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

PROVISIONAL SUMMARY RECORD OF THE 174th MEETING (CLOSED)

Held at Headquarters, New York,
on Tuesday, 1 September 1998, at 3.30 p.m.

Chairman:

Mr. MONTEIRO

(Portugal)

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The meeting was called to order at 3.45 p.m.

ADOPTION OF THE AGENDA

The agenda was adopted.

NOTE VERBALE DATED 5 AUGUST 1996 FROM TURKEY (continued)
(S/AC.25/1996/COMM.7649)

The CHAIRMAN said that the request by Turkey (S/AC.25/1996/COMM.7649) for the resumption of the importation of petroleum and petroleum products from Iraq had been on the Committee's agenda for more than two years and had again been deferred at the Committee's 173rd meeting. If no one wished to comment on the matter, he said that he would place it on the agenda for the following meeting.

LETTER DATED 24 JULY 1998 FROM IRAQ (S/AC.25/1998/COMM.118)

The CHAIRMAN said that the letter dated 24 July 1998 from Iraq (S/AC.25/1998/COMM.118) transmitted a letter from the Minister for Foreign Affairs of Iraq concerning the performance of the United Nations agencies in the implementation of the oil-for-food programme in the three northern governorates. Expressing disappointment over the slow pace of implementation in some sectors, the Government of Iraq considered that there should be consultations between its governmental executing institutions and the relevant specialized agencies of the United Nations with a view to reaching agreement on the optimal modality for achieving that objective. That could be done, in its view, in the same way that agreement had been reached on the bulk purchase of food and medicine. The Executive Director of the Iraq Programme, had discussed those issues with the Committee at the end of July.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme) said that, as the Executive Director had indicated in his earlier briefing, while the performance in some sectors was satisfactory, the situation in others, particularly electricity, water and sanitation and agriculture, was alarming. Under the Memorandum of Understanding of 20 May 1996, it would not be possible for the Government of Iraq to assume responsibility for implementation of the programme in the northern governorates. Moreover, according to the

figures provided by the Multidisciplinary Observation Unit of the Office of the Humanitarian Coordinator in Iraq, the implementation rates in the northern, southern and central governorates were fairly equal. In a few days, the Executive Director would address all the points raised by the Minister for Foreign Affairs in a briefing to the Security Council.

Mr. BIGOT (France) said that the statistics contained in the Foreign Minister's letter spoke for themselves. He expressed particular concern at the phase II rates of 3.77 per cent for agriculture, 0 per cent for health rehabilitation and 0.06 per cent for water and sanitation. There was every indication that the performance of all the specialized agencies was less than satisfactory. He did not believe that the implementation rates in the northern and southern governorates were comparable; briefings by the Executive Director on numerous occasions in the past had indicated the opposite.

The Iraqi proposal contained in the letter was interesting; he failed to see how it could be considered contrary to a memorandum of understanding between Iraq and the Secretariat that was not a final document and could be amended at any time. He hoped that the upcoming report by the Executive Director would contain practical proposals, rather than merely take note of the alarming situation in the northern governorates. Perhaps the work of the agencies should be audited or Iraq's procurement authorization should be expanded. It was also most unfortunate that the performance figures had been provided by the Government of Iraq rather than the Secretariat, whose involvement would have enabled the Committee to react more quickly to the situation.

Mr. CONG Guang (China), expressing his delegation's deep concern at the performance of United Nations agencies in northern Iraq, proposed that the Office of the Iraq Programme should conduct an overall review of the work of those agencies and report its findings to the Committee in order to determine whether the accusations levelled by the Government of Iraq were well-founded and what measures could be taken to remedy the situation.

Mr. MCGURGAN (United Kingdom) said that, on numerous occasions, his delegation had expressed its concern regarding the implementation of the oil-for-food programme by both the United Nations agencies and the Government of Iraq. He, too, hoped that the 90-day report to be presented shortly would reply to the questions raised by the Iraqi Foreign Minister. It was not clear whether the figures contained in the Minister's letter, which made no reference to the

excellent performance of the World Food Programme and mentioned only phases I and II of the programme, had been provided by the Government of Iraq or were based on reports of the United Nations agencies. Generally speaking, there had been a number of problems in the implementation of phases I and II, including by the Government of Iraq. Since the Memorandum of Understanding was drawn up within the framework of Security Council resolutions, amendments to it were not purely a matter for the Secretariat and Iraq to decide but rather the Security Council.

