

STATUS OF UNITED STATES EFFORTS REGARDING  
IRAQ'S COMPLIANCE WITH UNSC RESOLUTIONS

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COMMUNICATION

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

A REPORT ON THE STATUS OF EFFORTS TO OBTAIN IRAQ'S COMPLIANCE WITH VARIOUS RESOLUTIONS ADOPTED BY THE UNITED NATIONS SECURITY COUNCIL, PURSUANT TO 50 U.S.C. 1541



APRIL 24, 2001.—Referred to the Committee on International Relations  
and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE



THE WHITE HOUSE,  
*Washington, April 12, 2001.*

Hon. J. DENNIS HASTERT,  
*Speaker of the House of Representatives,*  
*Washington, DC.*

DEAR MR. SPEAKER: Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102-1), and as part of my effort to keep the Congress fully informed, I am reporting on the status of efforts to obtain Iraq's compliance with various resolutions adopted by the United Nations Security Council. The last report, consistent with Public Law 102-1, was transmitted on January 19, 2001.

Sincerely,

GEORGE W. BUSH.



## STATUS OF U.S. EFFORTS REGARDING IRAQ'S COMPLIANCE WITH UNSC RESOLUTIONS

### OVERVIEW

As long as Saddam Hussein remains in power, he will continue to threaten the well-being of the Iraqi people, the peace of the region, and vital U.S. interests. We are conducting a policy review to determine the best means of advancing our interests. There are several elements of this review, including strengthening international cooperation to minimize Iraq's ability to re-arm. We are also considering how best to achieve our objective of regime change.

We will continue to contain the threats posed by Iraq, but, over the long-term, the best way to eliminate them is through a change of government in Baghdad. To this end, we support the Iraqi Opposition as part of our program to support a transition to democracy in Iraq. The Opposition has made measurable progress in the past year in reestablishing its presence, developing its plans, beginning administrative and some program operations using United States Government funding, and beginning training under the Iraq Liberation Act (ILA).

Iraq continues to reject United Nations Security Council Resolution 1284, a binding resolution adopted under Chapter VII of the UN Charter, including its requirement that Iraq provide the UN Monitoring, Verification and Inspection Commission (UNMOVIC) and the International Atomic Energy Agency (IAEA) with immediate, unconditional, and unrestricted access to suspected WMD sites in Iraq. Nonetheless, the UN continues to implement those parts of the resolution which do not require Iraqi cooperation. In its quarterly report to the Council on February 27, 2001, UNMOVIC updated the UN Security Council on measures it is taking to prepare for inspections in Iraq, and indicated it continues to improve on its previously reported state of readiness to conduct inspections. We consult regularly with Dr. Hans Blix and his staff to provide the best support possible.

Ambassador Yuli Vorontsov, the Secretary General's high-level coordinator for Kuwait Issues, presented his first report on stolen Kuwaiti property on June 14, 2000, and on August 17, 2000, he submitted his second report to the council on Kuwaiti and third-country national prisoners. Both of these reports demonstrate Iraq's continuing failure to cooperate fully with its obligations to the international community. The Iraqi Government continues to deny Ambassador Vorontsov entry to the country.

The oil-for-food program, which is designed to provide for the humanitarian needs of the Iraqi people as long as UN sanctions remain in place, continues to expand. Iraq exported \$17.8 billion worth of oil in 2000 with the proceeds going to UN-controlled es-

crow account. On December 5, 2000, the Council extended the program for an additional 180 days, continuing its past practice.

#### U.S. AND COALITION FORCE LEVELS IN THE GULF REGION

Saddam Hussein's record of aggressive behavior necessitates the deployment of a highly capable force in the region in order to deter Baghdad and respond to any threat it might pose to its neighbors, the reconstitution of its WMD program, or movement against the Kurds in northern Iraq. We will continue to maintain a strong posture and have established a rapid reinforcement capability to supplement our forces in the Gulf, if needed.

