



Security Council

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Letter dated 9 October 2019 from the President of the Governing Council of the United Nations Compensation Commission addressed to the President of the Security Council

I am pleased to provide my report, as the President of the Governing Council of the United Nations Compensation Commission, on the results of the eighty-sixth session of the Council, which was held in Geneva on 8 October 2019. The full text of the conclusions adopted by the Council, together with additional documentation, is enclosed.* I would, however, like to highlight a few matters discussed during the session.

During the opening plenary meeting, Belgium was elected as a Vice-President of the Governing Council to serve until the end of 2020. Delegations from Iraq, including a delegation from the Committee of Financial Experts, which is responsible for the oversight of the country's oil revenues, and from Kuwait addressed the Council.

With regard to the matter of the Compensation Fund level, deposit arrangements and income, the Council expressed its appreciation to the Government of Iraq for its continued commitment to complying with relevant Security Council resolutions and Governing Council decisions, including its obligation to deposit 1.5 per cent of the proceeds generated by the export sales of Iraqi petroleum and petroleum products into the Compensation Fund in 2019, as provided for in Governing Council decision 276 (2017). The Council recalled that, under decision 276, that percentage would increase to 3 per cent of Iraqi oil export revenues as from 1 January 2020.

The Council noted that, since the previous session, in November 2018, three payments had been made, totalling \$610 million, leaving approximately \$3.7 billion remaining to be paid in respect of the Kuwait Petroleum Corporation claim. On the basis of current levels of income to the Fund and recent projections, the outstanding balance is anticipated to be paid in 2021.

With the Commission nearing the conclusion of its mandate, the Governing Council considered a number of matters to be addressed to ensure the orderly wind-down of the Commission. In that regard, as the Commission moves closer to the timing of the final payment, it is expected that the President of the Governing Council will brief the Security Council on the status and expected timing of the conclusion of the mandate.

The Council also heard an update from the Secretariat on ongoing audit activities in relation to the Commission by both the Board of Auditors and the Office of Internal Oversight Services.

* On file with the Secretariat.



The Council adopted the report of the Committee on Administrative Matters, which met during the session, and approved the Commission's budget for 2020.

The next regular session of the Governing Council has been tentatively scheduled for 22 April 2020.

(Signed) **Zbigniew Czech**
Ambassador
President of the Governing Council
