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REPORT OF THE SECRETARY-GENERAL ON THE STATUS OF COMPLIANCE
BY IRAQ WITH THE OBLIGATIONS PLACED UPON IT UNDER CERTAIN
OF THE SECURITY COUNCIL RESOLUTIONS RELATING TO THE
SITUATION BETWEEN IRAQ AND KUWAIT

1. The present report is presented to the members of the Security Council pursuant to the request addressed to the Secretary-General in the statement issued by the President of the Council on 20 December 1991 (S/23305). By the President's statement, the Security Council, among other things, requested the Secretary-General "to prepare a factual report on Iraq's compliance with all the obligations placed upon it by resolution 687 (1991) and subsequent relevant resolutions", such a report to "be made available to the Security Council in good time before the Council undertakes its next review under paragraph 21 of resolution 687 (1991)". 1/

2. The Secretary-General proceeded immediately to identify all the applicable obligations under the Security Council's request, and to determine Iraq's compliance with them, to date. While some of the obligations placed upon Iraq are of a rather general nature, many others were clearly specified in the resolutions imposing them. However, there are some obligations for which no monitoring body or mechanism under or outside the United Nations auspices could be readily identified and so approached for contributions in time for preparation of the present report.

3. For the purposes of the present report, the Secretary-General has focused his attention only on those provisions in the relevant resolutions that place mandatory obligations upon Iraq. The comments received from various sources relating to the observations and assessments of Iraq's compliance are reproduced in the annex to the present report.

A. OBLIGATIONS OF A GENERAL NATURE

4. There are two principal, general obligations upon which Iraq's compliance with all its obligations may be based and assessed.

1. Acceptance by Iraq of the provisions of the entire resolution 687 (1991) (para. 33)

5. Under paragraph 33 of resolution 687 (1991) Iraq was required to give official notification to the Secretary-General and to the Security Council of its acceptance of the provisions of the entire resolution, as a precondition for a formal cease-fire becoming effective between Iraq and Kuwait and the States cooperating with Kuwait.

6. By a letter dated 6 April 1991 addressed simultaneously to the Secretary-General and the President of the Security Council (S/22456), Iraq signified its unconditional acceptance of Security Council resolution 687 (1991). By a further letter dated 10 April (S/22480) Iraq transmitted the text of a decision adopted by the National Assembly of Iraq on 6 April 1991, accepting the resolution.

2. Compliance by Iraq with all its international obligations (para. 5 of resolution 707 (1991))

7. By paragraph 5 of resolution 707 (1991), Iraq is required to comply with all its international obligations, including those set out in resolutions 687 (1991) and 707 (1991), 2/ and in the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968, and Iraq's safeguards agreement with the International Atomic Energy Agency (IAEA). 3/ No specific requirement was made of Iraq to confirm its compliance with the provisions of this paragraph.

B. SPECIFIC OBLIGATIONS

1. Respect for the inviolability of the international border and allocation of islands between Iraq and Kuwait (para. 2 of resolution 687 (1991))

8. Under paragraph 2 of resolution 687 (1991) it was demanded of Iraq to respect the inviolability of the previously agreed international border and the allocation of islands between Iraq and Kuwait (cf: document 7063, United Nations, Treaty Series, 1964). The comments on this item are contained in the annex to the present report (see annex, sect. A).

2. Obligations relating to conventional, biological or chemical weapons and such materials for warfare (paras. 8, 9 (a) and 10 of resolution 687 (1991), para. 3 of resolution 707 (1991) and para. 5 of resolution 715 (1991))

9. The monitoring of Iraq's compliance with, and the implementation of, the obligations as required under the relevant resolutions cited above was entrusted to the Special Commission established under paragraph 9 (b) (i) of Security Council resolution 687 (1991). The Special Commission's comments on this matter are contained in the annex to the present report (see annex, sect. B).

3. Obligations relating to nuclear capability development programmes (paras. 10 and 12 of resolution 687 (1991), para. 3 of resolution 707 (1991) and para. 5 of resolution 715 (1991))

10. The monitoring of Iraq's compliance with, and the implementation of, the obligations as required under the relevant resolutions cited above, was entrusted to IAEA. The comments of IAEA on this matter are contained in the annex to the present report (see annex, sect. C).

4. Obligations relating to repatriation of and access to all Kuwaiti and third-country nationals in Iraq (para. 30 of resolution 687 (1991))

11. Under the provisions of paragraph 30 of resolution 687 (1991) it was required of Iraq to extend all necessary cooperation to the International Committee of the Red Cross (ICRC) in all matters relating to the location of and access to all Kuwaiti and third-country nationals in Iraq for the purpose of their repatriation. 4/

12. In his report to the Security Council dated 12 September 1991 (S/23012), the Secretary-General included information he had received from ICRC relating, among other things, to repatriation of former residents of Kuwait from Iraq, registration and repatriation of persons wishing to return to Kuwait, repatriation of third-country nationals, and details of a Kuwaiti list of civilians and military personnel missing since 2 August 1990. In response to the Secretary-General's request for information for the purposes of the present report, ICRC has submitted additional comments on the item, which are contained in the annex to the present report (see annex, sect. D).

5. Iraq's liability under international law for loss or damage resulting from its unlawful invasion and occupation of Kuwait (para. 16 of resolution 687 (1991))

13. Information received with regard to this item is contained in the annex to the present report (see annex, sect. E).

6. Adherence to all obligations concerning the servicing and repayment of Iraq's foreign debt (para. 17 of resolution 687 (1991))

14. The response from the International Monetary Fund (IMF) indicates that, as of 31 December 1991, Iraq was in arrears to the IMF in the sum of Special Drawing Rights (SDR) 7.3 million. Furthermore, the Chairman of the Paris Club of Creditor Countries has submitted a tabulation of Iraq's indebtedness to some of the Club members amounting to a total of some US\$ 13,420 million due since 1 April 1991. The relevant communications concerning this item are contained in the annex to the present report (see annex, sect. F).

7. Non-entitlement to claims deriving from the effects of the measures taken by the Security Council in resolution 661 (1990) and related resolutions (para. 29 of resolution 687 (1991))

15. According to information received with regard to this item, Iraq attempted to enforce a claim under which it would have benefited from a contract frustrated by the coming into effect of the terms of resolution 661 (1990). Communications concerning this item are contained in the annex to the present report (see annex, sect. G).

8. Liability by Iraq for the full cost of the tasks authorized under section C of resolution 687 (1991) (para. 4 of resolution 699 (1991))

16. The comments received with regard to this item are contained in the annex to the present report (see annex, sect. H).

9. Requirement to provide monthly statements of gold and foreign currency reserves holdings (para. 7 of resolution 706 (1991))

17. To date, the Secretary-General has received no notification from Iraq of the amount of its holdings of gold and foreign currency reserves. Furthermore, IMF has reported that, since the adoption of resolution 706 (1991), it has not received from the Iraqi authorities any information concerning Iraq's holdings of gold and foreign currency reserves. 5/ The text of the letter on comments on this item from the Managing Director of IMF is reproduced in the annex to the present report (see annex, sect. F).

C. OTHER OBLIGATIONS

18. Two other types of obligations placed upon Iraq are drawn to the Council's attention, namely: obligations imposed upon Iraq under Chapter VII of the Charter (mandatory obligations) but for which no monitoring organ has been specifically designated.

1. Undertaking required on not committing, supporting or abetting commission of any international terrorist acts (para. 32 of resolution 687 (1991))

19. In the absence of any specifically designated organ for monitoring Iraq's compliance with the above-mentioned obligation, the Secretary-General is unable to offer any guiding information to the members of the Council. However, in a letter dated 11 June 1991 (S/22687) Iraq, with reference to paragraph 32 of resolution 687 (1991), stated that it was a party to the

international conventions relating to this item, and affirmed that it had never pursued a policy favourable to international terrorism as defined by international law. In a further letter of the same date (S/22689) Iraq reaffirmed its position.

2. Compliance with obligations in the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968 (para. 5 of resolution 707 (1991))

20. In its letter of 6 April 1991 (S/22456), in which it signified its acceptance of resolution 687 (1991), Iraq also stated that it was a party to the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968, adding that many reports of IAEA confirmed that Iraq was applying all the provisions of the Treaty. IAEA for its part, in two letters dated 19 July (S/22812) and 27 September 1991 (S/23088) from the Director-General, informed the Security Council of the finding by the Board of Governors of IAEA that Iraq had not fully complied with its obligations under its safeguards agreements with the Agency. In a resolution adopted on 20 September 1991 (GC/(XXV)/RES/568) the General Conference of IAEA, taking note of Security Council resolution 687 (1991), had, among other provisions, strongly condemned "Iraq's non-compliance with its nuclear non-proliferation obligations", and demanded that Iraq "immediately and fully comply with all of its nuclear non-proliferation obligations".