Mr. SMIRNOV (Russian Federation) said that the Executive Director's July briefing had been alarming in many respects and had aroused his delegation's concern. He looked forward to the presentation of the 90-day report, which would enable the discussion to continue.

Mr. BIGOT (France) inquired whether the secretariat could confirm the figures given by the Iraqi Foreign Minister and, in future, furnish tables on a regular basis on the performance of the United Nations agencies in the northern, southern and central regions of Iraq.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme) said that, except in one instance, the figures contained in the Iraqi letter were seriously outdated and inaccurate. Current figures on all phases, would be attached to the upcoming 90-day report. The Secretariat had not tried to gloss over the situation, but rather had been extremely candid about the serious problems in certain sectors. Suggestions for strong remedial action would be put forward in the report of the Executive Director of the Iraq Programme.

The CHAIRMAN said that the Committee would take no action, pending the submission of the 90-day report to the Security Council.

LETTER DATED 4 AUGUST 1998 FROM IRAQ (S/AC.25/1998/COMM.125)

The CHAIRMAN drew the Committee's attention to a second letter from Iraq relating to the implementation of the oil-for-food programme, dated 4 August 1998 (S/AC.25/1998/COMM.125), transmitting a letter from the Deputy Prime Minister of Iraq, which had been issued as a Security Council document. The letter expressed unhappiness at the fact that many contracts from phases II and III remained on hold after those phases had ended. According to the communication, all the applications held or blocked were in the area of medicines and medical supplies, foodstuffs and equipment for the electricity

sector. The letter went on to say that a cursory review of the progress of contracts under the Memorandum of Understanding showed clearly that the underlying reason for all the instances in which those contracts had been put on hold or blocked was the position adopted by one of the members of the Committee. In that connection, Iraq hoped that the Chairman would make an effort to put an end to such action and endeavour to secure the implementation of all the contracts that had been put on hold or blocked.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme) said that that letter, too, required some clarification. The Deputy Prime Minister, in his letter, stated that 21 phase II contracts were still on hold and that 20 had been blocked. However, according to the report of the Secretary-General submitted to the Security Council on 5 June 1998 (S/1998/477), phase II contracts that had been blocked or were still on hold had been returned to the Permanent Missions when that phase had been closed out in early March. Applications for medical supplies had been carried over to phase III. Details of phase II applications on hold were contained in the 90-day report of 4 March 1998 (S/1998/194).

The Deputy Prime Minister further stated that letters of credit had not been opened for contracts amounting to some \$40 million. However, in the absence of authority to effect partial transfers between accounts, that deficit could be reduced only by reimbursements received from United Nations agencies and programmes. Within the parameters of its administrative authority, the Iraq Programme was making innovative attempts to address that problem. In the meantime, additional interest that was not necessary for immediate programme implementation had been transferred, with the agreement of the United Nations Controller and the Government of Iraq, to phase II in order to facilitate the issuance of as many letters of credit as possible - approximately 35 to his knowledge, although as of the date of the Iraqi letter, none had been funded. As of 28 August, all letters of credit transferred to phase II had been issued.

Concerning phase III, the letter from the Deputy Prime Minister stated that 17 contracts covering the purchase of foodstuffs, medical requirements and special equipment for the electricity sector were on hold and that 22 additional contracts had been blocked. As of 31 August, the Iraq Programme had reported a total of 22 phase III contracts on hold. To his knowledge, no contracts had

been blocked in phase III. The contracts on hold included three covering foodstuffs, 13 covering medicines and three covering electrical equipment.

