



Security Council

PROVISIONAL

Distr.  
RESTRICTED

S/AC.25/SR.137  
21 June 1996

ORIGINAL: ENGLISH

---

SECURITY COUNCIL COMMITTEE ESTABLISHED BY RESOLUTION 661 (1990)  
CONCERNING THE SITUATION BETWEEN IRAQ AND KUWAIT

PROVISIONAL SUMMARY RECORD OF THE 137th MEETING (CLOSED)

Held at Headquarters, New York,  
on Friday, 24 May 1996, at 3 p.m.

Chairman:

Mr. WLOSOWICZ

(Poland)

CONTENTS

ADOPTION OF THE AGENDA

INTRODUCTION OF THE DRAFT PROCEDURES TO BE EMPLOYED BY THE COMMITTEE IN THE  
DISCHARGE OF THE RESPONSIBILITIES UNDER SECURITY COUNCIL RESOLUTION 986 (1995)

---

Corrections to this record should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Office of Conference and Support Services, room DC2-794, 2 United Nations Plaza.



The meeting was called to order at 3.20 p.m.

ADOPTION OF THE AGENDA

The agenda was adopted.

INTRODUCTION OF THE DRAFT PROCEDURES TO BE EMPLOYED BY THE COMMITTEE IN THE DISCHARGE OF ITS RESPONSIBILITIES UNDER SECURITY COUNCIL RESOLUTION 986 (1995)

The CHAIRMAN said that the Committee had before it the draft expedited procedures to be employed by it in the discharge of its responsibilities under Security Council resolution 986 (1995) as called for in paragraph 12 of that resolution. At the previous meeting, Mr. Corell, the Legal Counsel, had described the adoption of the procedures by the Committee as one of the steps which had to be taken in the near future for the implementation of the resolution. He hoped that the Committee would take prompt action towards adopting the procedures.

Mr. STEPHANIDES (Chief, Security Council Subsidiary Organs Branch), introducing the draft expedited procedures, said that the text had been worked out in consultation with the Office of Legal Affairs; the Secretariat felt that it was comprehensive and simple enough to constitute a good basis for the Committee's work. The text had been constructed on the basis of Security Council resolution 986 (1995) and in no way deviated from the letter and spirit of that resolution. It fully took into account all the paragraphs of the Memorandum of Understanding between the Secretariat of the United Nations and the Government of Iraq (S/1996/356). It drew on the procedures adopted by the Committee for the implementation of Security Council resolutions 706 (1991) and 712 (1991), adapting them to the new regime of Security Council resolution 986 (1995). He hoped that the Committee would be able to adopt the draft procedures as soon as possible, given the deteriorating humanitarian situation that needed to be addressed.

In section I, the concept of "overseers" found expression; the Secretariat believed (and it had been made clear to the Iraqi delegation) that the team of overseers, which would be duly delegated with the necessary authority to act on the Committee's behalf, would be in a position to approve contracts

expeditiously (within a maximum of 24 hours), without derogating from the concept of the responsibility vested in the Committee under Security Council resolution 986 (1995). The Secretariat felt that it would be sufficient to report to the Committee once a week on all transactions, so as to avoid overtaxing the escrow account.

With regard to the modalities for the appointment of the overseers, the overseers could not be appointed without the Committee's approval, but in order to satisfy the required procedures they would need to be appointed by the Secretary-General with the prior agreement of the Committee. They would need to be chosen on the basis of their proven capacity to deliver and also their ability to work as a team so as to ensure coherency and transparency in their work. They would have to be fully supervised by the Secretariat, and their reports would be reports furnished by the Secretariat to the Committee.

The requirement laid down in paragraph 1 for the concurrence of at least two overseers for approval of any given contract, which had not been included in the first draft of the procedures, had been included so as to provide added reassurance to the Committee; since the overseers would be a multinational team, that would be another safeguard. The Secretariat preferred to be conservative about the number of overseers to be hired; depending on the volume of work, there might be a need for more than four overseers at a later stage.

Paragraph 2 referred to the other independent inspection agents who would be associated with the arrangements; they would be selected from reputable companies in the business of monitoring oil installations. In full consultation with the Government of Iraq, those companies would provide teams in the various installations that needed to be monitored, namely the Mina-al-Bakr oil terminal, the beginning of the Kirkuk-Yumurtalik pipeline and the Turkish port where loading would be taking place.

The Steering Committee, co-chaired by Mr. Akashi, Under-Secretary-General for Humanitarian Affairs and Mr. Goulding, Under-Secretary-General for Political Affairs, with the participation of Mr. Gharekhan, Under-Secretary-General in the Executive Office of the Secretary-General, and the Controller, was giving the emphasis to the need for transparency, cost-efficiency and effectiveness in the arrangements.

The third type of inspection agents were commercial inspectors who would investigate the arrival in Iraq of goods authorized by the Committee. They

would be chosen from reputable companies to provide teams which would be stationed at pre-selected entry points to be determined in consultation with the Government of Iraq, probably at three entry points, on the Gulf, on the Jordan/Iraq border and on the Turkey/Iraq border.

The monitoring arrangements represented an investment of good will on the part of the Iraqi Government and on the part of the Committee in trying to address what was generally felt to be a humanitarian need. They had nothing to do with the arrangements worked out by the United Nations Special Commission, and that had been made clear to the Government of Iraq.

On the issue of notification, although finished medicines and foodstuffs were exempt from the sanctions regime and were not subject to notification, for accounting purposes the Secretariat would need to know a priori which goods would be contracted for by the Government of Iraq so that the inspectors would be able to expedite the execution of payment orders (the suppliers were already making the concession of waiting to be paid until after delivery). The Iraqi Government had agreed, with some reluctance, to send the information to the Secretariat, even though it was not required to do so under the original sanctions regime.