Notes

1/ The next review under paragraph 21 of resolution 687 (1991) falls due on 28 January 1992.

2/ For the purposes of the present report, the Secretary-General was guided by the President's statement of 20 December 1991 (S/23305) in so far as it referred to Iraq's compliance with the obligations set out only in the resolutions alluded to in that statement.

3/ For proper coverage of Iraq's compliance with the Treaty and the nuclear safeguards agreement, see paragraph 20, below.

4/ In paragraph 31 of the resolution, the Council invited ICRC to keep the Secretary-General apprised, as appropriate, of all the activities undertaken in pursuance of paragraph 30, as well as those relating to the return of the remains of Kuwaiti and third-country nationals present in Iraq on or after 2 August 1990.

5/ Subsequently, a representative of IMF amplified orally that disclosure of such information was obligatory to all signatory members to the Charter of that organization, of which Iraq was one.

Annex

Substantive texts of the communications received from various sources indicating their observations and assessments of Iraq's compliance

A. IRAQ'S COMPLIANCE WITH THE PROVISIONS OF PARAGRAPHS 2 AND 5 OF SECURITY COUNCIL RESOLUTION 687 (1991)

In view of the mandate of the United Nations Iraq-Kuwait Observation Mission (UNIKOM), the text below deals with both paragraphs 2 and 5 of resolution 687 (1991).

1. Paragraph 2 of Security Council resolution 687 (1991) requires Iraq and Kuwait to respect the inviolability of the international boundary and the allocation of islands as set out in the "Agreed Minutes" signed by them on 4 October 1963. Paragraph 5 of the same resolution requires the two States to respect a demilitarized zone (DMZ) established by the Security Council. The Council set up the United Nations Iraq-Kuwait Observation Mission (UNIKOM) to monitor the DMZ and the Khor Abdullah; to deter violations of the boundary through its presence in and surveillance of the DMZ; and to observe any hostile or potentially hostile action mounted from the territory of one State to the other.
2. Iraq has respected the DMZ.
3. With regard to respect for the international boundary it should be noted that, pending the boundary's demarcation on the ground, UNIKOM has not taken a position concerning its precise location. UNIKOM uses a British map, which it has given to both sides for reference; they have agreed to work with it as a practical arrangement to facilitate UNIKOM's task and without prejudice to their positions concerning the boundary. In order to avoid friction and incidents, UNIKOM has established the principle that the authorities on both sides should stay a reasonable distance of 1,000 metres from the boundary line shown on UNIKOM's map. However, five Iraqi police posts are on the Kuwaiti side of that line, and two are closer to it than 1,000 metres, on the Iraqi side. In response to repeated requests by UNIKOM to move these posts to positions at least 1,000 metres on the Iraqi side of the line, the Iraqi authorities have declined to do so on the grounds that this could prejudice their position relating to the border. They have said that Iraq will comply with the reasonable distance principle, once the border is demarcated.
4. In August and September 1991, there were a number of incursions from ~~Iraq into Kuwaiti territory by persons collecting weapons, ammunition and~~ other battlefield items. The question was raised whether they were in fact military personnel but UNIKOM was not able to establish that this was so. The incursions ceased in October after the Iraqi authorities took effective measures to curb them. Since then, the Iraq-Kuwait border has been quiet.

B. EXTRACT FROM LETTER DATED 21 JANUARY 1992 FROM THE
EXECUTIVE CHAIRMAN OF THE SPECIAL COMMISSION

As requested in the memorandum of 8 January 1992, I am sending herewith the contribution of the Special Commission to the Secretary-General's report. As you will see, the text submitted herewith provides for a part B of the chapter of the report involved in which the text on nuclear issues which you have received from the Director-General of IAEA can be inserted.

Attachment

Section C of Security Council resolution 687 (1991) and
resolutions 707 (1991) and 715 (1991)

Introduction

1. The paragraphs which follow deal with the status of Iraq's compliance with the provisions of section C of Security Council resolution 687 (1991) of 3 April 1991 and resolutions 707 (1991) and 715 (1991) of 15 August and 11 October 1991 respectively. Section C of resolution 687 (1991) relates to the elimination of Iraq's capabilities in regard to weapons of mass destruction and also to ensuring that the acquisition of such weapons is not resumed in the future. Resolutions 707 (1991) and 715 (1991) are concerned with matters directly related to implementation of section C of resolution 687 (1991), including ongoing monitoring and verification of Iraq's compliance with its obligations and the facilities, privileges and immunities of the Special Commission established under resolution 687 (1991) and of the International Atomic Energy Agency (IAEA).
2. The status of Iraq's compliance with the obligations arising from these particular provisions has been addressed in a number of previous reports, circulated by the Secretary-General to the Security Council, covering the period from the adoption of resolution 687 (1991) in April 1991 up to early December 1991. Two reports by the Executive Chairman of the Special Commission were circulated in documents S/23165 of 25 October 1991 and S/23268 of 4 December 1991. These reports cover all aspects encompassed by section C of resolution 687 (1991) and the subsequent related resolutions. At the request of the Director-General of IAEA, the Secretary-General issued, as documents of the Council, inspection reports prepared by eight of the nuclear inspection teams in Iraq led by the Agency (S/22788, S/22837, S/22986 and Corr.1, S/23112, S/23122, S/23215 and S/23283). A report from the ninth nuclear inspection team, which left Iraq on 14 January 1992, will be forthcoming in the near future. A further report by the Director-General, covering the Agency's operations under the relevant Council resolutions for the period April to December 1991, was circulated on 17 December 1991 in document S/23295.

3. Part A of the present chapter, based upon information provided by the Special Commission, updates the reports of the Executive Chairman listed above, in so far as they relate to paragraphs 8, 9 and 10 of resolution 687 (1991) and related provisions in resolutions 707 (1991) and 715 (1991). Part B is based upon information provided by the Director-General of IAEA, and is concerned with paragraphs 12 and 13 of resolution 687 (1991) and related provisions in resolutions 707 (1991) and 715 (1991).

Part A: Paragraphs 8, 9 and 10 of Security Council resolution
687 (1991) and related provisions in resolutions 707 (1991)
and 715 (1991)

Chemical and biological weapons

4. Under paragraphs 8 and 9 of section C of resolution 687 (1991), Iraq is, inter alia, required to accept unconditionally the destruction, removal or rendering harmless, under international supervision, of all chemical and biological weapons and all stocks of agents and all related subsystems and components and all research, development, support and manufacturing facilities. It is further required to submit to the Secretary-General a declaration of the locations, amounts and types of the foregoing items and to permit urgent, ongoing inspection thereof by the Special Commission, both at sites declared by Iraq and at any additional locations designated by the Special Commission. Iraq is also required to yield possession of all the foregoing items, both at declared and designated sites to the Special Commission for destruction, removal or rendering harmless, taking into account requirements of public safety.

5. Iraq made declarations under the foregoing provisions of 23 locations. Twenty-three other sites were designated by the Special Commission. Inspections have been carried out by the Special Commission at 43 of these locations. Three sites declared by Iraq, but assessed by the Special Commission to be of low priority, will be visited shortly on future inspections.

6. Although the Iraqi authorities have been cooperative in efforts to destroy their declared chemical stockpile, they have as yet failed to disclose fully all the information required under resolution 687 (1991) on their chemical weapons programmes despite repeated requests from the Special Commission. Specifically, Iraq has not answered requests to identify the development, support and manufacturing components of those programmes. Such components clearly exist in view of the types of weapons which have been identified.

7. Ten types of weapons have been found in the Iraqi chemical weapons arsenal which, Iraq maintains, were manufactured locally or modified in Iraq for chemical weapons fill. The equipment so far found appears to have been involved in the manufacture of only two of these types, 250 and 500 gauge aerial bombs. Iraq has so far not accounted for the location of equipment for the fabrication of the remaining eight declared types of chemical weapons.