Mr. YOUNG (United States of America) noted that his delegation had strongly supported the oil-for-food programme since its inception; in fact it had been one of the leading proponents of its establishment. Indeed, 97 per cent of all contracts submitted under the programme as of late June had been approved. The Committee had approved 97 per cent of the contracts submitted to it under phase III and 93 per cent of those submitted to it under phase IV. He therefore wished to highlight that the bulk of the contracts covering food, medicine and other supplies had been approved by the Committee, including the delegation of the United States.

Mr. CONG Guang (China) expressed concern that some requests under the oil-for-food programme had been blocked or placed on hold. In keeping with the Committee's practice, such requests should be periodically reviewed. His delegation proposed that the Committee should convene a meeting at the expert level in order for countries to explain in detail their reasons for blocking certain requests or placing them on hold.

Mr. BIGOT (France) wondered about the effect of blocks and holds in delaying the execution of contracts. The reasons for blocks and holds must be analysed; in that connection, he supported the proposal just made by the representative of China. He hoped that the 90-day report would provide information on reconciliations between the 13 per cent and the 52 per cent accounts referred to in the Iraqi letter. As the Chairman himself had mentioned earlier in the year, thought should be given to revising the financial rules applicable to the oil-for-food programme. The application of the financial rules of the United Nations was preventing the programme from utilizing some \$30 to \$40 million. Two months earlier, his delegation had proposed a solution for the delivery of supplies to the northern governorates which would have ensured the full utilization of available funds and imposed a timetable on the Government of Iraq. He hoped that the Secretariat would reconsider that proposal and not be trapped by resolutions or memorandums that were no longer adequate.

Mr. STIERNLOF (Sweden) thanked the Director of Programme Management for his clarifications, which indicated a welcome improvement in the situation. Although there was a continued need to improve and streamline the oil-for-food

mechanism, the language employed in the Iraqi letter would not contribute to that end.

Mr. YOUNG (United States of America) stressed that his delegation had not blocked any items in phases II, III and IV. As it had done in the past, it was prepared to reconsider holds on the basis of additional information provided to the Committee. Lastly, he wished to point out that his delegation always provided reasons when it placed an item on hold.

Mr. SMIRNOV (Russian Federation) expressed support for the remarks by the representatives of France and China. He noted that the Committee had recently held a useful exchange of views on spare parts for the oil industry. Such exchanges of views should be held on other aspects of the Iraq Programme as well.

The CHAIRMAN said that the Chinese proposal to convene a meeting at the expert level would facilitate the work of the Committee.

Mr. CONG Guang (China) added that he hoped that the Secretariat would provide a working document for such a meeting, listing all contracts that had been blocked or placed on hold, complete with amounts and an explanation as to why such action had been taken.

LETTER DATED 20 AUGUST 1998 FROM IRAQ (S/AC.25/1998/COMM.131)

The CHAIRMAN said that the letter dated 20 August 1998 from Iraq (S/AC.25/1998/COMM.131) transmitted another letter from the Minister for Foreign Affairs of Iraq concerning the purchase of spare parts and supplies for the oil sector under the oil-for-food programme. The letter had also been issued as a Security Council document. The communication stated that no decision had yet been reached in the Committee on a procedure for the rapid approval of contracts for the purchase of spare parts and supplies for the oil sector, and no method had been adopted for financing those contracts against assured future revenues, despite the fact that specific provision had been made for those two measures in paragraphs 2 and 4 of resolution 1175 (1998). Citing the position of some Committee members as the reason for the delays, the Iraqi letter urged the Chairman to intervene in the matter, so that the Committee could expedite the elaboration of an accelerated procedure for the approval of such contracts and introduce the necessary mechanism for their immediate financing against future revenues, in accordance with the provisions of resolution 1175 (1998).

Those questions had been considered the week before in a meeting at the expert level, at which two experts from the Saybolt company had analysed difficulties in approving certain applications for spare parts. The Secretary of the Committee had indicated that a non-paper was being prepared to explain how the mechanism of financing against future revenues would function. It would be useful to inform the Banque Nationale de Paris and exporters about that mechanism.

