

Fact Sheet: UN Security Council High Level Meeting on Iraq

Today marks an important milestone in the restoration of Iraq's normalized ties to the international community. The UN Security Council, in a special session chaired by Vice President Biden, took significant steps to return Iraq to the legal and international standing it held prior to the 1990 invasion of Kuwait with the passage of three resolutions. Additionally, the Security Council issued a Presidential statement reaffirming the Security Council's commitment to Iraq and support for UNAMI, welcoming Iraqi progress and reintegration into the region, and encouraging Iraq and all regional states to deepen and broaden their relationships.

With today's action by the Security Council the United States and the international community are keeping their commitments to the Government and the people of Iraq. The resolutions adopted today by the Security Council will lift several longstanding Chapter VII restrictions on Iraqi trade and activity.

The three Security Council resolutions passed today are Resolution 1956, which terminates the UN supervised arrangements for the Development Fund for Iraq on June 30, 2011; Resolution 1957 which ends restrictions related to civilian nuclear cooperation placed on Iraq after the first Gulf War; and Resolution 1958, which ends the residual activities of the Oil for Food program.

Despite hardships, Iraq has made tremendous progress over the past few years and today is a far safer, more secure, and economically stable country. The United States urges Iraq's neighbors and the international community to work closely with Iraq to resolve remaining outstanding Chapter VII issues, particularly outstanding issues between Iraq and Kuwait.

Resolution 1956 - Development Fund for Iraq Resolution

- Resolution 1956 formally terminates the arrangements established in 2003 for the Development Fund for Iraq on June 30, 2011, as a result of Iraq's progress towards resolving debts and claims inherited from the previous regime and establishing accountable successor arrangements for the transition of the Fund.
- Arrangements for the DFI were originally established in UNSCR 1483 to accumulate all proceeds from the export sales of petroleum, petroleum products and natural gas in Iraq until such time as an internationally recognized, representative government of Iraq had been properly constituted.
- The passage of this resolution indicates that the Council believes that significant progress has been made in establishing post-DFI, Iraqi-managed successor arrangements

and the strengthening of Iraqi institutions, and that in light of this progress, the DFI arrangements will end on June 30, 2011.

Resolution 1957 – Weapons of Mass Destruction Resolution

- Resolution 1957 lifts the restrictions imposed by UNSCRs 687 and 707 relating to weapons of mass destruction and civilian nuclear activities. The Security Council has taken this step in recognition of Iraq's commitment to the international non-proliferation regime, its compliance with relevant treaties, its adherence to the highest non-proliferation standards, and its provisional application of the Additional Protocol to its Comprehensive Safeguards Agreement with the International Atomic Energy Agency (IAEA), pending its entry into force.
- Iraq affirmed in January 2010 to the UNSC by letter that it will support the international non-proliferation regime and comply with relevant disarmament treaties and other international instruments. The IAEA expressed in a March 2010 letter from IAEA Director General Amano to the UN Security Council President that it has received excellent cooperation from Iraq.
- In 2009 and 2010, Iraq also acceded to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, and subscribed to the Hague Code of Conduct against Ballistic Missile Proliferation. The resolution lifting Iraq's civilian nuclear restrictions reflects this record of progress.
- Iraq will remain under certain restrictions as a result of their commitments under the NPT and the CWC, however, the most significant result of lifting these restrictions will be the removal of the international stigma associated Iraq being subject to these Security Council Resolutions.
- However, Iraq will also now have the freedom to pursue a wider array of civil nuclear activities.

Resolution 1958 – Oil-for-Food Resolution

- Resolution 1958 terminates the residual activities of the Oil-For-Food program in recognition of Iraq's success in closing out remaining contracts under the program.
- In recent months, the UN Controller's Office has worked with the Central Bank of Iraq and BNP Paribas to pay remaining contracts. With the closure of the OFF program, approximately \$650 million in remaining funds will be returned to the Government of Iraq.