8. Furthermore, there is evidence that Iraq continues to attempt to retain machinery directly involved in the manufacture of chemical weapons by moving it away from its original location at the principal Iraqi chemical weapons facility, the Muthanna State Establishment. An example of this was encountered in December 1991 by the most recent chemical weapons team to visit Iraq (UNSCOM 21). Iraq had been directed by the Special Commission to return to Muthanna all the chemical bomb casing manufacturing equipment which had been removed from that site after the adoption of resolution 687 (1991), and Iraq claimed to have complied with this directive. However, during a short-notice inspection of a sugar factory in Mosul, Special Commission inspectors found almost 100 items of metal-working machinery originating from Muthanna. After attempting to argue that these items were of a general purpose nature for civil use, the Iraqi officials concerned admitted that the items had come from the chemical bomb casing and supporting general maintenance workshops at Muthanna. Iraq was again directed to return the equipment to Muthanna for disposal.

9. Iraq initially denied possession of biological weapons and related items. However, during the Special Commission's first biological weapons inspection of the site at Salman Pak, Iraqi officials admitted to having carried out a programme of biological research for both defensive and offensive purposes. Iraq has not to date disclosed a plan for a development and production component of its activities in this area. The Special Commission considers that such a plan is a logical part of the Iraqi programme and will continue to press for its disclosure.

10. In the absence of a full, complete and final disclosure by Iraq of its chemical and biological weapons programmes, the Special Commission will need to continue first phase inspections and to designate further suspected sites in order to uncover the full scope of those programmes before the Commission is able to conclude that in this area Iraq is meeting its obligations under paragraphs 8 and 9 of resolution 687 (1991).

Ballistic missiles and long-range guns

11. Under paragraphs 8 and 9 of section C of resolution 687 (1991), Iraq is, inter alia, required to accept unconditionally the destruction, removal or rendering harmless, under international supervision, of all ballistic missiles with a range greater than 150 kilometres and related major parts, and repair and production facilities. It is further required to submit to the Secretary-General a declaration of the locations, amounts and types of the foregoing items and to permit urgent, ongoing inspection thereof by the Special Commission, both at sites declared by Iraq and any additional locations designated by the Special Commission. Iraq is also required to destroy, under the supervision of the Special Commission, all its missile capabilities, including launchers, as specified in paragraph 8 of the resolution.

12. Iraq has declared under the foregoing provisions some 24 locations. An additional 47 locations were designated by the Special Commission. All these locations have been inspected.

13. Since the second report of the Executive Chairman of the Special Commission was submitted to the Security Council on 4 December 1991 (S/23268), a Special Commission ballistic missile inspection team, in inspecting components of the 1,000 mm "supergun", found that 22 barrel sections and some hydraulic buffers had not been adequately destroyed according to the specifications laid down by the previous inspection team. Iraqi personnel were requested to destroy the components as directed, which was done and subsequently verified. At another site the team found that two SCUD missile trailers that had been previously destroyed had been welded together and outfitted to carry shorter-range FROG-7 missiles. The team requested their complete destruction, together with six unaltered transporters and accepted an Iraqi proposal that they be blown up with explosives. The destruction of these eight trailers was verified by the team. Finally, with the destruction since the second report of the remaining fixed SCUD launchers, all declared missiles and their launchers and major parts have now been destroyed.

14. While the Special Commission is fully satisfied that all of Iraq's declared ballistic missiles have been destroyed, there remains substantial uncertainty whether all missiles subject to resolution 687 (1991), primarily SCUD or SCUD variants, have been declared as required. The Special Commission is endeavouring, by means of an exchange of information with Member States and by various interactions with Iraq, to attempt to resolve these uncertainties. Further, the Special Commission continues to receive information that various significant components intended for indigenously produced SCUDs were contracted for and received by Iraq. The Special Commission, with the cooperation of Member States, is seeking to confirm this information and to resolve the outstanding issues with the Iraqi authorities.

Ongoing monitoring and verification

15. Under paragraph 10 of section C of resolution 687 (1991), Iraq is, inter alia, required to undertake unconditionally not to use, construct or acquire any of the items proscribed in paragraphs 8 and 9 of the resolution relating to ballistic missiles and chemical and biological weapons. The Secretary-General is requested, in consultation with the Special Commission, to develop a plan for ongoing monitoring and verification of Iraq's compliance with that undertaking. Similar provisions in respect of Iraq's nuclear activities are laid down in paragraphs 12 and 13 of section C of the resolution, the plan for ongoing monitoring and verification in this regard to be prepared by the Director-General of the International Atomic Energy Agency, with the assistance and cooperation of the Special Commission.

16. On 11 October 1991, the Security Council adopted resolution 715 (1991), which approved the plans for future ongoing monitoring and verification of Iraq's compliance with relevant parts of section C of Security Council resolution 687 (1991) (S/22871/Rev.1 and S/22872/Rev.1 and Corr.1) submitted

in accordance with resolution 687 (1991). Under paragraph 5 of resolution 715 (1991), Iraq is obliged to meet unconditionally all its obligations under the plans and to cooperate fully with the Special Commission and the Director-General of IAEA in carrying out the plans.

17. To ensure Iraq's full compliance, these plans - both in nuclear and non-nuclear areas - cover not only military but also those civilian facilities and items that could be used, or activities that could be involved, in contravention of the relevant Iraqi obligations. The plans provide for inspections, aerial overflights in Iraq and submission of information by Iraq so that the Special Commission, or in the nuclear area IAEA with the assistance and cooperation of the Commission, would be able to monitor and verify that no nuclear, chemical or biological weapons or ballistic missiles or other items prohibited under resolution 687 (1991) are acquired anew. The first step to be taken by Iraq under these plans was the submission, by 10 November 1991, of initial information on the specific dual-purpose activities, facilities and items outlined in the plans and their annexes.

18. Only in late November did the Special Commission receive from Iraq a document that was stated in the letter of transmission to be the information requested of Iraq in accordance with resolution 687 (1991). This document does not recognize that Iraq has any obligations under resolution 715 (1991) and the Special Commission's plan approved thereunder. Instead it arrogates to Iraq the right to decide what information it will provide to the Special Commission and, in this respect, does little more than repeat information already supplied. It thus falls well short of the information required under the Special Commission's plan adopted by resolution 715 (1991).

19. On 20 December 1991, the Chairman of the Special Commission sent a letter to the Permanent Representative of Iraq to the United Nations in which he stated that the present Iraqi attitude constituted a serious obstacle to the implementation of the monitoring and verification of Iraq's compliance with its obligations under resolution 687 (1991). He requested Iraq to rectify this situation immediately and fulfil its obligations under resolution 715 (1991) and the plan for ongoing monitoring and verification (S/22871/Rev.1). The Chairman requested Iraq to provide by 15 January 1992 all the information and data specified in that plan.

20. As of the time of the writing of this report no response has been received from Iraq to the Chairman's letter. Furthermore Iraq has not provided its first semi-annual declaration which was due from it on 15 January under the Special Commission's plan approved by the Security Council.

21. The Special Commission is sending a special mission to Iraq scheduled for 27 to 29 January 1992. The mission will be led by two members of the Special Commission and its objectives will be twofold: first, to underline the most serious concern with Iraq's failure to provide required information under Security Council resolution 715 (1991) and, second, to urge Iraq, in accordance with resolution 707 (1991), to disclose, fully and completely, information on its programmes in areas related to chemical and biological weapons and ballistic missiles with a range greater than 150 kilometres.

Iraq's reporting obligations under Security Council
resolution 707 (1991)

22. Under paragraph 3 (i) of Security Council resolution 707 (1991) Iraq is required to provide, without further delay, full, final and complete disclosure of all aspects of its programmes to develop weapons of mass destruction and ballistic missiles with a range greater than 150 kilometres, and of all holdings of such weapons, their components and production facilities and locations, as well as all other nuclear programmes, including any which it claims are for purposes not related to nuclear-weapons-usable material.

23. As will have been seen from the preceding sections, while Iraq has made a number of declarations relating to its weapons of mass destruction and the facilities for their production, these declarations have been far from complete. The Special Commission has found it necessary to make numerous designations of undeclared sites, and such designations are continuing in the absence of the full, final and complete disclosure called for by paragraph 3 (i) of resolution 707 (1991). Particularly in the nuclear field the Special Commission can have no confidence that Iraq has disclosed the full scope and nature of its programmes for fissile material production and of its research and development efforts in respect of nuclear weapons.

24. Since making its initial declarations, Iraq has consistently maintained that it has no further declarations to make except when confronted with evidence of the inadequacy of its prior declarations. At a meeting with the Minister of State for Foreign Affairs on 12 January 1992, in which the Deputy Executive Chairman of the Special Commission participated, the position was again taken by Iraq that it would not make any further declarations but would respond only to information, such as that reported above in part B of this chapter concerning its acquisition of large quantities of components for centrifuges for its gas centrifuge enrichment programme, when directly confronted with that information. This approach does not discharge Iraq's obligation to provide the full, final and complete disclosure called for in paragraph 3 (i) of resolution 707 (1991).