Mr. YOUNG (United States of America) said that his Government strongly supported the improvement of the Iraqi oil infrastructure in order to increase oil exports and have more funds available for humanitarian purposes. That was a goal that the United States shared with all the members of the Committee.

It was important to note that the secretariat had taken steps to streamline the application process. The Office of the Iraq Programme had discussed providing more information on each of the applications to the Committee members so that they could have a better idea of where the parts requested would fit into particular projects and priorities. His delegation appreciated receiving that information; it also appreciated the informal session that had been held at the Chairman's mission recently.

He pointed out that the funds available for oil spare parts, which totalled around US\$ 300 million, were limited. It was therefore important that priorities should be set. When the United States put holds on particular items, it was because, in its view, the requested items did not contribute to increased oil export capacity. His delegation would certainly be willing to reconsider those holds if additional information became available that would justify doing so. It looked forward to continuing discussions with all parties concerned, and hoped that the Committee would begin to see more and more contracts that contributed more directly to increasing oil exports, so that it could address the concerns of Security Council resolution 1175 (1998) as soon as possible.

Mr. CONG Guang (China) said he wished to express his delegation's appreciation to the Chairman for inviting the experts from the Saybolt company to brief the Committee. According to that briefing, both upstream and downstream equipment were necessary to improve Iraq's capability to export oil. At present, 16 requests for oil equipment had been put on hold. His delegation appealed once again to the countries concerned to lift their holds at an early

date, so that the relevant Council resolutions could be implemented in a comprehensive manner.

Mr. BIGOT (France) said he wished to thank the secretariat for the recent meeting with the Saybolt experts; unfortunately, he had not yet seen the results. He noted that there were more contracts pending than contracts approved. He hoped that the matter would be addressed by the Security Council at its forthcoming meeting, when it would be taking stock of Security Council resolutions 1153 (1998) and 1175 (1998). He hoped that by then the items pending would have been addressed.

Many States were not in a position to establish priorities, although some States might have special competence in that regard. He was wary of the Saybolt analysis; it might be necessary to ask the company for specifics, contract by contract. His delegation had favoured the idea of having contracts examined and approved by experts, and looking back, it could see how useful such a procedure would have been. If no progress was made at the forthcoming meeting of the Security Council, his delegation would take note that the resolutions applied to some States but not to others. That was not a good message to send, especially at the present time.

Mr. STIERNLOF (Sweden) said that, if he understood the documents correctly, it seemed that although US\$ 300 million had been set aside for spare parts for the oil industry, only around US\$ 60 million worth of contracts had actually been submitted to the secretariat and to the Committee. It would therefore seem worthwhile to try to encourage Iraq to speed up the process of submitting contracts. Perhaps the Iraqi delegation might be asked if there was some way the Committee could be helpful in speeding up the procurement of spare parts, given that all Committee members agreed they were very necessary for the implementation of the enhanced programme.

Mr. McGURGAN (United Kingdom) said that he endorsed the views expressed by the representatives of the United States and Sweden. It was important to ensure that the funds were spent in the most effective and equitable manner possible. As in previous cases, his delegation would work with all concerned in seeking ways to lift the holds.

Mr. SMIRNOV (Russian Federation) said that the clarifications presented to Committee members by experts at the informal meeting convened recently by the Chairman had been very helpful. As he recalled, most of the

explanations, even for the so-called downstream sector, had stressed that the equipment requested was necessary in order to prevent the installations from catching fire or exploding. One refinery had, in fact, exploded because of the failure to supply monitoring equipment. Hence, there was justification for the parts that had been ordered. His delegation would support further consultations on the matter.

The CHAIRMAN noted that there seemed to be consensus on the usefulness of the informal meeting with the Saybolt experts. If necessary, further informal meetings could be held in future.

Mr. MCGURGAN (United Kingdom) noted that the letter from Iraq stated that immediately Security Council resolution 1175 (1998) had been adopted, the companies concerned had registered their contracts with the secretariat of the Committee. He would like to know if that was actually the case; it was his understanding that there had been some delay.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme), replying to the query made by the representative of the United Kingdom, said it depended on the definition one gave to the words "delay" and "immediately". The figures the secretariat had were different from those submitted in the letter from the Foreign Minister of Iraq.