The Iraqi Government had repeatedly voiced concern about the difficulty of exporting petroleum products through the pipeline and had expressed the desire to export such products by truck. The Secretariat had advised the Iraqi delegation not to raise the issue at the current stage so as to enable the Committee to proceed expeditiously with the adoption of the procedures.

The Iraqi Government was concerned that it would not be able to obtain spare parts from the escrow account for repair of other oil installations. Mr. Corell had explained that the Committee could not go beyond the scope of Security Council resolution 986 (1995) in that respect.

With regard to the implementation of the arrangements, the Secretariat would try to request only the resources that were really necessary and hoped that, if there was an increase in the volume of work, the Committee would be supportive of subsequent requests for additional resources. The Secretariat felt that, bearing in mind the humanitarian nature of the resolution, it would be inappropriate to take on excessive staff in anticipation of a higher volume of work than there might actually be at the initial stage.

Mr. HILDNER (Germany) said that the draft procedures were a very useful basis; the objective must be to implement Security Council resolution 986 (1995) as quickly and as efficiently as possible. Some points needed to be clarified, such as the relationship between the overseers and the Committee and the question of notification regarding the method of payment out of the escrow account before any approval or delivery took place.

Mr. BROWN (United States of America) said that the draft procedures provided an excellent basis for the Committee's work. His delegation agreed that more details were needed about the relationship between the overseers and the Committee, the Committee's power to supervise their work, and operational aspects of their work (which would depend partly on the volume of contracts).

The issue of notification to the Committee so that payment could be made from the escrow account was a purely practical problem which could be solved; continuing shipments to Iraq of medicine, foodstuffs and other humanitarian supplies must be encouraged. It was important to ensure that contracts for the export of humanitarian goods to Iraq were fairly concluded and not drawn up for any fraudulent purpose. His Government felt that that was the greatest danger in the arrangements and that some steps would need to be taken to ensure that there was sufficient scrutiny.

The issue of export routes needed to be clarified, especially in the light of the agreement between Iraq and Turkey on the export of petroleum and petroleum products; the draft procedures should also address the likelihood that the volume of shipping traffic to and from Iraqi ports would increase significantly, causing a corresponding increase in the burden on the multinational interception force, and the issue of how the Committee could ensure effective real time communication between the overseers, the inspection agents, the secretariat, the multinational interception force and the Committee itself.

Mr. POIRIER (France) said that the text was good in its broad outline and that only details needed to be further studied. His delegation fully supported the concept of overseers since, for practical reasons, it was clearly not possible for the Committee to scrutinize petroleum contracts. It was commendable that the draft procedures were modelled on the procedures worked out by the Committee for the implementation of Security Council resolutions 706 (1991) and 712 (1991). It was also significant that the Iraqi Government

itself wanted the procedures and had accepted a notification concept that was not in Security Council resolution 986 (1995) as a way of expediting the implementation of the resolution. Section I, paragraph 1, of the draft procedures should be modified to take into account the concept of delegating power to experts appointed by the Secretary-General.

The Committee needed to be especially vigilant about the expenses involved in the implementation of the resolution, particularly in view of the many deductions that would be made from the escrow account, and also of the financial situation of the Organization. It must be borne in mind that money spent on the implementation of the resolution was money not going to the legitimate recipients, the suffering Iraqi people. He proposed that the Chairman of the Committee should send a letter to the Secretary-General informing him of the Committee's interest in having a precise and detailed list of the operating costs of Security Council resolution 986 (1995) and subsequent updates if there were changes in those costs.

The principle which had prevailed during the drafting of Security Council resolution 986 (1995) had been that the text should be acceptable to everyone, and above all to the Government of Iraq, so that it would be possible to implement it. That concern had also guided the Secretary-General in his negotiations on the Memorandum of Understanding. The Committee should bear in mind those same concerns and produce a text that was acceptable to the Iraqi delegation so as to ensure the rapid application of Security Council resolution 986 (1995).

Mr. RESHETNIKOV (Russian Federation), supported by Mr. CACCIAGUERRA RANGHIERI (Italy) and Mr. MADEJ (Poland), said that he was pleased to see that quick steps were being taken to implement Security Council resolution 986 (1995), and that the draft procedures currently before the Committee was a promising basis for further action.

Mr. CONG Guang (China) said that his delegation was satisfied with the draft procedures but wanted to know when a Chinese translation would be made available.

The CHAIRMAN said that the Secretariat was currently working on the translation and that it would be available shortly.

Mr. KIM Do Young (Republic of Korea) said that his delegation shared the concerns expressed by other delegations regarding the relationship between

the Committee and the overseers. He endorsed the proposal by the French delegation to hold informal meetings to clarify any problematic issues.

Mr. MUBAREK (Egypt) said that, although his delegation was keen to adopt the new procedures as soon as possible, he was still awaiting instructions from his capital and therefore was not in a position to proceed on matters of detail immediately.

Ms. HAKIM (Indonesia) said that a number of questions still needed to be sorted out and welcomed the idea of further informal meetings.

Ms. ARON (United Kingdom) said that her Government had had no significant problems with the wording of the draft procedures currently before the Committee. It merely wished to refine one or two technical points, for example ensuring that money for supplies was obtained from the escrow account as expeditiously as possible.

Mr. POIRIER (France) said, with regard to his earlier proposal that the Chairman of the Committee should address a letter to the Secretary-General, that it would be better to take action on such a matter once all the delegations' capitals had had a chance to consider the draft fully.

The CHAIRMAN suggested that the Committee should convene in informal meetings to sort out details and resolve any problems, after which it would hold another formal meeting.

It was so decided.

The meeting rose at 4.25 p.m.