25. Under paragraph 3 (ix) of resolution 707 (1991), Iraq is required to respond fully, completely and promptly to any questions or requests from the Special Commission, IAEA and their inspection teams.

26. On a number of previous occasions, particularly as a result of inspection activities, specific questions on the relevant Iraqi capabilities have been put to the Iraqi authorities. Many of these questions remain unanswered, and thus Iraq is not meeting all its obligations to provide information to the Special Commission and IAEA at their request. Consequently, despite the inspection efforts undertaken by the Special Commission, some important lacunae remain which preclude full understanding of the Iraqi programmes concerned. There is therefore a need to seek from Iraq further information so that a more comprehensive understanding may be arrived at of the issues involved which would increase confidence in any assessments to be prepared for the Security Council.

Issues relating to the obligations of Iraq in connection
with the facilities, privileges and immunities of the
Special Commission and of IAEA

27. On 14 May 1991 an agreement between the United Nations and Iraq on the facilities, privileges and immunities of the Special Commission, contained in an exchange of notes between the Secretary-General and the Minister for Foreign Affairs of Iraq entered into force. This agreement spelled out the requirements for the Special Commission, IAEA and their inspection teams to discharge effectively the functions conferred on them in resolution 687 (1991). These requirements included unrestricted freedom of entry into and exit from Iraq for personnel, equipment and means of transport; unrestricted freedom of movement without advance notice in Iraq; unimpeded access to any declared or designated site; the right to request, receive and copy any record, data or other information; the right to take photographs from the ground or the air relevant to the Special Commission's activities; the right to operate the Special Commission's own means of transport, both on the ground and in the air and various other facilities, privileges and immunities, including ensuring the security and safety of inspectors and other personnel.

28. Difficulties encountered by the Special Commission and IAEA in the conduct of inspections, and the failure of Iraq on a number of occasions to abide by the terms of the agreement, have been reported in several documents submitted to the Security Council (see, for example, S/22739, S/22743, S/23165, para. 17 and appendix III, paras. 5 and 11, and S/23268, para. 3). These difficulties have included denial of access to certain sites; threats to the security of inspectors, on one occasion by means of rifle fire; detention of an inspection team in a parking lot for four days; destruction or movement for purposes of concealment of equipment and documentation from designated sites; forcible removal and refusal to return documentary evidence found by an inspection team and refusal for over three months to permit the Special Commission to introduce its own helicopters into Iraq for the transportation of inspection teams and for other official inspection activities.

29. Among the measures adopted by the Council in response to these violations are a number of provisions contained in paragraph 3 of resolution 707 (1991) confirming the facilities, privileges and immunities of the Special Commission and IAEA. These provisions demand, inter alia, that Iraq grant immediate, unconditional and unrestricted access to sites, facilities, equipment and records; cease attempts to conceal and to move or destroy any proscribed material or equipment without prior consent from the Special Commission; make immediately available items to which access was previously denied; and permit the operation of fixed-wing and helicopter flights in Special Commission or IAEA aircraft for all relevant purposes, including inspection, surveillance, aerial surveys, transportation and logistics. Resolution 707 (1991) further demands that Iraq ensure the complete implementation of the privileges, immunities and facilities of representatives of the Special Commission and IAEA and their complete safety and freedom of movement.

30. Since the second report of the Executive Chairman of the Special Commission was circulated to the Security Council on 4 December 1991, there have been no significant violations of the facilities, privileges and immunities of the Special Commission and of IAEA. Access has been granted to inspection teams at both declared and designated sites. There have been no threats to the security and safety of inspectors while engaged on official inspections, and the Special Commission has continued to operate its own fixed-wing and helicopter flights.

31. However, Iraq continues to protest, as a violation of its sovereignty, each aerial surveillance flight undertaken by the Special Commission despite the clearly established right of the Commission to undertake such flights. This right derives from resolution 687 (1991) and is expressly laid down in the agreement that entered into force on 14 May 1991 and in paragraph 3 of resolution 707 (1991). Moreover, the issue referred to in the Executive Chairman's report of 4 December 1991 regarding the possible application of control measures at Habbaniya airport which would interfere with the Commission's rights to unimpeded entry into and exit from Iraq of equipment, materials and other items has not been resolved definitively. Furthermore, Iraq has so far failed to deliver to IAEA documentation which was forcibly removed from a nuclear inspection team during the period of its detention in a parking lot in September 1991.

32. Resolution 707 (1991) also requires Iraq to provide or facilitate the provision of transportation, medical or logistical support requested by the Special Commission and IAEA. Iraq has responded readily to such requests.

33. The obligations of Iraq in respect of the facilities, privileges and immunities of the Special Commission and of IAEA are of a continuing nature. Those obligations are repeated and reinforced in the plans for ongoing monitoring and verification which were approved by the Security Council in its resolution 715 (1991), and their implementation in this context remains to be tested. Past experience has shown that the Special Commission and IAEA have to be vigilant and to take a strong stand in defence of the facilities, privileges and immunities to which they are entitled and this will continue to be the policy.

Summary

34. In the almost 19 months that have elapsed since the adoption of Security Council resolution 687 (1991), significant progress has been made in the implementation of section C of that resolution but much remains to be done.

35. In the first report of the Executive Chairman of the Special Commission (S/23165, para. 6) it was pointed out that this implementation involved a three-stage process - inspection and survey, disposal of weapons of mass destruction and the facilities for their production, and ongoing monitoring and verification of Iraq's compliance with its obligations under section C of resolution 687 (1991).

36. The inspection and survey phase has not yet been completed. It would have been completed by this time if Iraq had met in a comprehensive manner its obligations on reporting and had made the full, final and complete disclosure of all aspects of its programmes to develop weapons of mass destruction which is called for by resolution 707 (1991). Furthermore, the Special Commission has no confidence that such full, final and complete disclosure will be forthcoming in the immediate future as the Iraqi authorities have indicated very recently that they will respond only to specific items of evidence of undisclosed weapons, facilities and materials.

37. The disposal phase is being implemented with significant progress in the area of ballistic missiles where Iraq has, under Special Commission supervision, destroyed its declared missiles and launchers. Planning in relation to the destruction of chemical weapons is now in an advanced stage, with the active cooperation of Iraq under Special Commission supervision. In the nuclear area the fresh uranium fuel has been removed from Iraq, and arrangements are under negotiation for the removal of irradiated fuel and the long-term storage of nuclear wastes. Destruction, removal or rendering harmless of the facilities, materials and equipment involved in proscribed activities is now a matter of increasing urgency where difficult questions will arise in regard to dual or multi-purpose items. This process may thus be protracted.

38. In respect of the third phase relating to ongoing monitoring and verification, while the Special Commission's and IAEA's plans have been approved by the Security Council in resolution 715 (1991), the Iraqi authorities have not made a clear acknowledgement of their obligations under these plans and resolution 715 (1991). Instead, they have adopted an approach which arrogates to themselves the determination of what they consider to be required of them under paragraphs 10, 12 and 13 of resolution 687 (1991). In the view of the Special Commission, Iraq is thus not in compliance with its obligations under resolution 715 (1991) and for this reason the Special Commission is dispatching a special mission to Iraq at the end of January to discuss the Commission's serious concern in this regard with the Iraqi Government. In the previous reports by the Executive Chairman of the Special Commission to the Security Council stress has been placed on the need for a change of policy on the part of Iraq to one of candour, transparency and cooperation at all levels. The experience of the Special Commission in the last two months has confirmed this need.

Part B: Paragraphs 12 and 13 of Security Council resolution
687 (1991) and related provisions in resolution 707 (1991)
and 715 (1991)

(See sect. C of the present annex)

C. ATTACHMENT TO THE LETTER DATED 20 JANUARY 1992 FROM
THE DIRECTOR-GENERAL OF THE INTERNATIONAL ATOMIC
ENERGY AGENCY

Report of the Director General on Iraq's compliance with its
obligations under Security Council resolutions as they
relate to nuclear activities

I. Introduction

1. This report summarizes the compliance to date by Iraq with its obligations under Security Council resolutions 687 (1991), 707 (1991) and 715 (1991) as they relate to nuclear activities.

