



Security Council

Distr.: General
27 June 2019

Original: English

Implementation of paragraph 6 of resolution [1956 \(2010\)](#)

Sixteenth report of the Secretary-General

I. Introduction

1. The present report is submitted pursuant to paragraph 6 of Security Council resolution [1956 \(2010\)](#), in which the Council requested me to provide written reports to the Council every six months about the United Nations Compensation Fund, with effect from 1 January 2012, evaluating the continued compliance with the provisions of paragraph 21 of resolution [1483 \(2003\)](#), which requires Iraq to deposit 5 per cent of the proceeds from export sales of petroleum, petroleum products and natural gas into the Fund. The present sixteenth report covers the developments since the issuance of my fifteenth report ([S/2019/14](#)) on 7 January 2019.

II. Developments

2. In exercising its authority over the arrangements for ensuring that payments are made to the Compensation Fund, the Governing Council of the United Nations Compensation Commission has continued to actively monitor deposits into the Fund. The United Nations Compensation Commission secretariat has also continued to engage with the Iraq Committee of Financial Experts, the oversight body for the control, reporting and use of Iraqi oil revenues.

3. Under decision 276 (2017) of the Governing Council, the percentage of proceeds from oil export sales to be deposited into the Compensation Fund has increased, from 0.5 per cent for 2018 to 1.5 per cent for 2019.

4. The average monthly income to the Compensation Fund for the year to date is \$82.6 million. Since my previous report, the Compensation Commission has made two quarterly payments to Kuwait, in the amounts of \$100 million on 18 January 2019 and \$240 million on 23 April 2019. With those payments, the overall amount of compensation paid to date by the Compensation Commission stands at \$48.3 billion, leaving approximately \$4.1 billion to be paid to Kuwait to settle the last remaining claim. On the basis of current levels of income to the Fund and recent projections, the Commission remains on track to pay the outstanding claim award in 2021, which would bring its mandate to a conclusion.

5. I should like to recall that the proceeds from export sales by Iraq of petroleum and petroleum products are deposited into the successor account to the Development Fund for Iraq. While the audit of that account for the period covered by the present



report will not be available for some time, on the basis of current levels of income to the Compensation Fund and the satisfaction of the Governing Council therewith, I am satisfied that the Government of Iraq remains committed to complying with its deposit obligations to the Fund.

6. In conclusion, I should like to express my ongoing appreciation to the Government of Iraq and the Iraq Committee of Financial Experts for their continued cooperation with the Compensation Commission.
