

PRESS RELEASE

The Governing Council of the United Nations Compensation Commission held a special session today for the purpose of electing a new president and one of the two vice-presidents of the Council. The Permanent Representative of Romania (the current vice-president of the Council), Ambassador Doru Romulus Costea, presided over the election of the President. The Council elected Greece as President, and Japan as the new Vice-President of the Governing Council. Greece and Japan replace Germany and Angola, which held the presidency and vice-presidency of the Governing Council for the period 2003-2004. It has been the practice of the Council to elect its president and vice-presidents from the incoming members for a two-year period. The Permanent Representative of Greece, Ambassador Tassos Kriekoukis will preside over future sessions of the Governing Council.

Background

The United Nations Compensation Commission (“the 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 Commission is composed of the Governing Council, panels of Commissioners, and the secretariat.

The Governing Council is the policy-making organ of the UNCC. Its composition is the same as that of the fifteen-member Security Council at any given time. The Governing Council makes decisions on recommendations made by the panels of Commissioners regarding compensation for claimants.

The panels of Commissioners review and evaluate the claims submitted by Governments on behalf of their nationals, their companies or on their own behalf. On the basis of their review, undertaken in instalments of claims, the panels recommend compensation awards to the Governing Council.

The secretariat, headed by the Executive Secretary, services and provides assistance to the Governing Council and the panels of Commissioners.

More than 2.6 million claims have been received by the Commission within the filing deadlines. The total asserted value of these claims (i.e., the amount sought by the claimants) amounts to approximately US\$350 billion. Ninety-six Governments have filed claims on behalf of their nationals, corporations and themselves, as well as thirteen offices of three international organizations, which have filed claims on behalf of individuals not in a position to submit their claims through a Government. In addition, the Commission received in 2002 approximately 46,000 Palestinian “late filed” category “C” and “D” claims from individuals.

To date, the Commission has resolved approximately 99 per cent of the claims submitted, consisting of the claims of individuals for departure from Kuwait or Iraq (category “A” claims), the claims of individuals for serious personal injury or death (category “B” claims), the claims of individuals for losses up to US\$100,000 (category “C” claims), the claims of individuals for losses over \$100,000 (category “D” claims), the claims of corporations, other private legal entities and public sector enterprises (category “E” claims), and the claims of Governments and international organizations (category “F” claims). The remaining claims currently undergoing processing include claims in category “D”, “F4” environmental claims, and “late filed” Palestinian claims.

Claims resolved to date have been awarded compensation amounting to approximately US\$51.8 billion out of a total amount claimed of approximately US\$300.8 billion.

To date, the Commission has made available to Governments and international organizations approximately US\$19 billion for distribution to successful claimants in all categories. Funds to pay compensation are drawn 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 percentage was originally set at 30 per cent by the Security Council under its resolution 705 (1991), and was maintained in Security Council resolution 986 (1995) as well as in a number of subsequent resolutions, establishing and extending the “oil-for-food” mechanism. The level of funding was changed to 25 per cent as of December 2000 under Security Council resolution 1330 (2000). Finally, paragraph 21 of Security Council resolution 1483 (2003), adopted on 22 May 2003, changed the level of the proceeds of all export sales of Iraqi petroleum, petroleum products, and natural gas to be deposited into the Compensation Fund to 5 per cent.

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