II. Iraq's obligations related to nuclear activities

2. Pursuant to paragraph 12 of Security Council resolution 687 (1991), Iraq is obliged not to acquire or develop nuclear weapons or nuclear-weapons-usable material or any related sub-systems, components or facilities, including research, development, support or manufacturing facilities. Iraq was required to submit by 18 April 1991 a declaration of the locations, amounts and types of all such items. Iraq is under a continuing obligation to accept urgent on-site inspections and to place all of its nuclear-weapons-usable material under the exclusive control of the International Atomic Energy Agency (IAEA) for custody and removal. Iraq is further obliged to accept the destruction, removal or rendering harmless, as appropriate, of all proscribed items and to accept the Agency's plan for the future ongoing monitoring and verification of its compliance with these undertakings.

3. Pursuant to its obligations under resolution 687 (1991), and in accordance with the 14 May 1991 exchange of letters between the Secretary-General and the Foreign Minister of Iraq, Iraq is obliged, inter alia, to extend to IAEA and personnel assigned to carry out inspections and other activities under resolution 687 (1991), the privileges and immunities necessary for the fulfilment of such functions, in particular, but not limited to those privileges and immunities identified in the exchange of letters. These included unrestricted freedom of entry, exit and movement without advance notice, unimpeded access to any site or facility for on-site inspection and the right to request, receive, examine and copy records and examine, return, move or photograph any relevant items.

4. Affirming Iraq's failure to act in strict conformity with its obligations under resolution 687 (1991), the Security Council on 15 August adopted resolution 707 (1991), which imposed additional obligations on Iraq. These include the requirement that Iraq make a declaration of all of its nuclear programmes, including any which it claims are for purposes not related to nuclear-weapons-usable material, and to halt all nuclear activities of any kind, except for the use of isotopes for medical, agricultural or industrial purposes. Iraq was specifically directed to cease immediately any attempt to

conceal, and on its own initiative to move or destroy, any material or equipment relating to its nuclear programme. Resolution 707 (1991) reiterated Iraq's obligation to provide immediate, unconditional and unrestricted access to all items and locations the inspection teams wished to inspect, and to ensure the complete implementation of privileges and immunities of the representatives of IAEA and of the Special Commission. Resolution 707 (1991) further requires Iraq to comply fully with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons and its safeguards agreement with IAEA.

5. Pursuant to resolution 715 (1991), adopted on 11 October, by which the Security Council approved the Director General's plan for future ongoing monitoring and compliance with paragraph 12 of resolution 687 (1991) and paragraphs 3 and 5 of resolution 707 (1991), Iraq is required to meet unconditionally all of its obligations under the plan and to cooperate fully with the Director General in carrying out the plan. The plan itself calls for the submission by Iraq within 30 days of approval of the plan inventories of all nuclear material in Iraq; of all facilities, installations and sites in Iraq where nuclear activities have been, can be or are carried out; of material, equipment and items in Iraq required to be reported to the Agency; of all isotopes in Iraq used for medical, agricultural or industrial applications, of information on existing or proposed nuclear programmes; and of all facilities, installations and sites in Iraq which have electricity supplies greater than 10 mwe.

III. Compliance

A. Declaration of a nuclear-weapons programme

6. Iraq consistently denied the existence of any work related to nuclear-weapons development until 14 October, when, in the course of the seventh inspection it was acknowledged that research studies in weaponization had been under way. Inspection activities revealed that Iraq had gone to great lengths to conceal or destroy any evidence of such a programme, a fact later confirmed by Iraqi authorities. The inspection team had a strong component of nuclear-weapons experts who had become convinced as a result of a number of repeated visits that the Al Altheer site was involved in investigations related to nuclear-weapons design. Iraq maintained that this was a materials production development centre until, finally, on 21 October, it admitted that Al Altheer was also built to serve the weaponization programme.

B. Declaration of nuclear-weapons-usable material

7. In accordance with resolution 687 (1991), Iraq was to have submitted by 18 April a declaration of the locations, amounts and types of all nuclear-weapons-usable material. On 18 April 1991, Iraq submitted to IAEA a letter stating that there was no nuclear-weapons-usable material in Iraq. Based on information concerning material under Agency safeguards, which

included nuclear-weapons-usable material, clarification was requested by IAEA. A revised declaration was received by IAEA on 27 April reflecting only the safeguarded material.

8. Following the visit to Iraq in June of a high-level mission sent under the authority of the Security Council on account of the repeated failure of Iraq to fully reveal its nuclear programme and its denial of access to inspectors (see paras. 12-14 below), a new declaration giving details on different aspects of the Iraqi nuclear programme and a variety of nuclear material was submitted on 7 July. In response to follow-up questions, clarifications were provided on 14 July and on 27 July indicating, *inter alia*, the existence of additional nuclear material.

9. The July declaration and clarifications showed that Iraq had further processed material to chemical forms suitable for enrichment and for production of plutonium, material which Iraq was required to have declared to the Agency in accordance with the Safeguards Agreement between Iraq and IAEA and by resolution 687 (1991). Also revealed for the first time in the July communications was the existence of gram quantities of plutonium which had been clandestinely separated from irradiated fuel at the Tuwaltha nuclear centre. Associated with this was the clandestine production, irradiation and reprocessing of fuel assemblies fabricated from the previously undeclared uranium stocks.

C. Declaration of facilities

10. Prior to the first inspection, the only known nuclear facilities in Iraq were those in the Tuwaltha nuclear centre, where nuclear material was being safeguarded. No other facilities were declared in the initial Iraqi statements. As a result of the second inspection, the Tarmiya industrial centre was revealed as the site for the electromagnetic isotope separation process (EMIS), a facility capable of producing nuclear-weapons-usable material. This was a large site still in the installation stage, but with some production units having started operation and produced enriched uranium. It was declared to the first team as a plant for manufacturing transformers, an implausible claim. When its true nature was established, later inspections showed that extensive deception had taken place, including laying fresh concrete to hide evidence of the machinery that had been installed and to the painting of walls to impede the verification of the presence of uranium. Iraqi authorities also admitted that a facility at Ash Sharqat, which had initially been declared to be a non-nuclear plastic coating plant, was in reality, tended to be a duplicate of the plant at Tarmiya.

11. The Mosul chemical plant that produced the uranium oxide and tetrachloride material used as feed material in the enrichment programme was only declared on 7 July. Extensive subterfuge and deception had taken place to hide its true nature from inspectors.

D. Declaration of equipment

12. Most of the equipment for the EMIS process had been buried prior to the first inspection. It was then excavated and moved between various sites by convoy to hide it from detection. The second inspection team located the equipment, but was refused access a number of times to the military camps to which it had been moved. Photographs were eventually obtained as the convoy attempted to escape by a back entrance as inspectors were denied access at the front. In this incident warning shots were fired by Iraqi security personnel.

13. When this irrefutable evidence was obtained, and following the high-level mission, on 7 July the Iraqi authorities gave a detailed account of the EMIS programme, but denied any major progress in a centrifuge enrichment programme. As evidence accumulated, admissions were made of a small number of centrifuges and components as the first stages of a research and development programme, then of the intention to build a small (100 machine) cascade. A facility was located which was judged by the experts on the inspection team to be capable of producing a few thousand machines a year. Iraq denied such intentions.

14. Lately more openness has been shown by the Iraqi authorities in discussions held on this programme where some important inconsistencies remaining from previous inspections were resolved and important admissions were made as to the progress, objectives, and dimensions of the programme. These discussions took place in January 1992 when an inspection team visited Iraq to discuss evidence of the importation of key components sufficient for a few thousand centrifuges. This information was discussed at the Iraqi Ministry of State level in the presence of technical experts from both sides. As a result of this discussion, the Iraqi authorities acknowledged the procurement of these materials and components and explained that all these supplies had been destroyed or "rendered harmless" by melting and crushing prior to the beginning of nuclear inspections in Iraq under resolution 687 (1991). Iraqi authorities further acknowledged the procurement of 100 tons of the special high tensile strength steel (maraging steel) sufficient to produce a few thousand centrifuge rotors and rotor internal fittings and the procurement of several thousand aluminium forgings for the vacuum housing flanges. The Iraqi authorities stated that these materials had also been destroyed or rendered harmless by melting prior to the commencement of inspections.

E. Access and inspection rights

15. In addition to the denial of access and inspection rights referred to under paragraphs 12 to 14 above, a serious incident also occurred during the sixth inspection, when the inspection team attempted to remove documents relating to the nuclear programme from two sites at Baghdad. A confrontation took place resulting in the team being confined within a parking lot for four days. Some documents were forcibly removed from the team's vehicles. Most of the documents seized were returned, but some were not. Iraq claimed that these related to sensitive personnel matters such as salaries and health and were not relevant to the inspection work. Among the documents that were

finally obtained by the team were two reporting progress on the Iraqi nuclear-weapon programme, making it clear that a large well-funded research programme had been under way to develop an implosion-type nuclear explosive.