As of the present date, the situation with respect to contracts for spare parts for the oil industry was that the Committee secretariat had received a total of 65 applications, for a total value of US\$ 79.3 million. Of those 58 had been reviewed by customs officers. Of those 58 contracts 14 were under further evaluation by customs officers or had been returned to the Permanent Missions for clarification. Of the 65 contracts, 43 valued at US\$ 56 million, had been completed. Sixteen of those contracts, worth US\$ 25.3 million, had been approved, and 6 approval letters had been issued, representing US\$ 20.3 million. As of early July, contracts had been signed for a value of approximately US\$ 100 million, whereas the secretariat had received 65 contracts, for a value of US\$ 79.3 million.

Mr. BIGOT (France) asked how many of the contracts were on hold at present.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme) said that the number of contracts under further evaluation by customs officers or returned to the Permanent Missions was 14.

Mr. BIGOT (France) said that he was speaking of the number of contracts put on hold by the Committee, not evaluations by the secretariat.

Mr. ASPLUND (Director of Programme Management, Office of the Iraq Programme) said that, according to the definition of mis en attente or "on hold", of the 43 applications circulated, 21 contracts - for a total value of US\$ 29.1 million - were "on hold", under the commonly used definition of the term. As he had mentioned, 16 contracts, worth US\$ 25 million, had been approved, and 6 were pending the no-objection deadline.

LETTER DATED 30 JULY 1998 FROM THE OIL OVERSEERS (S/AC.25/1998/COMM.122)

The CHAIRMAN recalled that at the specific request of the Permanent Representative of Ukraine, the Committee had nullified an oil contract presented by the Ukrainian company, MontElect, which had been approved earlier by the Overseers, according to Committee procedures. Now the Ukraine company MontElect had written to the Overseers and asked the Committee for clarification on the matter.

Mrs. GOMES (Portugal) said that the Committee should reply that the Permanent Mission of Ukraine had requested that the company MontElect should be deleted from the list of companies to be registered for oil contracts.

Mr. BIGOT (France) said the letter from the Overseers posed a difficult legal question. As he recalled, on the date when the Overseers had approved the Ukrainian contract, the company MontElect had still been on the list of companies authorized by Ukraine to deal with the Overseers. It had only been after the Overseers had approved the contract that the Ukrainian Mission had sent them a letter stating that the company in question would no longer be dealing directly with the Overseers. The Committee's reply to the Overseers would have to be honest and legally well founded; he was not sure in what terms it should be couched.

Mr. McGURGAN (United Kingdom) said that as soon as MontElect had been taken off the list of approved purchasers, it had lost the right to communicate with the Overseers. The Committee could not deal with the points raised in the letter from MontElect because it did not deal with companies or private individuals, but only with Member States. He suggested that the Committee should take note of the fact that the Overseers had received the letter from MontElect, and it should forward the correspondence in question to the Permanent

Mission of Ukraine, leaving it up to the Ukrainian authorities to decide how best to proceed.

The CHAIRMAN said that he took it that the Committee wished to forward the letter from the Overseers to the Permanent Mission of Ukraine.

It was so decided.

LETTER DATED 13 AUGUST 1998 FROM THE LEGAL COUNSEL (S/AC.25/1998/COMM.128, COMM.57 and Add.1)

The CHAIRMAN recalled that the matter had last been considered by the Committee at its 173rd meeting, when it had decided to seek the opinion of the Legal Counsel. The Committee had now received the legal advice requested. On the basis of the information gathered on the issue, the Legal Counsel had concluded that it would appear that the approval of the Committee would be needed in order for Denmark to be able lawfully to permit the despatch to the professor's correspondent of copies of the research materials in question.

Mr. BIGOT (France) said that he understood the Legal Counsel's reasoning, but wished to point out that all the research documents were available on the Internet and in Baghdad. It was important to avoid going to extremes. The Permanent Mission of Denmark had been very prudent, but good sense would suggest that the Committee should not object to the request.