TEXT OF UN SECURITY COUNCIL PRESIDENTIAL STATEMENT ON IRAQ

The Security Council reaffirms its commitment to the independence, sovereignty, unity and territorial integrity of Iraq, and emphasizes the importance of the stability and security of Iraq for its people, the region, and the international community.

The Security Council supports the inclusive political process and power-sharing agreement reached by Iraq's leaders to form a representative national partnership government that reflects the will of the Iraqi people as displayed by the parliamentary election of 7 March 2010. We encourage its leaders to continue to pursue a federal, democratic, pluralistic and unified Iraq based on the rule of law and respect for human rights.

The Security Council reaffirms the need to combat all forms of terrorism and that no terrorist act can reverse a path towards peace, democracy, and reconstruction in Iraq, which is supported by its people, the Government of Iraq, and the international community.

The Security Council welcomes the positive developments in Iraq and recognizes that the situation now existing in Iraq is significantly different from that which existed at the time of the adoption of resolution 661 (1990). Consistent with resolution 1859 (2008), the Security Council also welcomes the important progress Iraq has made in regaining the international standing it held prior to the adoption of resolution 661 (1990). In recognition of Iraq's progress in supporting the international non-proliferation regime and complying with disarmament treaties and other relevant international instruments, its commitment to taking additional steps in this regard, and its provisional application of the Additional Protocol to the Comprehensive Safeguards Agreement with the International Atomic Energy Agency (IAEA), pending its ratification, the Security Council has adopted resolution 1957 which lifts the restrictions imposed by resolutions 687 and 707 relating to weapons of mass destruction and civilian nuclear activities. In recognition of Iraq's success in closing out remaining contracts in the Oil-for-Food program, the Council has also adopted resolution 1958 to terminate the residual activities of the Oil-For-Food program. And in recognition of Iraq's progress towards the establishment of effective and accountable successor arrangements for the transition of the Development Fund for Iraq, the Security Council has adopted resolution 1956 which terminates arrangements for the Development Fund for Iraq on June 30, 2011. Welcoming the progress made by the Governments of Iraq and Kuwait towards the resolution of the outstanding issues between both countries, and encouraging their further cooperation, the Security Council calls on Iraq to quickly fulfill its remaining obligations under the relevant Chapter VII Security Council resolutions pertaining to the situation between Iraq and Kuwait.

The Security Council welcomes Iraq's reintegration into the region and encourages Iraq and all regional states to deepen and broaden their relationships and to conduct those relationships in a spirit of partnership and cooperation.

The Security Council reaffirms its full support for the United Nations Assistance Mission for Iraq (UNAMI) in advising, supporting, and assisting the Iraqi people and Government to strengthen democratic institutions, advance inclusive dialogue and national reconciliation, facilitate regional dialogue, aid vulnerable groups, strengthen gender equality, promote the protection of human rights, including through the establishment of the Independent High Commission for Human Rights, promote the protection of affected civilians, including children,

women and members of religious and ethnic minority groups, and promote judicial and legal reform.

The Security Council commends UNAMI, headed by the Secretary-General's Special Representative, for its support throughout the electoral process, consistent with its mandate.

The Security Council encourages UNAMI's continued work, in coordination with the Government of Iraq, to provide protection and help create conditions conducive to voluntary, safe, dignified, and in particular, the sustainable return of Iraqi refugees and internally displaced persons, and stresses the importance of further attention to this issue by all concerned.

The Security Council underscores UNAMI's important role in supporting the Iraqi people and Government to promote dialogue, ease tension, and encourage a negotiated political agreement to the nation's disputed internal boundaries, and calls upon all relevant parties to participate in an inclusive dialogue to this end.

