



Security Council

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ORIGINAL: ENGLISH

LETTER DATED 11 JUNE 1999 FROM THE SECRETARY-GENERAL
ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to inform you and, through you, the members of the Security Council, that, pursuant to paragraph 8 (a) (ii) of Security Council resolution 986 (1995) of 14 April 1995, the Government of Iraq has submitted to me its distribution plan for the purchase and distribution of humanitarian supplies during the new period specified in paragraph 1 of resolution 1242 (1999) of 21 May 1999. The Government of Iraq was informed today that I had approved the plan on the understanding that its implementation would be governed by resolutions 986 (1995) and 1242 (1999) and the Memorandum of Understanding concluded on 20 May 1996 between the United Nations Secretariat and the Government of Iraq (S/1996/356), and would be without prejudice to the procedures followed by the Security Council Committee established by resolution 661 (1990).

A copy of the list of supplies and goods accompanying the distribution plan will be made available to the Security Council Committee. The list has been scrutinized by experts of the United Nations Special Commission, who concluded that, on the basis of the limited information given in the annexes, no prohibited items could be identified. They will keep the matter under review and provide further assessment in the light of additional information that may become available.

The distribution plan and the letter conveying my acceptance of the plan are attached.

(Signed) Kofi A. ANNAN

Annex I

[Original: English]

Letter dated 11 June 1999 from the Executive Director of the Office
of the Iraq Programme addressed to the Permanent Representative of
Iraq to the United Nations

On behalf of the Secretary-General, I have the honour to acknowledge receipt, under cover of a letter dated 2 June 1999 from the Chargé d'affaires a.i. of the Permanent Mission of Iraq to the United Nations, addressed to the Secretary-General, of the distribution plan submitted by your Government for the new period as specified in paragraph 1 of Security Council resolution 1242 (1999) of 21 May 1999, and would like to inform you that I have been authorized by the Secretary-General to convey in this respect the following.

Security Council resolutions 986 (1995) of 14 April 1995 and 1242 (1999) require that the Government of Iraq guarantee, on the basis of a plan to be submitted to and approved by the Secretary-General, equitable distribution of medicine, health supplies, foodstuffs, and materials and supplies for essential civilian needs (humanitarian supplies) exported to Iraq under the conditions defined by those resolutions. The Memorandum of Understanding concluded on 20 May 1996 between the United Nations Secretariat and the Government of Iraq (S/1996/356) provides that the Government of Iraq shall prepare a distribution plan describing in detail the procedures to be followed by the competent authorities with a view to ensuring the equitable distribution of humanitarian supplies and submit the plan to the Secretary-General for approval. The Memorandum states in this regard that if the Secretary-General is satisfied that the plan adequately ensures equitable distribution of humanitarian supplies to the Iraqi population throughout the country, he will so inform the Government of Iraq.

Under the prevailing circumstances, both in terms of Iraq's oil export capacity and the possibility of fluctuating oil prices, it may not be possible to reach the revenue target pursuant to paragraph 2 of resolution 1242 (1999). Accordingly, it is noted that adjustments had to be made in formulating the distribution plan, bearing in mind in particular, priorities for the food and nutrition and health sectors, as well as intersectoral complementarity.

In the event that it is estimated that revenue could be generated at a level that would exceed the target referred to in paragraph 2 of resolution 1242 (1999), in anticipation of the Security Council's review of this matter pursuant to paragraph 14 of resolution 1242 (1999), the Secretary-General will consult with the Government of Iraq concerning the utilization of the additional revenue and, as necessary, make recommendations to the Security Council.

I have the honour to inform the Government of Iraq through you that, having examined the distribution plan, the Secretary-General has come to the conclusion that the plan, if properly implemented, should meet the requirements of

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equitable distribution of humanitarian goods to the Iraqi population throughout the country. The plan is therefore approved with the following understandings.

Bearing in mind the difficulties experienced during previous phases in meeting the overall revenue target of distribution plans, the sectoral allocations in table 1 of the plan should be kept under review with due regard to paragraph 2 of Security Council resolution 1153 (1998) providing that the food and nutrition and health sectors are allocated funds on a priority basis. In particular, given the unsatisfactory nutritional situation prevalent in Iraq and the necessity of providing a full food basket on a monthly basis, and also taking into account the effects of the current drought, it is essential to keep under constant review the funding level of the food sector.

Pursuant to paragraph 9 of resolution 1242 (1999), the Secretary-General, in consultation with the Government of Iraq, is required to submit to the Council, by 30 June 1999, a detailed list of parts and equipment necessary for the purpose described in paragraph 1 of resolution 1175 (1998). The Secretary-General takes note of the proposal in paragraph 12 of the plan and will review the subject matter, without prejudice to a decision which the Security Council may wish to take regarding the funding level and any additional allocations for oil spare parts and equipment.

I should also like to inform you that the Secretary-General's acceptance of the plan does not constitute an endorsement of either the budgetary allocation for equipment and supplies in support of the banking requirements, referred to in paragraph 67 of the plan, or the specific items listed in annex IX to the plan. In this regard, I should like to reiterate the understanding on the subject of banking requirements conveyed to the Permanent Representative of Iraq in my letter dated 11 December 1998, informing him of the Secretary-General's approval of the distribution plan for phase V (S/1998/1158, annex I).

The approval of the distribution plan is subject to the condition that its implementation is governed by the relevant provisions of Security Council resolutions 986 (1995) and 1242 (1999) and the Memorandum of Understanding and that, in case of inconsistency between the particular provisions of the plan, on the one hand, and the resolutions and the Memorandum of Understanding, on the other, the provisions of the latter documents shall prevail.

The distribution plan contains a categorized list of supplies and goods to be purchased and imported under the plan. The approval of the plan is without prejudice to actions that might be taken by the Security Council Committee regarding applications for export of particular items contained in the list submitted for the Committee's consideration in accordance with its procedures.

The joint unit established by resolution 1051 (1996) will continue to review the categorized list, in the light of additional information that may become available, for the purposes of identifying items that are subject to monitoring because of their possible dual use for civilian and prohibited purposes under Security Council resolution 687 (1991) of 3 April 1991 and other relevant resolutions.

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Amendments to the plan, where appropriate, should meet the requirements outlined in paragraph 5 of resolution 1153 (1998). It is recognized that in certain sectors not all the information required under paragraph 5 of the resolution could be provided in the plan at this stage because of the complexity of the activities and the range of items to be procured. Accordingly, the Government, as well as the United Nations agencies and programmes, should take all necessary steps to ensure that applications submitted to the United Nations Secretariat will indicate priority and complementarity in compliance with paragraph 5 of resolution 1153 (1998).

Finally, the approval of the distribution plan submitted by the Government of Iraq does not necessarily constitute an endorsement of all information or statements contained in the plan, and is without prejudice to any recommendation arising from the supplementary report of the Secretary-General (S/1998/90), as endorsed by the Security Council in its resolution 1153 (1998).

(Signed) Benon V. SEVAN
Executive Director

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Annex II

[Original: Arabic]

Letter dated 2 June 1999 from the Chargé d'affaires a.i. of the
Permanent Mission of Iraq to the United Nations addressed to the
Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith the distribution and procurement plan submitted by the Government of the Republic of Iraq under the memorandum of understanding of 20 May 1996 and Security Council resolution 1242 (1999). My Government would appreciate its speedy approval. The categorized lists of items will be delivered to your office in the course of next week.

(Signed) Rokan Hama AL-ANBUGE
Chargé d'affaires a.i.

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