

PRESS RELEASE**UNITED NATIONS COMPENSATION COMMISSION PAYS OUT US\$230 MILLION AND
OPENING OF THE EIGHTY-SEVENTH SESSION OF THE COMMISSION'S
GOVERNING COUNCIL**

Today, the United Nations Compensation Commission made available \$230 million to the Government of the State of Kuwait towards the Commission's remaining claim with an outstanding award balance.

With this payment, the Commission has paid out \$50 billion of the \$52.4 billion in awarded compensation, leaving approximately \$2.4 billion to be paid to the only claim with an outstanding award balance. Funds to pay compensation are drawn from the United Nations Compensation Fund, which currently receives 3 per cent of the proceeds generated by the export sales of Iraqi petroleum and petroleum products.

Tomorrow, the Governing Council of the United Nations Compensation Commission will hold its eighty-seventh session under the Vice-Presidency of Ambassador Pecsteen de Buytswerve (Permanent Representative of Belgium). Delegations from Iraq and Kuwait will address the Council at its opening plenary session.

During the session, the Governing Council will consider reports relating to the work of the Compensation Commission since the last session in October 2019. Discussions will be held on issues related to the current levels of income and the arrangements for ensuring the deposit of 3 per cent of the proceeds from export sales of petroleum, petroleum products and natural gas into the Compensation Fund under Governing Council decision 276 (2017), the \$2.4 billion remaining to be paid, audit activities, and the progress being made toward the winding down of the Commission as it nears the conclusion of its mandate.

General background information on the Compensation Commission is provided below.

A press release on the outcome of the eighty-seventh session will be issued on 28 October 2020.

Background

The United Nations Compensation Commission (UNCC) is a subsidiary organ of the United Nations Security Council. It was established in accordance with Security Council resolutions 687 (1991) and 692 (1991) to process claims and pay compensation for direct losses and damage suffered

by individuals, corporations, Governments and international organizations as a direct result of Iraq's unlawful invasion and occupation of Kuwait (2 August 1990 to 2 March 1991).

The Compensation Commission received approximately 2.7 million claims. The total asserted value of these claims (i.e., the amount sought by the claimants) was approximately \$352.5 billion. Ninety-seven Governments filed claims on behalf of their nationals, corporations and themselves, and thirteen offices of three international organizations filed claims on behalf of individuals not in a position to submit their claims through a Government. Six categories of claims were established: claims of individuals for departure from Kuwait or Iraq (category A claims); claims of individuals for serious personal injury or death (category B claims); claims of individuals for losses up to \$100,000 (category C claims); claims of individuals for losses over \$100,000 (category D claims); claims of corporations, other private legal entities and public sector enterprises (category E claims); and claims of Governments and international organizations (category F claims). In June 2005, the Commission completed its processing of all submitted claims. The total compensation awarded was approximately \$52.4 billion.

Successful claims are paid from the United Nations Compensation Fund which receives a percentage of the proceeds generated by the export sales of Iraqi petroleum and petroleum products. This rate was previously set at five per cent under Security Council resolution 1483 (2003) and reaffirmed in subsequent resolutions. Pursuant to Governing Council decision 276 adopted in November 2017, the percentage was set at 0.5 per cent for 2018, 1.5 per cent for 2019 and 3 per cent for 2020. The rate will remain at 3 per cent until such time as the outstanding compensation has been paid in full. Payments are made on a quarterly basis utilizing all available funds in the Compensation Fund under Governing Council decision 267 (2009).

Further information about the Compensation Commission can be found on its website located at www.uncc.ch.