#### OPERATION NORTHERN WATCH AND OPERATION SOUTHERN WATCH

Aircraft of the United States and coalition partners patrolling the No-Fly Zones over Iraq under Operations NORTHERN WATCH and SOUTHERN WATCH are still routinely tracked by Iraqi radar, are regularly engaged by anti-aircraft artillery, and on occasion, are attacked by surface-to-air missiles. Our aircrews continue to respond in self-defense to threats against and attacks on our aircraft patrolling the No-Fly Zones. One recent example of our continued response to Iraqi provocations was the February 16 response against selected air defense targets. Leading up to that date, Iraq had made significant upgrades to its air defense posture, and had been threatening allied pilots more frequently as they patrolled the No-Fly Zones. While this response received significant media attention, it was carried out in accordance with CENTCOM's well-established response options.

#### MARITIME INTERCEPT OPERATIONS

The U.S.-led maritime Multinational Interception Force (MIF) continues to enforce UN sanctions in the Gulf. The United States continues to approach potential participants in the MIF to augment current partners. A Polish special forces boarding team completed three months of participation in January 2001. An Argentine boarding team was scheduled to complete its deployment in March. Australia plans to send a frigate and a maritime patrol aircraft in late summer.

Member states of the Gulf Cooperation Council (GCC) continue to support the MIF. The UAE accepts the vast majority of vessels diverted for violating UN sanctions against Iraq, with Kuwait a distant second. While other GCC nations are reluctant to accept diverted vessels, all provide support to the enforcement of UNSCRs against Iraq.

From September through December 2000, the smuggling of petroleum products through the Gulf was significantly reduced, with monthly totals the lowest in almost two years. This reduction was due primarily to the fact that Iran generally denied smugglers access to its territorial waters, and possibly due to the apparent opening of the Syrian pipeline. While there is no indication that Iran has re-opened its territorial seas to smugglers, and while the monthly smuggling totals remain relatively low, there has been a steady increase since January.

In early March, 2001, MIF forces observed an exchange of gunfire between a smuggling vessel and an Iranian vessel. Though no coalition forces were involved, this was the first time in ten years of MIF operations that we have encountered an armed smuggler.

The MIF, and our ability to rapidly augment it, will continue to serve as a critical deterrent to both the smuggling of petroleum products out of Iraq, and the smuggling of prohibited items into Iraq. As our Iraq policy develops, we will need to assess whether MIF force levels are adequate.

#### UNMOVIC/IAEA: WEAPONS OF MASS DESTRUCTION

There have been no Council-mandated inspections in Iraq since December 15, 1998. Iraq's defiance of the international consensus, as expressed by Resolution 1284, has meant that no progress has been made in addressing Iraq's outstanding disarmament obligations, Iraq remains in violation of its obligations to end its programs to develop weapons of mass destruction and long-range missiles.

UNMOVIC has largely completed the hiring of its core staff in New York and is continuing to hire people in an on-call or "roster" category, including Americans. UNMOVIC has completed its first three training courses and will hold a fourth in May 2001. For its first training program, the United States provided UNMOVIC with course instructors and facilities for hands-on training. We consult with Dr. Blix and his staff regularly to provide the best support possible. On February 27, UNMOVIC updated the UN Security Council on measures it is taking to prepare for inspections in Iraq.

#### DUAL-USE IMPORTS

Although the "oil-for-food" program revenues are designated for humanitarian purposes only, we remain concerned that Iraq is using this program in an attempt to acquire goods and materials for its weapons programs. The United States, as a member of the UN Iraq Sanctions Committee, generally review all contracts under the "oil-for-food" program to ensure that items that are explicitly prohibited or pose significant dual-use concerns are not allowed to be imported.