TEXT OF UN SECURITY COUNCIL RESOLUTION 1956

Bosnia and Herzegovina, China, Gabon, Japan, Lebanon, Nigeria, Russian Federation, Turkey, Uganda, United Kingdom of Great Britain and Northern Ireland and United States of America

The Security Council,

Noting the letter from the Prime Minister of Iraq to the President of the Security Council, dated 8 December 2010, which is annexed to this resolution,

Recognizing the positive developments in Iraq and that the situation now existing in Iraq is significantly different from that which existed at the time of the adoption of resolution 661 (1990), recognizing that Iraqi institutions are strengthening, and further recognizing the importance of Iraq achieving international standing equal to that which it held prior to the adoption of resolution 661 (1990),

Welcomes the letter from the Prime Minister of Iraq which reaffirms the commitment by the Government of Iraq not to request any further extensions of the Development Fund for Iraq arrangements; and recognizing that the letter from the Prime Minister of Iraq also reaffirms the commitment by the Government to ensure that oil revenue would continue to be used fairly and in the interests of the Iraqi people, and that transition arrangements would be in keeping with the constitution and with international best practices in respect of transparency, accountability and integrity,

Recognizing the significant role of the Development Fund for Iraq and the International Advisory and Monitoring Board, and the provisions of paragraphs 20 and 22 of resolution 1483 (2003) in helping the Government of Iraq to ensure that Iraq's resources are being used transparently and accountably for the benefit of the Iraqi people, and stressing also the need for Iraq to finalize transition to successor arrangements for the Development Fund for Iraq and the International Advisory and Monitoring Board.

Acting under chapter VII of the Charter of the United Nations,

1. *Decides* to terminate, on 30 June 2011, the arrangements established in paragraph 20 of resolution 1483 (2003) for depositing into the Development Fund for Iraq proceeds from export sales of petroleum, petroleum products and natural gas and the arrangements referred to in paragraph 12 of resolution 1483 (2003) and paragraph 24 of resolution 1546 (2004) for the monitoring of the Development Fund for Iraq by the International Advisory and Monitoring Board and further decides that, subject to the exception provided for in paragraph 27 of resolution 1546 (2004), the provisions of paragraph 22 of resolution 1483 (2003) shall continue to apply until that date, including with respect to funds and financial assets and economic resources described in paragraph 23 of that resolution;

2. *Welcomes and affirms* the Government of Iraq's decision not to request any further extensions of the Development Fund for Iraq arrangements; and further decides this is the final extension of the Development Fund for Iraq arrangements;

3. *Decides* that after 30 June 2011, the requirement established in paragraph 20 of UNSCR 1483 (2003) that all proceeds from export sales of petroleum, petroleum products and natural gas from Iraq be deposited into the

Development Fund for Iraq shall no longer apply, and affirms that the requirement established in paragraph 21 of UNSCR 1483 (2003) that 5 percent of the proceeds from all export sales of petroleum, petroleum products and natural gas shall be deposited into the compensation fund established in accordance with resolution 687 (1991), and subsequent resolutions, shall continue to apply, and further decides that 5 percent of the value of any non-monetary payments of petroleum, petroleum products and natural gas made to service providers shall be deposited into the compensation fund, and that unless the Government of Iraq and the governing council of the United Nations Compensation Commission, in the exercise of its authority over methods of ensuring that payments are made into the compensation fund, decide otherwise, the above requirements shall be binding on the Government of Iraq;

4. *Calls upon* the Government of Iraq to work closely with the Secretary-General to finalize the full and effective transition to a post-Development Fund mechanism by or before 30 June 2011, which takes into account IMF stand-by arrangement requirements, includes external auditing arrangements and ensures that Iraq will continue to meet its obligations as established in the provisions of paragraph 21 of resolution 1483 (2003); further requests that the Government of Iraq provide a written report to the council no later than 1 May 2011 on progress towards the transition to a post-Development Fund mechanism;

5. *Directs* the transfer of the full proceeds from the Development Fund for Iraq to the Government of Iraq's successor arrangements account or accounts and the termination of the Development Fund for Iraq no later than 30 June 2011 and requests written confirmation to the Council once the transfer and termination are completed;

6. *Requests* the Secretary-General to provide written reports on an ongoing basis to the council every six months, with the first report due no later than 1 January 2012, about the United Nations compensation fund, evaluating the continued compliance with the provisions of paragraph 21 of resolution 1483 (2003);

7. *Decides* to remain actively seized of the matter.

