

PRESS RELEASE

GOVERNING COUNCIL OF UNITED NATIONS COMPENSATION COMMISSION
APPROVES AWARDS OF OVER US\$2.3 BILLION FOR COMPENSATION
AT ITS FORTY-EIGHTH SESSION

The Governing Council of the United Nations Compensation Commission, under the Presidency of Ambassador Walter Lewalter (Germany), has concluded its forty-eighth session today and approved awards of US\$2,275,177,243 for compensation. Representatives of Kuwait and Pakistan addressed the fifteen-member Governing Council at its opening plenary meeting.

The Council approved nine reports and recommendations of the panels of Commissioners concerning claims from individuals in category "D", claims from corporations in category "E" and claims from a Government in category "F":

Part two of the fourteenth instalment of category "D" claims (individual claims for losses over US\$100,000) involved 225 claims filed on behalf of individuals by nine Governments. Of these, 213 claims filed by nine Governments were recommended for compensation, with a total award value of US\$94,701,734;

Part two of the fifteenth instalment of category "D" claims involved 214 claims filed on behalf of individuals by 19 Governments and one international organization. Of these, 182 claims filed by 18 Governments and one international organization were recommended for compensation, with a total award value of US\$244,650,885;

Part one of the sixteenth instalment of category "D" claims involved 332 claims filed on behalf of individuals by 14 Governments and one international organization. Of these, 289 claims filed by 13 Governments and one international organization were recommended for compensation, with a total award value of US\$81,331,513;

The thirteenth instalment of category "E2" claims (non-Kuwaiti claims, excluding oil sector, construction/engineering and export guarantee and insurance claims) involved 194 claims filed on behalf of corporations by 23 Governments. Of these, 77 claims filed by 18

Governments were approved by the Council for compensation, with a total award value of US\$18,336,397;

The twenty-fifth instalment of category “E3” claims (non-Kuwaiti construction and engineering claims) involved 15 claims filed on behalf of corporations by ten Governments. Of these, three claims filed by two Governments were approved by the Council for compensation, with a total award value of US\$1,782,138;

The eighteenth instalment of category “E4” claims involved 165 claims for direct losses sustained by Kuwaiti companies filed by ten Governments and one international organization. Of these, 161 claims filed by ten Governments and one international organization were approved by the Council for compensation, with a total award value of US\$128,812,104;

The twenty-third instalment of category “E4” claims (Kuwaiti claims, excluding oil sector claims) involved 18 claims filed on behalf of corporations by the Government of Kuwait. Of these, 17 claims were approved by the Council for compensation, with a total award value of US\$159,066,498;

The twenty-third (A) instalment of category “E4” claims involved claims filed by individuals seeking compensation for direct losses sustained by 111 Kuwaiti companies filed by eleven Governments and one international organization. Of these, 105 claims filed by eleven Governments and one international organization were approved by the Council for compensation, with a total award value of US\$38,891,974; and

Part three of the third instalment of category “F3” claims (Kuwaiti Government claims, with the exception of environmental claims) involved two claims filed on behalf of Kuwaiti governmental entities by the Government of Kuwait. Of these, one claim was approved by the Council for compensation, with a total award value of US\$1,507,604,000.

The Council discussed a progress report of the Executive Secretary on the activities of the Commission. The report addressed the processing of claims and the payment of approved awards.

The Council also discussed the report of the Executive Secretary on the distribution by Governments and international organizations of payments to successful claimants, the transparency of the distribution process, and the return of undistributed funds.

The Governing Council discussed the implications for the payment to successful claimants of paragraph 21 of Security Council resolution 1483 (2003), which provides that the Compensation Fund shall receive 5 per cent of all export sales of petroleum, petroleum products, and natural gas from Iraq. The Governing Council adopted decision 197, establishing a temporary payment mechanism in light of the reduction in the Fund's income. Under this temporary payment mechanism, US\$200 million from the Compensation Fund will be made available for the payment of claims every quarter. Successful claimants in all categories will receive an initial amount of US\$100,000 or the unpaid principal amount of the award, if less, with the disbursement of subsequent rounds of payments of US\$100,000 to successful claimants in all categories in the order in which they have been approved, until the available funds for distribution have been exhausted. The next round of payment is scheduled to be made in the third week of July 2003.

The Council decided to hold its next regular session from 16 - 18 September 2003.

To date, the Commission has awarded compensation of approximately US\$46.3 billion, including the awards approved in the forty-eighth session; approximately US\$17.6 billion of the amount awarded has been made available to Governments and international organizations for distribution to successful claimants in all categories of claims.

Further information about the Commission, including the text of Governing Council decisions and reports and recommendations of the panels of Commissioners, can be found on the United Nations Compensation Commission website located at www.uncc.ch.