If the Committee raised obstacles on such simple matters, the result would be that no one would present requests. States would simply go on doing as they pleased, in a hypocritical way, because they knew that the Committee was exceedingly punctilious about compliance with resolutions - sometimes, regretfully, with the support of the Legal Counsel. The documents currently under consideration did not deal with military or sensitive issues. If the Committee began controlling every piece of paper that crossed the border, it would be flooded with work and would be doomed to fail.

Mr. MCGURGAN (United Kingdom) said that his delegation had asked for the legal advice and was satisfied with the reply of the Legal Counsel. His Government had no objection to the Committee approving the request at once.

He was quite concerned about the remarks made by the representative of France to the effect that the Committee should restrict the need for compliance with Security Council resolutions. It was very important, especially with respect to other matters, that the Committee should be very watchful on that issue.

Mr. AL-DOSARI (Bahrain) pointed out that, as stated in the letters under discussion, the research materials requested had either been published or were in the process of being published. Since the materials pertained to a research project, his delegation saw no reason to object to the request.

The CHAIRMAN said that he took it that the Committee agreed to the request.

It was so decided.

LETTER DATED 19 AUGUST 1998 FROM FINLAND (S/AC.25/1998/COMM.130)

The CHAIRMAN informed members that Finland had asked for the Committee's opinion on a request by a Finnish company, Neste Oy, to conduct a field test in northern Iraq of a new oil production additive, Necadd 547, which was specially designed to improve the possibilities of transporting crude oil and oil products in pipelines. According to the letter, the use of the additive and the field test were essential. Therefore, the Finnish company Neste Oy would have to supply one 20-foot tank container of the needed additive to the test site in Iraq.

Mr. YOUNG (United States of America) said that his Government was prepared to consider the request in a positive light, but would like to see a regular application submitted according to standard procedures.

Mr. MCGURGAN (United Kingdom) said that his delegation had no objection to the request, and hoped that the tests on the pipeline would be successful and would increase the flow of oil. It would, however, like to see an application submitted according to normal procedure, and would like to request confirmation that once the tests had been finished, the tank container would be taken out of Iraq. He had already discussed the matter with the Finnish mission, and they had indicated that that was indeed the case.

The CHAIRMAN said he took it that the Committee wished to approve the request, bearing in mind the remarks made by the representatives of the United States and the United Kingdom. He would communicate their request that a regular application should be submitted.

LETTER DATED 24 AUGUST 1998 FROM THE UNITED ARAB EMIRATES
(S/AC.25/1998/COMM.132)

The CHAIRMAN said that the Government of the United Arab Emirates had requested the Committee's advice and cooperation with regard to a proposal by the Emirates Airlines to fly on a weekly basis an aircraft carrying medical and

other humanitarian relief supplies to Baghdad, and on the way back carrying sick and elderly patients from Iraq to stay in Dubai for the duration of their treatment, with the understanding that the flights would not engage in any activities contrary to the provisions of Security Council resolutions 661 (1990) and 670 (1990). Such compliance would be certified by the authorities of the United Arab Emirates before the departure and upon the return of the aircraft.

Mr. AL-DOSARI (Bahrain) stressed that the request was a purely humanitarian one, and was designed to alleviate the suffering of the Iraqi people. His delegation saw no reason to object to it.

Mr. YOUNG (United States of America) said that his delegation wished to abide by the procedures that were already in place for approving individual flights for humanitarian purposes. His Government would not be in favour of a regular service, but would prefer to examine flights on a case-by-case basis.

It was his understanding that the Government of Iraq had indicated in the past that it no longer wished to receive such flights. He would like to know if that was still the case.

The CHAIRMAN said that he did not know what the Iraqi position was at present, but it would be worthwhile trying to find out. He took it that the Committee wished to follow the normal case-by-case procedure for the flights requested, rather than giving a blank check for regular weekly flights.

He pointed out that the Committee had not yet responded to a similar request from Jordan, which had been put on hold. He suggested that the Committee should respond similarly to both requests.