F. Removal and rendering harmless

16. According to a number of statements made by Iraq, actions were taken prior to the beginning of inspections under resolution 687 (1991) to dismantle and/or destroy components, equipment and material related to the clandestine nuclear programmes. Components of the EMIS process together with centrifuges and related components have been destroyed by the Agency with the assistance of Iraqi personnel. The hot cells and glove boxes at the Tuwaltha nuclear centre have been rendered harmless by cutting the manipulator arms and pouring in cements or epoxy resin. The Iraqi authorities cooperated in the carrying out of this work.

17. Iraq has cooperated in the removal of the unirradiated high-enriched fuel for the IRT-5000 reactor. This was flown from Iraq on 15 and 17 November. The security and transport arrangements were undertaken by Iraq. Two streak video cameras and related equipment, equipment suitable for nuclear-weapons development, were removed from Iraq.

IV. Summary

18. The response of Iraq to the inspection work of IAEA has largely followed a pattern of denial of clandestine activities until the evidence is overwhelming, followed by cooperation until the next case of concealment is revealed. As a consequence of this behaviour, it is not possible to be confident that the full extent of prohibited nuclear activities in Iraq has been disclosed. Continuation of the inspection activities, in parallel with the monitoring programme, is deemed necessary.

D. LETTER DATED 16 JANUARY 1992 FROM THE PRESIDENT OF
THE INTERNATIONAL COMMITTEE OF THE RED CROSS

1. In his letter dated 8 January 1992, the Under-Secretary-General for Political and Security Council Affairs draws our attention to paragraphs 30 and 31 of United Nations Security Council resolution 687 (1991) and asks ICRC to inform your office accordingly, with a view to the preparation of your report in this connection to the Security Council.

2. In response to the Under-Secretary-General's request I have the honour to send you herewith an updated report covering activities related to the search for and repatriation of missing persons believed to be in Iraq. Earlier information on the subject was conveyed to your predecessor by ICRC in September 1991.

3. To summarize efforts to date, since the end of the war ICRC has invited representatives of Iraq, France, Kuwait, Saudi Arabia, the United Kingdom and the United States to six meetings, where pending issues related to the implementation of the Geneva Conventions of 1949 have been discussed, such as the repatriation of prisoners of war, civilian detainees and persons missing in action, and the return of mortal remains. Over the last 10 months ICRC has supervised the repatriation of thousands of military personnel and civilians captured or arrested by either side during the conflict.

4. Despite all these efforts, both during negotiations and in the field, there are still thousands of persons reported missing by the parties to the conflict.

5. In none the less remain confident that by pursuing our efforts as a neutral intermediary and implementing the provisions of the Geneva Conventions, methods and operational procedures will be found to achieve tangible results in the search for and repatriation of persons reported missing after the conflict.

Attachment

Report on activities related to the search for missing
persons in Iraq and their repatriation

1. To date, the International Committee of the Red Cross (ICRC) has supervised the repatriation from Iraq of 4,299 prisoners of war, i.e. 4,233 Kuwaiti, 29 Saudi, 23 American, 12 British and 2 Italian nationals, including 2 Kuwaiti prisoners of war who were repatriated during the last three months.

2. It has furthermore supervised the return from Iraq of 1,436 civilians: 1,291 to Kuwait, 128 to Saudi Arabia, 11 to Egypt, 1 to the Syrian Arab Republic, 1 to the Philippines, 1 to Austria and 3 to the United States. These figures include the 112 civilians who have been returned over the last three months in eight separate operations to Kuwait (81), Saudi Arabia (26) or

other countries (5). However, the 1,174 civilian internees who returned on 7 March 1991 to Kuwait via Safwan are not included in these statistics, since that repatriation did not take place under the auspices of ICRC.

3. Thus, a total of 6,909 persons (prisoners of war and civilians) have returned from Iraq to their home countries since the beginning of March 1991.

4. In the period from 13 March to 7 July 1991, three separate operations were carried out under ICRC supervision to repatriate the mortal remains of 8 British nationals, 7 Americans and 1 Kuwaiti.

5. In Iraq, ICRC has furthermore registered about 3,700 persons whose nationality could not be established with certainty. These persons claimed that they had been living in Kuwait and expressed their wish to return to their former place of residence. They are living in different locations and are free to move around within Iraqi territory. The large majority of them reported spontaneously to the ICRC office at Baghdad, where ICRC delegates recorded their personal data for transmission to the Kuwaiti authorities who, in turn, determine the applicants' eligibility for repatriation.

6. The Kuwaiti authorities have submitted a list of missing persons, the latest update of which contains 2,101 names (12 October 1991). The Kuwaiti authorities have repeatedly stressed that the names on that list are not identical with those mentioned under paragraph 5 above. They have also told ICRC that information from returning Kuwaiti prisoners has induced them to believe that many Kuwaiti nationals are still being held in Iraq.

7. The Saudi authorities have reported 17 Saudi nationals as missing in Iraq. Through ICRC, the Saudi military authorities have sent the Iraqi Government detailed testimonies by former Saudi prisoners, according to whom some of the missing Saudi nationals, including Colonel Nadira, a military pilot, had been seen in Iraqi captivity.

8. Pursuant to a decision taken by Iraq and the Coalition Forces, pending issues related to the implementation of the Geneva Conventions of 1949, such as the repatriation of prisoners of war, civilian detainees and persons missing in action and the return of mortal remains, are being dealt with by a special Commission made up of representatives of Iraq, France, Kuwait, Saudi Arabia, the United Kingdom and the United States. The Commission meets periodically under the auspices of ICRC.

9. At its last meeting, held at Geneva on 16 and 17 October 1991, the Commission discussed methods and operational procedures for achieving, in the shortest possible time, tangible results in the search for and repatriation of persons reported missing by both Saudi Arabia and Kuwait. Three different but complementary approaches were then considered and submitted as proposals to the Government of Iraq:

(a) Publishing of Saudi and Kuwaiti lists of missing persons in the Iraqi media;

(b) ICRC visits to places of detention in Iraq, in accordance with ICRC standard procedures, in order to assist the Iraqi authorities in the tracing of protected persons;

(c) Constitution of individual inquiry files by the Iraqi authorities in order to meet the request of the parties concerned for well-documented replies.

10. The Permanent Mission of Iraq to the United Nations at Geneva thereupon informed ICRC, in a diplomatic note dated 11 November 1991, of Iraq's position as regards the proposals mentioned under paragraph 9 above. It can be summarized as follows:

(a) The competent Iraqi authorities agreed to publish the names of the missing Kuwaiti and Saudi nationals in a newspaper in Iraq;

(b) Iraq is willing to provide ICRC with a list of prisons and places of detention in order to facilitate ICRC visits to these places. The visits will be restricted to one per site;

(c) The sole objective of these visits is to search for missing Saudi and Kuwaiti nationals;

(d) Iraq requests that the principle of reciprocity be applied, namely that the above-mentioned procedures in the search for missing persons be applied also in Kuwait and Saudi Arabia.

11. The representatives of the Coalition Forces responded officially to ICRC and Iraq on 21 November 1991 by expressing dissatisfaction with regard to three points in the Iraqi statement. First, they considered that publication in only one Iraqi newspaper was insufficient. Secondly, they objected to ICRC visits being limited to one per site. Thirdly, they objected to reciprocity being the basis for further action.

12. Five weeks after the October meeting, when no tangible results had been achieved in the search for and repatriation of missing Kuwaiti and Saudi military personnel and civilians, ICRC Delegate General for the Middle East and North Africa travelled to Baghdad for discussions with the Minister of Defence, Mr. Ali Hassan Al-Majid, the Minister of State for Foreign Affairs, Mr. Mohammad Sayed Al-Sahaf, and the Head of the Legal Department at the Ministry of Foreign Affairs, Dr. Akram Al-Witry. The discussions were inconclusive.

13. In a diplomatic note dated 17 December 1991, the Ministry of Foreign Affairs informed ICRC of its latest position. In addition to reiterating its previous position, outlined under paragraph 10 above, Iraq invited ICRC to prepare a plan containing methods and procedures for the tracing of missing Kuwaiti, Saudi, Iraqi or other nationals in accordance with the Geneva Conventions.

/...

14. ICRC has not yet received any information as to the whereabouts of the persons reported missing in Iraq. Nor has it received detailed and documented information on the search conducted by the Iraqi authorities. Finally, it is also still awaiting information on persons who have died while in custody.

