 6 previously identified Iraqi SDNs. This Federal Register publication brings the total number of listed Iraqi SDNs to 66 entities, 82 individuals, and 161 vessels.

Pursuant to section 575.306 of the Regulations, FAC has determined that these entities and individuals designated as SDNs are owned or controlled by, or are acting or purporting to act directly or indirectly on behalf of, the Government of Iraq, or are agencies, instrumentalities or entities of that government. By virtue of this determination, all property and interests in property of these entities or persons that are in the United States or in the possession or control of United States persons are blocked. Further, United States persons are prohibited from engaging in transactions with these individuals or entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State. A copy of the amendment is attached to this report.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. The FAC continues its involvement in lawsuits, seeking to prevent the unauthorized transfer of blocked Iraqi assets. There are currently 38 enforcement actions pending, including nine cases referred by FAC to the U.S. Customs Service for joint investigation. Additional FAC civil penalty notices were prepared during the reporting period for violations of the International Emergency Economic Powers Act and the Regulations with respect to transactions involving Iraq. Four penalties totaling \$26,043 were collected from two banks, one company, and one individual for violations of the prohibitions against transactions involving Iraq.

3. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to FAC's listing of individuals and organizations determined to be SDNs of the Government of Iraq.