Mr. SMIRNOV (Russian Federation) pointed out that the Jordanian request was of a different nature. The problem of humanitarian flights had been dealt with a number of times before.

He asked that, if there was a proposal that the Chairman should send a letter, it should be circulated under the no-objection procedure, as was customary.

Mr. BIGOT (France) said that resolution 661 (1990) did not call for an air embargo, and he saw no reason for the Committee to ~~model its decisions on those of the Libya Sanctions Committee~~. There was regular boat service to and from Iraq, and provided that the aircraft involved in the flights were inspected, he saw no reason for the Committee to object to the proposal. The United Arab Emirates and Jordan were not rogue States, and failure to authorize

the humanitarian flights was an example of the type of practice which was, unfortunately, typical of the Committee and which justified the conduct of those who violated the sanctions.

Turning to another matter, he asked whether the Chairman of the diplomatic corps in Baghdad had replied to the Chairman's letter regarding facilitation of travel by diplomats. If not, he asked the Chairman to make further inquiries so that the Committee could formulate a concrete proposal on the matter.

The CHAIRMAN said that he had received no answer to his letter, but would make further inquiries.

With regard to the proposed humanitarian flights, while it was true that resolution 661 (1990) did not establish an air embargo in the case of Iraq, there was no consensus within the Committee on the status of flights. He hoped that after further consultations, some members might be persuaded to alter their position.

Mrs. GOMES (Portugal) said that the lack of consensus within the Committee was no excuse for prohibition of the flights. She suggested that the Chairman should inform the United Arab Emirates that the Committee was unable to approve a regular service but was prepared to consider such flights on an individual basis so that the proposed operation could, in fact, take place. The Committee should also endeavour to ascertain the position of the Iraqi authorities on the proposal since they had sometimes refused to permit humanitarian flights for which the Committee had given its approval.

The CHAIRMAN said that he agreed with the representative of Portugal's suggestion and that the Committee could consider the flights individually on an urgent basis.

Mr. SMIRNOV (Russian Federation) said that he supported the statements made by the representative of France. There was a difference between the usual ad hoc approval of humanitarian flights and the current proposal for a regular weekly service of medical and humanitarian relief. Under the circumstances, the Committee could only inform the United Arab Emirates that it was unable to reach agreement on the matter.

He also suggested that the Chairman should ascertain the Iraqi Government's position on the matter. In the past, the Government, rightly in his opinion, had had reservations regarding a number of supposedly urgent humanitarian flights which had been organized primarily for purposes of public relations and

had delivered ineffective supplies. However, the current proposal was for a regular service such as that which the Government of Jordan had proposed in another context, and the Iraqi Government might take a different view.

The CHAIRMAN said that in the absence of consensus, the suggestion made by the representative of Portugal was a practical solution to the problem. If the Committee agreed, he would inquire as to the Iraqi Government's position. In any case, his letter to the United Arab Emirates would be circulated under the no-objection procedure.

It was so decided.

LETTER DATED 28 JULY FROM IRAQ (S/AC.25/1998/COMM.120)

The CHAIRMAN said he took it that the Committee wished to take note of the communication from Iraq on the impact of the economic embargo on the health of Iraqi citizens.

It was so decided.

LETTERS DATED 13, 20 AND 28 JULY AND 4 AND 18 AUGUST 1998 FROM JORDAN
(S/AC.25/1995/COMM.117, 121, 123 and 129)

The CHAIRMAN said he took it that the Committee wished to take note of the communications from Jordan concerning Lloyd's reports on its activities in Aqaba.

It was so decided.

COMMUNICATIONS UNDER THE "NO-OBJECTION" PROCEDURE

THE CHAIRMAN drew attention to two lists of applications submitted under resolution 661 (1990) and resolution 986 (1995). If there were no comments, the lists would be considered officially adopted and the Secretariat could act accordingly. If there were comments and changes, the Secretariat would take note and make corresponding changes.

The lists were adopted.