Resolution 1051 established a joint UNSCOM/IAEA unit to monitor Iraq's authorized imports of dual-use WMD items (dual-use goods are also known as "1051"-listed goods). Under UN Security Council Resolution 1284, UNMOVIC has assumed this responsibility from UNSCOM, with the added requirement to identify if, in its estimation, a contract contains a "1051"-listed good. Since weapons inspectors left Iraq in December 1998, the UN Office of the Iraq Programme is the only organization allowed to observe goods going into Iraq under the "oil-for-good" program. In the absence of weapons inspectors and other experts on the ground in Iraq, the United States has placed holds on a number of dual-use contracts that otherwise might have been approved with UNMOVIC/IAEA monitoring.

## THE UN'S "OIL-FOR-FOOD" PROGRAM

We continue to support the international community's efforts to provide for the humanitarian needs of the Iraqi people through the "oil-for-food" program. In Resolution 1284, the UN Security Council authorized Iraq to export as much petroleum and petroleum products as required to meet humanitarian needs of the Iraqi population, and for other specified purposes. Under UN control, the proceeds are used to purchase humanitarian goods, fund UNCC awards against Iraq arising out of its invasion and occupation of Kuwait, and to meet UN administrative costs. As of March 9, Iraq has exported more than \$2.0 billion worth of oil during the ninth six-month phase of the "oil-for-food" program, which began on December 5, 2000. According to UN data since the start of the "oil-for-food" program 14,118 contracts for humanitarian goods worth nearly \$20 billion have been approved through January 31, 2001. To streamline the approval process for humanitarian goods, we have agreed with the UN on a fast-track approval process for some goods. However, as purchases under the program have moved from basic humanitarian supplies to more expensive infrastructure projects, the number and value of U.S. "holds" on contracts has increased. We view Resolution 1284 as a vehicle for significant improvement of the humanitarian situation in Iraq and are eager to see all aspects of it implemented as rapidly as possible.

The "oil-for-food" program maintains a separate program for northern Iraq. Administered directly by the UN in consultation with the local authorities. This program, which the United States strongly supports, ensures that when Iraq contracts for the purchase of humanitarian goods, 13 percent of the funds generated under the "oil-for-food" program are spent on items for northern Iraq.

International humanitarian programs including, most importantly, the "oil-for-food" program have steadily improved the life of the average Iraqi and led to improvements in healthcare, water, sanitation, agriculture, education, and other areas, while denying Saddam Hussein control over Iraq's oil revenues.

However, as noted in a March 2 UN report, the Government of Iraq is not using the funds available through the "oil-for-food" program to improve the health and welfare of the Iraqi people. Reduced oil exports, and the conversion of oil funds to euros from dollars, could cost the program more than \$6 billion; another \$4 billion remain unobligated in the "oil-for-food" escrow account. In addition, Iraqi contracting delays, cuts in food, medicine, educational and other humanitarian sectors, and government attempts to shut down humanitarian NGO operations in northern Iraq demonstrate that the Iraqi regime is attempting to undermine the effectiveness of the program.

We will continue to work with the UN Secretariat, other members of the Security Council, and others in the international community to ensure that the implementation of 1284, and other relevant UNSCRs, better enables the humanitarian needs of the Iraqi people to be met while denying political or economic benefits to the Baghdad regime.

## FLIGHT CONTROL REGIME

UNSC resolutions are open to competing interpretations regarding international flights to Baghdad. The UNSC has so far unsuccessfully attempted to reach a consensus agreement on new procedures for international flights. In the absence of an agreement, we continue to press for adherence to existing Sanctions Committee procedures, which allow for Committee approval of flights with a demonstrable humanitarian purpose. Most flights have complied with those procedures.

## NORTHERN IRAQ: KURDISH RECONCILIATION

The Kurdistan Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK) continue their efforts to implement the September 17, 1998 reconciliation agreement.

They work together effectively in a number of areas, including joint efforts to bring the needs of their region to the attention of the UN and the international community, and within the larger Iraqi national democratic opposition movement. The situation in northern Iraq is not settled, however, and we continue to look for ways to encourage the parties to make greater progress toward resolving their differences.