TEXT OF UN SECURITY COUNCIL RESOLUTION 1957

Bosnia and Herzegovina, China, Gabon, Japan, Lebanon, Nigeria, Russian Federation, Turkey, Uganda, United Kingdom of Great Britain and Northern Ireland and United States of America

The Security Council,

Recalling its previous resolutions on the situation in Iraq,

Recalling the statement of its President of 26 February 2010 which welcomed Iraq's progress on compliance with non-proliferation and disarmament commitments,

Recognizing the importance of Iraq achieving international standing equal to that which it held prior to the adoption of resolution 661,

Welcoming the letter sent by the Minister of Foreign Affairs of Iraq on 18 January 2010 which confirms that the Government of Iraq supports the international non-proliferation regime and complies with disarmament treaties and other relevant international instruments and is committed to taking additional steps in this regard to comply with non-proliferation and disarmament standards, and has also committed to inform the Security Council, IAEA and other relevant agencies on progress made towards implementing those measures in accordance with the Government of Iraq's constitutional and legislative procedures and in compliance with international norms and obligations,

Welcoming the 11 March 2010 letter sent by the Director General of the International Atomic Energy Agency (IAEA) which notes that the Agency has been receiving excellent cooperation from Iraq in the implementation of its comprehensive safeguards agreement, and proceeding on the basis of the Government of Iraq's decision to provisionally apply, as of 17 February 2010, the Additional Protocol to its safeguards agreement pending the Protocol's entry into force,

Welcoming Iraq's accession to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, becoming the 186th State party on 12 February 2009,

Welcoming that Iraq has subscribed to the Hague Code of Conduct against Ballistic Missile Proliferation, becoming the 131st state to do so on 11 August 2010,

Welcoming that Iraq signed in 2008 the Additional Protocol to the Comprehensive Safeguards Agreement with the IAEA and that the Additional Protocol is currently before Parliament for approval, as is the Comprehensive Nuclear-Test-Ban Treaty, and welcoming that Iraq has agreed to apply the Additional Protocol provisionally, pending ratification,

Reaffirming the importance of the ratification by Iraq as soon as possible of the Additional Protocol,

Acting under Chapter VII of the Chapter of the United Nations,

1. *Decides* to terminate the weapons of mass destruction, missile, and civil nuclear-related measures imposed by paragraphs 8, 9, 10, 12 and 13 of resolution 687 (1991) and paragraph 3 (f) of resolution 707 (1991); and as reaffirmed in subsequent relevant resolutions;

2. *Urges* Iraq to ratify the Additional Protocol to the Comprehensive Safeguards Agreement and the Comprehensive Nuclear-Test-Ban Treaty as soon as possible;

3. *Decides* also to review in one year's time progress made by Iraq on its commitment to ratify the Additional Protocol to the Comprehensive Safeguards Agreement and meet its obligations under the Chemical Weapons Convention, and requests the Secretary-General to report to the Council in this regard;

4. *Decides* to remain actively seized of the matter.

TEXT OF SECURITY COUNCIL RESOLUTION 1958

Bosnia and Herzegovina, China, Gabon, Japan, Lebanon, Nigeria, Russian Federation, Turkey, Uganda, United Kingdom of Great Britain and Northern Ireland and United States of America

The Security Council,

Recalling its previous resolutions on the situation in Iraq, in particular resolutions 986, 1472, 1476, 1483, and 1546, and the Report of the Secretary-General pursuant to paragraph 5 of resolution 1859 (2008),

Recalling the need for the “Oil-for-food” Program (hereinafter “the Program”) established under resolution 986 (1995) as a temporary measure to provide for the humanitarian needs of the Iraqi people,

Recognizing the importance of Iraq achieving international standing equal to that which it held prior to the adoption of resolution 661,

Recognizing the importance of the activities of the Secretary-General’s High-Level Coordinator’s office established pursuant to resolution 1284 (1999),