OTHER MATTERS

The CHAIRMAN said that he had circulated a letter from the Commander of the Multinational Interception Force which stated that there had been a sharp decline in illegal Iraqi petroleum exports between January and April 1998 as a result of action taken by the Government of Iran, the Multinational Interception Force and the United Arab Emirates, and of the Committee's own contact with the Iranian authorities in early 1998. However, Iraqi smuggling activities had increased substantially since the end of April 1998, and the Commander had asked

the Chairman to convey the Committee's concerns in that regard to the Permanent Representative of Iran. He was scheduled to meet with the Permanent Representative on the following day to discuss other matters and proposed to mention that the Committee hoped that the situation would improve before its briefing by the Multinational Interception Force in early November.

Mr. BIGOT (France) said that he objected on principle to the Chairman's proposal. Smuggling activities were always considered on a piecemeal basis, and it was generally the Government of Iran against which such complaints were lodged. Moreover, the matter was not on the Committee's agenda and it would be preferable to discuss it in greater detail at the November briefing and, in the meantime, to ask the Commander for additional information on the nature of the contraband.

The CHAIRMAN said that in proposing to discuss the matter with the Permanent Representative of Iran, he had merely hoped that the current trend could be reversed before the November briefing. Alternatively, the issue could be placed on the agenda of the Committee's next meeting or on that of the November briefing.

Mr. McGURGAN (United Kingdom) thanked the Chairman for his imaginative proposal. In the past, intervention by the Committee had reduced smuggling activities and he suggested that the Chairman should raise the issue during his discussion with the Permanent Representative of Iran on the following day; the Committee could then place it on the agenda of the November briefing. By so doing, the Committee would not be targeting a particular State, but merely acting on information received.

Mr. SMIRNOV (Russian Federation) said that he supported the representative of France's suggestion that the Committee should take formal action on the matter at its November briefing. However, he saw no reason why the Chairman should not mention the letter informally, not only to the Permanent Representative of Iran but to the Permanent Representatives of the other States mentioned in the letter.

The CHAIRMAN said that he had discussed similar matters with the permanent representatives of all States concerned, emphasizing that his intent was to provide rather than to seek information and that he was open to any explanation which the delegations in question cared to provide.

Mr. CONG Guang (China) said that while smuggling was a serious matter worthy of the Committee's attention, it also involved a sovereign State and must therefore be handled with great discretion. He would prefer for the Committee to seek further information on the matter before taking any official action, but he had no objection to the Chairman raising the issue informally with the Permanent Representative of Iran.

Mr. YOUNG (United States of America) said that he supported the Chairman's proposal.

Mr. BIGOT (France) said that he maintained his earlier reservations on the matter and asked the representative of the Russian Federation to repeat his proposal.

Mr. SMIRNOV (Russian Federation) said that his proposal had been for the Chairman to bring the letter to the attention of the parties concerned, with any further discussion postponed to a later date.

The CHAIRMAN said that he was quite willing to contact the permanent representatives of the other States concerned.

Mr. BIGOT (France) asked whether the Chairman planned to show the letter in question to the Permanent Representative of Iran.

The CHAIRMAN said that he had not planned to show the letter to the Permanent Representative, but merely to inform him of its contents and of the fact that the issue would be raised at the November briefing, in the hope that the situation could be improved by that time. He emphasized that his meeting with the Permanent Representative would be devoted primarily to other matters and that he merely planned to mention the letter informally and to inform the Committee of the results of that discussion. If there was no objection, he would take it that the Committee wished him to do so.

It was so decided.

The CHAIRMAN also informed the Committee that he had met with the Permanent Representative of Egypt and, as agreed at the Committee's previous meeting, had mentioned an Egyptian company's participation in a trade fair held in Iraq. The Permanent Representative had offered to seek further information on the matter.

Lastly, in response to a request from the delegation of Bahrain that the Committee should discuss practical means of enabling Iraqi pilgrims to perform the pilgrimage to Mecca in future, he suggested that the Committee should hold

expert level meeting at the Mission of Portugal during the current month in order to discuss the matter and propose appropriate action.

It was so decided.

The meeting rose at 5.40 p.m.