

**Briefing by Benon Sevan, Executive Director of the Iraq Programme,  
on Thursday, 20 April 2000**

Mr. Chairman,

I welcome the decision to schedule a formal meeting of the Committee to review the excessive number of holds placed on applications, which has been a major concern to all parties, including the members of the Committee who, under the relevant procedures of the Committee, have been exercising their right to place applications on hold. I regret to inform you that anyone who visits the Office of the Iraq Programme will notice the heavy piles of envelopes containing copies of applications being circulated.

As stated in the latest report of the Secretary-General submitted to the Security Council on 10 March 2000 (S/2000/208), the effectiveness of the humanitarian programme has suffered considerably, not only because of shortfalls in the funding levels for earlier phases of the programme but also because of the very large number of applications placed on hold, in particular those concerning electricity, water and sanitation, transport and telecommunications, which impact all sectors. The same applies also for the very large number of holds placed on applications for spare parts and equipment in the oil sector which is the only source of revenues for the programme.

As at 14 April, the total number of holds was 1,180 with a total value of \$1,726,891,635. As stated by the Secretary-General at the meeting of the Security Council on 24 March, many of the holds on contract applications do have a direct negative impact on the humanitarian programme, and on efforts to rehabilitate Iraq's infrastructure, most of which is in appalling disrepair.

We therefore need a mechanism to review these holds, in order to ensure the smooth functioning of the programme. Such a mechanism alone, however, will not resolve the difficulties encountered unless we have in place an effective monitoring and observation mechanism which would provide the required assurances to the members of the Committee that all supplies authorized for procurement, including potential dual-usage items and/or spare parts are indeed utilized for the purpose for which they have been authorized.

Lifting the ceiling on revenues earned by oil exports and authorizing improvements in programme implementation alone, including improvements in the procedures of the Committee, will not suffice for the effective implementation of the programme.

What is required is a determined and a pragmatic approach to the subject matter. Political rhetoric will not resolve the question of holds. A determined effort must be made by all parties concerned - that is, members of the Security Council and its Committee, the Government of Iraq, the suppliers and their respective permanent and or observer missions, the Secretariat and the UN agencies and programmes – to cooperate effectively with a view to making further improvements in the implementation of the programme. I should like to reiterate the Secretary-General's appeal for a further review and reconsideration of positions taken with regard to applications placed on hold, many of which have a direct negative impact on the implementation of the programme and of our efforts to rehabilitate Iraq's infrastructure, most of which is in appalling disrepair. Otherwise, I am afraid, we will continue to sink further in to the present untenable quagmire.

I therefore welcome the decision of the Committee to hold a session next Tuesday, 25 April, on monitoring and observation mechanism. I look forward to that meeting when I will present an informal paper on the subject matter.

You already have before you copies of the 9 letters I have addressed to the Chairman of the Committee between 7 to 20 April, concerning holds in each of the sectors covered in the distribution plans, which are self-explanatory. They provide you with detailed information on each of the holds placed on applications, the date when the holds were placed, the reason given by a holding mission or missions, as well as action taken thus far on the hold. You are also provided with the list of holds on applications which should be addressed on a priority basis.

In addition to all the information provided in my letters and the attachments thereto, I am also distributing to you at this meeting additional information contained in tables and charts. I believe this is the first time we have been providing you with such a comprehensive and detailed information available within the Office of the Iraq Programme, which should convince, I hope, even the most doubtful, that we have been sparing no effort in providing all the support and information to the Committee.

I am pleased to take this opportunity to inform the Committee that as of 14 April 2000, pursuant to paragraph 17 of resolution 1284 (1999), I had already

signed 241 notifications, with a total value of \$689,446,962, concerning applications for contracts related to agriculture, education, food basket and food handling as well as health. I am satisfied that the implementation of paragraph 17 has been proceeding smoothly. I plan to submit to the Committee for its consideration and approval additional items for inclusion on the four lists.

I should like to appeal to the Committee to also proceed expeditiously in finalizing a decision regarding the procedures to be applied under paragraph 18 of resolution 1284 (1999), for approval of oil spare parts and equipment.

Finally, Mr. Chairman, as I suggested in my letter of 14 April, bearing in mind the large number of holds, the Committee may wish to consider scheduling separate meetings on each of the sectors concerned with a view to resolving the difficulties involved. I believe such meetings should be held on an informal basis in order to allow all concerned to express themselves freely and come out of such meetings with concrete results. Otherwise, I am afraid, we may witness a repetition of previous meetings where we had much talk but no result. I am sorry to be blunt, Mr. Chairman, but that's the way I am.

Mr. Amir Khalil, the Representative of FAO, is here in New York. I should like to suggest that an informal meeting is scheduled for early next week to take up the agriculture sector. Mr. Khalil has been doing an excellent job in guiding the implementation of the programme and will be able to provide you with all the information required.

I should like to assure you, Mr. Chairman, and all members of the Committee as well as all others concerned, the my colleagues in the Secretariat, in the United Nations agencies and programmes both at Headquarters and in the field, stand ready to further intensify our efforts in providing all the assistance and information required by the Committee and its members.