15. ICRC regrets that no substantive agreement could be reached between the Parties and that it has consequently not been possible hitherto to implement any of the proposals set out in Point 9 above.

16. This report is a specific response to the letter of the Under-Secretary-General for Political and Security Council Affairs, dated 8 January 1992, and is therefore confined to activities related to the search for and repatriation of persons protected by the Geneva Conventions in Iraq. Activities based on the Geneva Conventions and related to the search for and the repatriation of Iraqi prisoners of war and civilians in the Kingdom of Saudi Arabia and the State of Kuwait are consequently not covered by this report.

E. INFORMATION RECEIVED WITH REGARD TO IRAQ'S COMPLIANCE WITH
THE PROVISIONS OF PARAGRAPH 16 OF RESOLUTION 687 (1991)

The text reproduced below includes a contribution received from the Secretariat of the Governing Council of the United Nations Compensation Commission.

1. In resolution 674 (1990) of 29 October 1990, the Security Council reminded Iraq "that under international law it is liable for any loss, damage or injury arising in regard to Kuwait and third States, and their nationals and corporations, as a result of the invasion and illegal occupation of Kuwait by Iraq". The liability of Iraq under international law was reaffirmed in paragraph 2 (b) of resolution 686 (1991), in which the Security Council demanded that Iraq, *inter alia*, "accept in principle its liability under international law for any loss, damage, or injury arising in regard to Kuwait and third States, and their nationals and corporations, as a result of the invasion and illegal occupation of Kuwait by Iraq". Paragraph 16 of resolution 687 (1991) again reaffirmed and further specified "... that Iraq ... is liable under international law for any direct loss, damage, including environmental damage and the depletion of natural resources, or injury to foreign Governments, nationals and corporations, as a result of Iraq's unlawful invasion and occupation of Kuwait".
2. In order to implement Iraq's obligation to compensate losses, damages and injuries arising out of Iraq's unlawful invasion and occupation of Kuwait, the Security Council decided in paragraph 18 of resolution 687 (1991) to create a Fund and to establish a Commission to administer the Fund. In paragraph 19 of the same resolution the Council provided, *inter alia*, that Iraq's contribution to the Fund would be based on a percentage of the value of the exports of petroleum and petroleum products from Iraq not to exceed a figure to be suggested to the Council by the Secretary-General.
3. Iraq communicated its acceptance of the provisions of resolution 687 (1991) with identical letters dated 6 April 1991 addressed to the Secretary-General and the President of the Security Council (S/22456). Iraq's unconditional acceptance also covered paragraphs 16 and 19 of the resolution, and in particular commits Iraq to accepting the decisions taken pursuant to paragraph 19 concerning the percentage of its exports of petroleum and petroleum products to be paid to the Fund. In paragraph 2 of resolution 705 (1991) the Security Council decided that in accordance with the suggestion made by the Secretary-General in paragraph 7 of his note of 30 May 1991 (S/22661), compensation to be paid by Iraq (as arising from section E of resolution 687 (1991)) should not exceed 30 per cent of the annual value of the exports of petroleum and petroleum products from Iraq.
4. The Compensation Fund and Compensation Commission referred to in paragraph 18 of resolutions 687 (1991) were established by resolution 692 (1991) in accordance with part I of the report of the Secretary-General of 2 May 1991 (S/22559). Paragraph 5 of the resolution directed the Governing Council of the Commission to implement the relevant provisions of resolution

687 (1991), and paragraph 8 requested all States and international organizations to cooperate with the decisions of the Governing Council taken pursuant to paragraph 5. The Governing Council of the Compensation Commission has held three sessions to date and has adopted decisions, *inter alia*, on the expedited processing of claims by individuals, arrangements for ensuring payments to the Compensation Fund, and criteria for processing additional categories of claims. These decisions are not addressed directly to Iraq and do not impose new obligations upon it; they are rather intended to provide guidance to States and Commissioners. The decision concerning arrangements for ensuring payments to the Compensation Fund will only become binding upon Iraq after its approval by the Security Council pursuant to paragraph 7 of resolution 692 (1991). The delegation of Iraq has addressed the Governing Council on several occasions and has expressed Iraq's willingness to fully cooperate with its decisions. The comments and observations contained in those statements do not seem to qualify or contradict Iraq's pledge to cooperate with the Governing Council.

5. Iraq's compliance with its obligation under paragraph 16 of resolution 687 (1991) is dependent upon the resumption of its exports of petroleum and petroleum products. This has not yet taken place because the economic sanctions imposed by resolution 661 (1990) are still in force. In view of the persistence of the economic sanctions, albeit in the attenuated form provided for by paragraph 20 of resolution 687 (1991), and in view of the serious nutritional and health situation of the Iraqi civilian population, the Security Council deemed it appropriate to partially lift the prohibitions against the import of commodities and products originating in Iraq and against financial transactions related thereto, in order to generate financial resources to meet such humanitarian requirements. This was achieved with resolution 706 (1991), which authorized all States to permit the import, during a period of six months, of petroleum and petroleum products originating in Iraq sufficient to produce a sum to be determined by the Council following receipt of a report of the Secretary-General, but not to exceed US\$ 1.6 billion. Resolution 712 (1991) approved the recommendations contained in paragraph 57 (d) and 58 of the report of the Secretary-General of 4 September 1991 (S/23006) on the implementation of resolution 706 (1991), and confirmed the figure of \$1.6 billion. The sum so produced would be destined to finance the purchase of the items referred to in paragraph 20 of resolution 687 (1991) as well as various activities undertaken by the United Nations in implementation of resolution 687 (1991), including appropriate payments to the United Nations Compensation Commission. Iraq has not yet agreed to sell petroleum and petroleum products under this regime. Iraq has objected to resolutions 706 (1991) and 712 (1991), stating that it had satisfied all conditions specified in paragraph 22 of resolution 687 (1991) and therefore sanctions should no longer be applied against Iraq.

(i) EXTRACT FROM LETTER DATED 16 JANUARY 1992 FROM THE
MANAGING DIRECTOR OF THE INTERNATIONAL MONETARY
FUND

With reference to paragraph 17 of resolution 687 (1991), Iraq is currently in arrears to IMF in the special drawing rights (SDR) department. As of 31 December 1991 the overdue obligations amounted to SDR 7.3 million. The Iraqi authorities have indicated to the Fund that although willing to meet their financial obligations to the Fund, their attempts to do so have failed because of the international sanctions in place. With reference to paragraph 7 of resolution 706 (1991), the Fund has not received since the adoption of the resolution any information from the Iraqi authorities concerning their holdings of gold and other foreign currency reserves.

(ii) LETTER FROM THE CHAIRMAN OF THE PARIS CLUB
OF CREDITOR COUNTRIES

.... In order to complete the United Nations information on Iraq's debt, please find enclosed some data that some creditor countries from the Paris Club asked me to convey to you.

The Paris Club Secretariat remains at the disposal of your services for any complementary information they would need.

Iraq's debt summary

Some of the creditor countries asked me to convey to you these figures
(outstanding amounts as of 1 April 1991):

(In millions of United States dollars)

Japan	3 482
France	2 327
Germany	1 914
Italy	1 433
United Kingdom	1 194
Austria	926
Australia	499
Spain	366
Canada	296
Belgium	276
Sweden	226
Finland	171
Netherlands	132
Switzerland	119
Ireland	41
Denmark	18

G. INFORMATION RECEIVED FROM THE SECURITY COUNCIL COMMITTEE
ESTABLISHED BY RESOLUTION 661 (1990) CONCERNING THE
SITUATION BETWEEN IRAQ AND KUWAIT

In connection with the Secretary-General's forthcoming report on Iraq's compliance with all of the obligations placed upon it by resolution 687 (1991) and subsequent relevant resolutions, the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait has no information to offer with respect to paragraphs 10 and 12 of resolution 687 (1991) at this stage. With respect to paragraph 29 of the same resolution, attention is drawn to the letter dated 30 September 1991 from the Permanent Representative of Denmark to the United Nations addressed to the Chairman, and the Chairman's reply thereto dated 23 October 1991, copies of which are attached hereto.

Attachments

1. Letter dated 30 September 1991 from the Permanent Representative of Denmark to the United Nations addressed to the Chairman of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait

On instructions from my Government I have the honour to submit to the Committee the enclosed statement dated 24 September 1991 by the Danish shipping company A. P. Moller concerning a violation by Iraq of Security Council resolution 687 (1991), in particular its paragraph 29.