## THE HUMAN RIGHTS SITUATION IN IRAQ

The human rights situation in Iraq continues to fall severely short of international norms. UNSCR 688 expressly notes that the consequences of the regime's repression of its own people constitute a threat to international peace and security in the region. It also demands immediate access by international humanitarian aid organizations to all Iraqis in need in all parts of Iraq. Yet, for over nine years, the Iraqi Government has refused to allow the UN Human Rights Commission's Special Rapporteur for Iraq to visit the country. UN human rights monitors have never been allowed in. In his first two reports on the human rights situation in Iraq, Special Rapporteur Andreas Mavrounatis urged the government to alleviate the suffering of the Iraqi people and to accept and comply with the terms of all Security Council resolutions, including Resolution 1284.

Human rights NGOs and other interested voices continue to call for the creation of an international tribunal to address the war crimes and crimes against humanity of the Iraqi leadership. United States Government policy supports this view: the leadership of the Iraqi regime should be indicted and prosecuted by an international criminal tribunal or by a national court that can properly exercise jurisdiction over them.

The Iraqi leadership's abuse of resources for personal enrichment and attempts to manipulate the "oil-for-food" program continued unabated. Due to higher world oil prices, Iraq has more revenue available to it to address the humanitarian needs of its people via the "oil-for-food" program. The Iraqi leadership's command of illicit revenue has also risen sharply for the same reason. Nonetheless, the government fails to use such resources for the greatest benefit to the people of Iraq.

In the north, outside the Kurdish-controlled areas, we continue to receive reports of the regime forcibly expelling ethnic Kurds and Turkomans from Kirkuk and other cities, and transferring Arabs into their places. There have also been reports of Shia in certain sections of Baghdad being relocated.

#### THE IRAQI OPPOSITION

We are continuing our support for the Iraqi Opposition, helping Iraqis inside and outside Iraq to become a more effective voice for the aspirations of the people, and working to build support for the forces of change inside the country. They are working toward the day when Iraq has a government worthy of its people—a government prepared to live in peace with its people and its neighbors.

On February 28, 2001, we signed an extension to the \$4 million grant agreement we have with the Iraqi National Congress (INC). This extension allows the INC to continue operations at its headquarters, begin satellite TV and radio broadcasting, undertake outreach programs to further develop its organization, deploy teams to advocate the interests of the Iraqi people at international fora, prepare for the delivery of humanitarian relief to Iraqis in need, initiate an information collection program, and manage assistance provided under the Iraq Liberation Act (ILA). At the same time, we are working with the INC to negotiate a follow-on agreement.

#### THE UNITED NATIONS COMPENSATION COMMISSION

The United Nations Compensation Commission (UNCC) was established and operates pursuant to UNSCRs 687 (1991) and 692 (1991). It continues to process claims and pay compensation for losses and damages suffered by individuals, corporations, governments, and international organizations, as a direct result of Iraq's unlawful invasion and occupation of Kuwait. To date, the UNCC has issued approximately 2.6 million awards worth about \$32 billion. Of these, the United States Government has received approximately \$190 million from the UNCC for payment to U.S. claimants. Awards and the costs of the UNCC's operation are paid from the Compensation Fund, which is funded through the allocation of a certain percentage of the proceeds from authorized oil sales under Security Council Resolution 986 (1995) and subsequent extensions. The allocated percentage has generally been set at 30 percent. However, for the current 6-month phase of the "oil-for-food" program, beginning December 6, 2000, and ending June 6, 2001, there has been a temporary reduction in that allotment to 25 percent. The 5-percent difference will go to fund specific programs intended to meet pressing humanitarian needs of the Iraqi people.

#### CONCLUSION

Iraq remains a serious threat to international peace and security. The United States remains determined to see Iraq comply fully with all of its obligations under UNSC resolutions while at the same time endeavoring to see that the humanitarian needs of the Iraqi population are addressed. The United States will continue to encourage and support those Iraqis working for the day when Iraq rejoins the family of nations as a responsible and law-abiding mem-

ber under a new government that serves its people rather than represses them.