Recalling the Secretary-General’s letter, dated 8 December 2010 and the Note attached thereto, S/2010/619, the third report of the Secretary-General pursuant to paragraph 3 of resolution 1905 (2009), S/2010/563, and the third quarterly report of the Government of Iraq pursuant to paragraph 5 of resolution 1905 (2009), S/2010/567,

Noting the letter from the Government of Iraq to the President of the Security Council, dated 6 December 2010,

Acting under Chapter VII of the Charter of the United Nations,

1. *Requests* the Secretary-General to take all actions necessary to terminate all residual activities under the Program, noting that all letters of credit with outstanding claims of delivery, listed in Annex 1 to the Secretary-General’s Note, dated 8 December 2010, S/2010/619, have expired according to their terms and that no confirmation of arrival will be provided by the Government of Iraq and are closed for all purposes under the Program, including for purposes of transferring the funds associated with such letters of credit from the collateral portion of the Iraq Account to the non-collateral portion of the Iraq Account, without prejudice to any rights or claims that the suppliers with claims of delivery may have for payment, or otherwise, against the Government of Iraq under their respective commercial contracts with the Government of Iraq;

2. *Notes* the Government of Iraq’s provision of certificates of arrival on file with the United Nations as of 15 December 2010, for which payment has not been effected either as a result of the advising bank not being able to locate the relevant beneficiaries or as a result of the beneficiary not providing requisite documentation, as referenced in the Secretary-General’s Note, dated 8 December 2010, paragraphs 11 and 12 and Annexes II and III, and calls upon the Government of Iraq to provide without delay direct payment if contacted by the beneficiaries or its representatives;

3. *Authorizes* the Secretary-General to establish an escrow account for the purposes of paragraphs 4 and 5 of this resolution, to appoint independent and certified public accountants to audit it, and to keep the Government of Iraq fully informed;

4. *Authorizes* the Secretary-General to ensure that 20 million United States dollars of the Iraq Account are retained in the escrow account until 31 December 2016, exclusively for the expenses of the United Nations related to the orderly termination of the residual activities of the Program, including the Organization's support to member State investigations and member State proceedings related to the Program, and the expenses of the high-level coordinator's office created pursuant to resolution 1284 and further requests that all remaining funds are to be transferred to the Government of Iraq by 31 December 2016;

5. *Authorizes* the Secretary-General to ensure that up to 131 million United States dollars of the Iraq Account are retained in the escrow account for the purpose of providing indemnification to the United Nations, its representatives, agents, and independent contractors for a period of six years with regard to all activities in connection with the Program since its inception, and further requests that all remaining funds are to be transferred to the Government of Iraq by 31 December 2016;

6. *Authorizes* the Secretary-General to facilitate the transfer as soon as possible of all funds remaining, beyond those retained for the purposes of paragraphs 4 and 5, from the Iraq Account created pursuant to paragraph 16 (d) of resolution 1483 (2003) to the Development Fund of Iraq;

7. *Requests* the Secretary-General to take all necessary actions to ensure the effective implementation of this resolution and to enter into all necessary implementing arrangements or agreements as soon as possible with the Government of Iraq:

(a) to provide appropriate indemnification, as referenced in paragraph 5, to the United Nations, its representatives, agents, and independent contractors, with regard to all activities in connection with the Program since its inception and

(b) to provide for a waiver of any future claims the Government of Iraq may have against the United Nations, its representatives, agents, and independent contractors with regard to all activities in connection with the Program since its inception, as referenced in paragraphs 19, 20, and 21 in S/2008/492, and requests him to report to the Council when he has done so;

8. *Requests* the Secretary-General to report and provide analysis to the Council on the usage and expenditure of the escrow account referenced in paragraphs 4 and 5 on an annual basis, the first no later than 31 March 2012, with the final report occurring three months after the transfer of any remaining funds retained for the purposes of paragraphs 4 and 5 to the Government of Iraq by 31 December 2016, unless otherwise authorized by the Security Council;

9. *Decides* to remain actively seized of the matter.

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