It appears from the statement that the company has been presented with a legal claim of approximately US\$ 4 million by the "Agricultural Supplies Company of Baghdad", an Iraqi Government subsidiary. The claim has been raised in connection with a contract the performance of which was affected by reason of the measures taken by the Security Council in resolution 661 (1990) and related resolutions. In the opinion of the Danish company the claim represents a violation of Security Council resolution 687 (1991).

I should be grateful if you would have this question considered by the Committee, and I should appreciate to receive any views which the Committee might have on the matter.

EnclosureStatement dated 24 September 1991 from A. P. Moller Company
addressed to the Ministry of Foreign Affairs, Denmark

Application to the European Community and to the Security Council of the United Nations for the violation by Iraq, inter alia, of resolution 687 (1991).

We refer to our meeting on 13 September 1991 and should like to submit the following matter to you.

1. On 9 July 1990, the vessel in question was time chartered to a company domiciled in Switzerland.

Pursuant to the time charterers' instructions and to the terms and conditions of the governing time charter party, the vessel loaded a cargo of 61,450 tons of corn in the port of Westwego, Louisiana. The loading was completed on 20 July 1990.

The bills of lading and the further shipping documents all provided for the discharge to be carried out in the port of Aqaba, Jordan, but expressly stated that the cargo was "in transit to Iraq" and was to be delivered to an Iraqi company. The time charterers consequently gave order for the vessel to proceed to Aqaba.

2. At the time when the Iraq/Kuwait war had started and the Embargo Rules of the United Nations and the EEC came into force (including resolution 661 (1990)) in the month of August 1990, the vessel was en route to the port of discharge.

The owners of the vessel and the Ministries and lawyers consulted all concluded that it would be a severe violation of the governing international Embargo Rules now in force to deliver the cargo as set out in the shipping documents. Consequently, the owners asked the time charterers and the Iraqi cargo interests for new but legitimate discharging orders, but in vain. Instead, the time charterers cancelled the time charter party.

3. In compliance with the Embargo Rules and in order to mitigate damages, the owners of the vessel applied to the Italian courts and were granted a legal order to discharge and to store the cargo in various Italian ports. The bill of lading holders were invited to be represented, but omitted to attend to their interests.

The Italian courts subsequently arranged for a local sale of the cargo and the proceeds were deposited with the courts. In the meantime, the owners of the vessel had unfortunately suffered considerable consequential losses.

4. In connection with the subsequent cease-fire, the Government of Iraq agreed, inter alia, to respect and acknowledge the international Embargo Rules and on 3 April 1991, the United Nations Security Council passed resolution 687 (1991), in which paragraph 29 provides:

"that all States, including Iraq, shall take the necessary measures to ensure that no claim shall lie at the instance of the Government of Iraq, or of any person or body in Iraq, or of any person claiming through or for the benefit of any such person or body, in connection with any contract or other transaction where its performance was affected by reason of the measures taken by the Security Council in resolution 661 (1990) and related resolutions."

5. Nevertheless, the managers of the relevant vessel have received a writ apparently taken out by the alleged cargo owners, Agricultural Supplies Company of Baghdad, an Iraqi Government subsidiary. The plaintiffs seem to raise a claim of approximately US\$ 4 million equal to the alleged cargo value less the proceeds deposited in Italy. The action seems to be based on the Iraqi resolution No. 377 dated 16 September 1990, according to which it is said to be a violation of Iraqi law to comply with the international Embargo Rules. In the aforesaid writ, the defendant carriers are apparently called upon to appear before the courts of Baghdad on 5 October 1991.

6. The defendant carriers have, however, returned the Iraqi writ as being incorrectly served, and according to advice given also by the Danish Ministry of Foreign Affairs the defendants will have to refrain from appearing in the action before the Iraqi courts.

7. It is our opinion that the aforesaid Iraqi claim and proceedings constitute a clear violation of the terms and conditions of the cease-fire and of resolution 687 (1991).

We are aware of the fact that the European Commission has recently put forward a proposal for an EEC regulation to implement paragraph 29 of United Nations Security Council resolution 687 (1991) addressing especially the problems of bonds and contracts whose performance have been affected by the Embargo.

With due respect, we find the draft EEC resolution somewhat insufficient and unclear to protect all parties, who have duly complied with the Embargo Rules such as the owners of the vessel in this particular matter. These owners are especially concerned that a judgement by default may be granted by the Iraqi courts, which judgement may be enforced by the Government of Iraq or by the courts in a country which is friendly towards Iraq. This may be done by way of arresting, detaining or perhaps of confiscating the relevant vessel, a sister vessel or other assets which are owned or managed by the same carriers.

While such enforcement procedure, if any, is being carried out, considerable losses may be suffered. It may even be regarded as a violation of the governing international rules if in such case the owners or their underwriters decide to honour the Iraqi claims to mitigate losses.

8. In consideration thereof, we call upon the Danish Government, as well as EEC, to see to it that the forthcoming Council regulation be drafted so properly and clearly as to protect and indemnify the law-abiding companies and individuals who have been put in situations like this.

We also request EEC to bring up this matter in the United Nations Security Council, in which France is a permanent member. The matter is of considerable importance and urgency.

We shall, of course, be ready to provide any supplementary information on the matter in question which you may require and we look forward to hearing from you.

2. Letter dated 25 October 1991 from the Chairman of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait addressed to the Permanent Representative of Denmark to the United Nations

On behalf of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait, I have the honour to acknowledge receipt of your letter dated 30 September 1991 concerning a legal claim against a Danish company by the Agricultural Supplies Company of Baghdad.

In that connection, pursuant to a decision of the Committee taken after considering this matter at its 52nd meeting, held on 18 October 1991, I have the honour to draw your attention to paragraph 29 of resolution 687 (1991).

H. SITUATION CONCERNING THE FINANCING OF OPERATIONAL COSTS

1. Security Council resolution 699 (1991) of 17 June 1991 established the principle that "... the Government of Iraq shall be liable for the full cost of carrying out the tasks authorized by section C [of resolution 687 (1991)] ...".
2. On the other hand, Security Council resolution 706 (1991) of 15 August 1991 covered in a comprehensive manner the question of Iraq's financial obligations, both in the military/political and the humanitarian fields. The former included:
 - (a) Appropriate payment to the United Nations Compensation Fund;
 - (b) The full costs of carrying out the destruction of Iraq's weapons of mass destruction (sect. C of Security Council resolution 687 (1991));
 - (c) The full costs incurred by the United Nations in facilitating the return of all Kuwaiti properties;
 - (d) Half the costs of the Boundary Commission.
3. The Council also required the Government of Iraq to provide the Secretary-General with a monthly statement of the gold and foreign currency reserves it holds in Iraq or elsewhere (para. 7 of resolution 706 (1991)).
4. In its resolution 706 (1991), the Council decided that the cost of the specific activities undertaken by the United Nations as a consequence of resolution 687 (1991) should be financed from the proceeds of the authorized sales of Iraqi petroleum and petroleum products.
5. However, the Government of Iraq has yet to signify its willingness to comply with the provisions of Security Council resolutions 706 (1991) and 712 (1991).
6. The Iraqi Government has indicated that it is not prepared to resume the production and export of petroleum and petroleum products on the basis of the procedures outlined in above-mentioned resolutions.
7. Notwithstanding the foregoing, the Secretary-General has authorized the appropriate departments and offices of the Secretariat to initiate the implementation of the tasks set forth in Security Council resolutions 706 (1991) and 712 (1991). As of 31 December 1991, financial commitments for the implementation of these four tasks amounted to \$17.2 million. This amount was provided through a commitment authority of \$10 million by the Advisory Committee on Administrative and Budgetary Questions under the provisions of General Assembly resolution 44/203 of 2 December 1989 on unforeseen and extraordinary expenses, as well as by contributions from certain Member States in the amount of \$7.2 million.

8. These amounts, as well as all future amounts to be disbursed in connection with the implementation of the aforementioned Security Council resolutions, are to be reimbursed to the United Nations by Iraq from the proceeds of the authorized sales of Iraqi petroleum and petroleum products.

9. To this end, the Secretary-General has entered into discussions with the Iraqi authorities with a view to devising practical arrangements that would make it possible to achieve the objectives of Security Council resolutions 706 (1991) and 712 (1991). Two rounds of discussions have been held so far: in Baghdad, on 22 and 23 November 1991, and at the United Nations Office at Vienna, from 8 to 10 January 1992. While these discussions have been constructive, no concrete decision has been arrived at regarding the resumption of Iraqi oil production. A further round of discussions is due to be held in early February 1992.

