

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

AT-1066^{n/b}
October 27, 1993

**HAITIAN TRANSACTIONS REGULATIONS
Reimposition of Trade Restrictions**

*To All Banks, and Others Concerned,
in the Second Federal Reserve District:*

Printed on the reverse side of this letter is an excerpt from the *Federal Register* of October 19 amending the Haitian Transactions Regulations (31 CFR Part 580), issued by the Office of Foreign Assets Control of the Department of the Treasury ("OFAC"). The amendment reimposes trade restrictions and prohibits financial and other transactions with the Government of Haiti, including the *de facto* regime in Haiti. Accordingly, the prohibitions of the Haitian Transactions Regulations that were previously suspended by Sec. 580.518 of those regulations on August 31, 1993, as contained in our September 14 letter on that subject, are reinstated.

Questions regarding this notice should be directed to OFAC (Tel. No. 202-622-2500).

GEORGE W. RYAN,
Vice President.

(OVER)

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 580

Haitian Transactions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule; amendment.

SUMMARY: The Treasury Department is amending the Haitian Transactions Regulations to reimpose certain U.S. sanctions against Haiti, consistent with actions of United Nations Security Council. This rule reimposes trade restrictions against Haiti and prohibits financial and other transactions with the Government of Haiti, including the *de facto* regime in Haiti. Property of the Government of Haiti that is located in the United States or within the possession or control of U.S. persons is blocked. Further, property of the Government of Haiti that was blocked prior to August 31, 1993 remains blocked, and enforcement actions involving violations of the Regulations occurring before that date are unaffected.

EFFECTIVE DATE: October 18, 1993, 11:59 p.m. eastern daylight time ("e.d.t.").

FOR FURTHER INFORMATION CONTACT: John T. Roth, Chief of Policy Programming (tel.: 202/622-2500), Steven I. Pinter, Chief of Licensing (tel.: 202/622-2480), or William B. Hoffman, Chief Counsel (tel.: 202/622-2410), Office of Foreign Assets Control, Department of the Treasury, Washington, DC 20220.

SUPPLEMENTARY INFORMATION: The Haitian Transactions Regulations, 31 CFR part 580 (the "Regulations"), were issued by the Treasury Department to implement Executive Order No. 12775 (56 FR 50641, October 7, 1991), which declared a national emergency with respect to Haiti and ordered specific measures against the *de facto* regime in Haiti, and Executive Orders No. 12779 (56 FR 55975, October 30, 1991), and

12853 (58 FR 35843, July 2, 1993), which expanded those measures.

After the signing of the Governors Island Agreement of July 3, 1993, the United Nations Security Council in Resolution 861 of August 27, 1993, and the Organization of American States in an August 27, 1993 announcement of the Secretary General, called upon member states to suspend trade and financial sanctions against Haiti. In response, the Office of Foreign Assets Control ("FAC") amended the Regulations to add § 580.518. 58 FR 46540 (September 2, 1993). That section authorized trade transactions with Haiti and transactions involving property in which the Government of Haiti had an interest, where those transactions arose after 9:35 a.m. e.d.t., August 31, 1993. Section 580.518 also authorized transactions involving property interests of the Government of Haiti that came within the United States or into the possession or control of United States persons after 9:35 a.m. e.d.t., August 31, 1993, or in which an interest of the Government of Haiti arose thereafter. Property of the Government of Haiti blocked as of 9:35 a.m. e.d.t., August 31, 1993, remained blocked, while the previously blocked property of certain individuals and an entity listed in appendix A was unblocked.

In its Resolution 873 of October 13, 1993, the Security Council determined that the failure of the military authorities of Haiti, including the police, to fulfill obligations under the Governors Island Agreement constitutes a threat to peace and security in the region. It therefore decided in the same resolution to terminate the suspension of UN sanctions against Haiti at 11:59 p.m. on October 18, 1993, unless the UN Secretary General reports to the Security Council prior to that time, *inter alia*, that the Governors Island Agreement is being implemented in full. Therefore, effective at 11:59 p.m. e.d.t., October 18, 1993, FAC is revoking § 580.518. The prohibitions of the Regulations that were suspended by § 580.518 are reinstated. Accordingly, trade

transactions with Haiti, transfers to the Government of Haiti, and transactions in property in which the Government of Haiti has an interest are prohibited to the extent they were prohibited prior to the suspension of sanctions on August 27, 1993.

Because the Regulations involve a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, does not apply.

List of Subjects in 31 CFR Part 580

Blocking of assets, Exports, Haiti, Imports, Transfers of assets.

For the reasons set forth in the preamble, 31 CFR part 580 is amended as set forth below:

PART 580—HAITIAN TRANSACTIONS REGULATIONS

1. The authority citation for part 580 continues to read as follows:

Authority: 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 287c; E.O. 12775, 56 FR 50641, 3 CFR, 1991 Comp., p. 349; E.O. 12779, 56 FR 55975, 3 CFR, 1991 Comp., p. 367; E.O. 12853, 58 FR 35843, July 2, 1993.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

§ 580.518 [Removed]

2. Section 580.518 is removed.

Dated: October 15, 1993.

R. Richard Newcomb,
Director, Office of Foreign Assets Control.

Approved: October 15, 1993.

John P. Simpson,
Deputy Assistant Secretary (Regulatory,
Tariff, and Trade Enforcement).
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am]

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