



Security Council

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United Nations Compensation Commission

Governing Council

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Level of Iraq's oil proceeds to be deposited into the Compensation Fund in 2016

The Governing Council,

Recalling paragraph 3 of Security Council resolution 1956 (S/RES/1956 (2010)) which affirms the requirement established in paragraph 21 of Security Council resolution 1483 (2003) that Iraq shall deposit five per cent of the proceeds from all export sales of petroleum, petroleum products and natural gas into the Compensation Fund established in accordance with resolution 687 (1991), and subsequent resolutions, and further decides that five per cent of the value of any non-monetary payments of petroleum, petroleum products and natural gas made to service providers shall be also deposited into the Compensation Fund, unless the Government of Iraq and the Governing Council, in the exercise of its authority over methods of ensuring that payments are made into the Compensation Fund, decide otherwise,

Recalling also that only one claim, awarded to the Government of Kuwait, has an outstanding balance remaining to be paid and that all other claim awards have been paid in full,

Recalling further that decision 272 (2014) postponed until 1 January 2016 Iraq's requirements as set out in paragraph 3 of Security Council resolution 1956 (2010) and directed that Iraq resume deposits effective 1 January 2016, unless the Government of Iraq and the Governing Council decide otherwise,

Having received a request from the Government of Iraq for an additional one-year postponement of the requirement that Iraq deposit five per cent of the proceeds from all export sales of petroleum, petroleum products and natural gas and five per cent of the value of non-monetary payments of petroleum, petroleum products and natural gas made to service providers into the Compensation Fund,

Recognizing that the extraordinarily difficult security circumstances in Iraq and the unusual budgetary challenges associated with confronting this issue have continued since the adoption of decision 272 (2014),

Welcoming the Government of Kuwait's support for Iraq's request for an additional one-year postponement,

Noting with appreciation Iraq's continued commitment to complying with its obligations as set out in paragraph 3 of Security Council resolution 1956 (2010),

Emphasizing the importance of Iraq fulfilling its obligations and completing the payment of the outstanding compensation in a timely manner,

Stressing the importance of the integrity of the Commission and bringing its mandate to a conclusion,

1. *Decides* to extend until 1 January 2017 the postponement of the requirement that Iraq deposit five per cent of the proceeds from all export sales of petroleum, petroleum products and natural gas and five per cent of the value of any non-monetary payments of petroleum, petroleum products and natural gas made to service providers into the Compensation Fund;
2. *Directs* that effective 1 January 2017, the Government of Iraq resume deposits of five per cent of the proceeds from all export sales of petroleum, petroleum products and natural gas and five per cent of the value of any non-monetary payments of petroleum, petroleum products and natural gas made to service providers into the Compensation Fund;
3. *Requests* that the Government of Iraq advise the Governing Council in writing no later than 30 September 2016 of Iraq's proposed arrangements for the resumption of deposits on 1 January 2017;
4. *Decides* that payments of compensation towards the outstanding award will resume in 2017, in accordance with the payment mechanism set out in decision 267 (2009);
5. *Decides also* that the Governing Council will keep this matter under review.
