

STATUS OF UNITED STATES EFFORTS REGARDING  
IRAQ'S COMPLIANCE WITH UN SECURITY COUNCIL  
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 COM-  
PLIANCE WITH THE RESOLUTIONS ADOPTED BY THE U.N. SECU-  
RITY COUNCIL, PURSUANT TO 50 U.S.C. 1541



MAY 7, 2002.—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, May 3, 2002.*

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 providing a report prepared by my Administration on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the United Nations Security Council. The last report, consistent with Public Law 102-1, was transmitted on January 24, 2002.

Sincerely,

GEORGE W. BUSH.



## STATUS OF U.S. EFFORTS REGARDING IRAQ'S COMPLIANCE WITH UN SECURITY COUNCIL 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 continuing our Iraq policy review to determine the best means of advancing our interests. We have already strengthened international consensus on the need to change the international community's approach to Iraq through the UN Security Council's (UNSC) unanimous adoption of UN Security Council Resolution (UNSCR) 1382, providing for the UNSC to implement the Goods Review List (GRL) as the basis for UN controls on Iraq beginning on May 30, 2002. This approach will focus UN controls to prevent Iraq from acquiring items to support Iraq's ballistic missile, conventional military or nuclear, chemical, or biological weapons programs. We are continuing consultations with other UNSC members to ensure adoption and implementation of the GRL. We continue to help maintain No-Fly Zones over northern and southern Iraq to carry out vital UNSC resolutions in an effort to help ensure the safety of citizens of specific ethnic and religious groups, and Iraq's neighbors. 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 most effective and lasting way to end this threat 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. As part of that effort, the Iraqi National Congress (INC) continues to be funded for a variety of activities by the State Department, and continues to receive training under the drawdown authority of the Iraq Liberation Act (ILA).

Iraq continues to reject UNSC 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 Iraq and its facilities, equipment, records, and personnel.

Nonetheless, the UN continues to implement those parts of the resolution which do not require Iraqi cooperation. In its quarterly report to the UNSC on February 26, 2002, UNMOVIC provided an update on measures it is taking to prepare for inspections in Iraq. UNMOVIC Executive Chairman Dr. Hans Blix has stated that UNMOVIC inspectors are prepared and ready to return to Iraq. To serve a useful purpose, a UN inspections regime must have the mandate, resources, access, cooperation, and support necessary to function at a high standard of effectiveness. A UN inspections re-

gime that lacks the capability or otherwise fails to function at such a standard of effectiveness could significantly harm U.S. interests. We continue to consult regularly with Dr. Blix and his staff to provide the best support possible. In its semi-annual report to the UN Security Council on October 5, 2001, and IAEA indicated it is similarly prepared to return to Iraq, but that the longer the suspension of resolution-related inspections lasts, the more difficult it will be and the more time will be required for the Agency to re-establish a level of knowledge comparable to that achieved at the end of 1998.

Ambassador Yuli Vorontsov, the Secretary General's high-level coordinator for Kuwait Issues, presented his periodic report on Kuwaiti and third-country national prisoners and stolen Kuwaiti property on December 20, 2001. These reports demonstrate Iraq's continuing failure to comply fully with its obligations under relevant UNSCRs. The Iraqi Government continues to deny Ambassador Vorontsov entry to the country. We have requested that Ambassador Vorontsov attend any future meetings between the SYG and the Iraqi Foreign Minister.

The Oil-for-Food (OFF) program, which is designed to provide for the humanitarian needs of the Iraqi people as long as UN sanctions remain in place, continues to function effectively. Iraq exported over \$10 billion worth of oil in 2001 with the proceeds going to a UN-controlled escrow account. On November 29, the UNSC extended the current phase of the OFF program for an additional 180 days.

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

Saddam Hussein's record of aggressive behavior necessitates the continued 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 weapons of mass destruction (WMD), or movement against the Kurds in northern Iraq. We will 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 routinely tracked by Iraqi radar, fired upon by anti-aircraft artillery, and attacked with 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.

#### 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. Canadian, Australian, and British forces are currently operating with U.S. forces.

In large part, member states of the Gulf Cooperation Council (GCC) continue to support the MIF. The UAE accepts the vast ma-

majority of vessels diverted for violating UN sanctions against Iraq. Kuwait continues to accept diversions and is receptive when approached. Kuwait has also increased its ability to deal with smuggled oil by contracting a bunkering tanker, further indicative of its continued support. Other GCC nations are more hesitant to accept diverted vessels (Saudi Arabia, Qatar and Bahrain have accepted ships in the past, but now refuse), but all provide support in some form to the enforcement of UNSCRs against Iraq.

From December 2001 through February 2002, monthly totals of smuggled petroleum products through the Gulf averaged less than those in the previous three-month period. This reduction is most likely due to lower oil prices and an increased MIF presence that makes interception of suspect vessels more likely. Iran continues to deny use of its territorial waters to all but the largest of smuggling vessels from which significant fees can be obtained.

The MIF continues to serve as a critical deterrent to the smuggling of prohibited items and products into and out of Iraq. We need to continually reassess the adequacy of MIF force levels as conditions develop.

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

There have been no Council-mandated weapon inspections in Iraq since December 15, 1998. Iraq's defiance of the international consensus, as expressed by UNSCR 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 five training courses and is planning to hold a sixth course in late 2002. The United States continues to provide 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. Most recently, on January 10, Dr. Blix met with Secretary of State Powell, Dr. Condoleezza Rice, and OASD/USDP Douglas Feith in Washington. On February 26, 2002, UNMOVIC provided its latest report on measures it is taking to prepare for inspections in Iraq. Dr. Blix has stated that UNMOVIC inspectors are prepared and ready to return to Iraq.

The United States also continues to provide support to and hold regular consultations with the IAEA Iraq Action Team. In its semi-annual report to the UN Security Council on October 5, 2001, the IAEA indicated that it has maintained its readiness to resume verification and monitoring activities in Iraq but that the longer the suspension of resolution related inspections lasts, the more difficult it will be and the more time will be required for the Agency to re-establish a level of knowledge comparable to that achieved at the end of 1998.

#### DUAL-USE ITEMS

Although the OFF program revenues are designated for humanitarian purposes only, we remain concerned that Iraq is abusing

this program in an attempt to acquire goods and materials for its weapons programs. Currently, the United States, as a member of the UN Iraq Sanctions Committee, reviews all contracts under the OFF program (unless the items are on a list pre-approved for expedited humanitarian export) to ensure that prohibited items are not exported to Iraq and dual-use items are not diverted to Iraqi weapons programs. On November 29, 2001, the United Nations Security Council unanimously adopted Resolution 1382. In this resolution, the Council agreed to adopt and implement a Goods Review List (GRL) by May 30, 2002, subject to any refinements agreed to by the Council prior to that date. When implemented, the GRL will maintain UN controls on items deemed useful in supporting Iraq's ballistic missile, conventional military, and nuclear, chemical, and biological weapons programs. At the same time, this approach will lift economic sanctions on purely civilian trade with Iraq.

UNSCR 1051 established a joint UNSCOM/IAEA unit to monitor Iraq's authorized imports of WMD and missile-related items (WMD/missile-related goods are also known as "1051"-listed goods). UNSCR 1051 also established lists of items subject to review in all four weapons categories—ballistic missile, nuclear, chemical and biological. As we previously reported, these lists were updated by UNMOVIC and the IAEA. Under UN Security Council resolution 1284, UNMOVIC has assumed this responsibility from UNSCOM, with the added requirement to identify if, in their estimation, a contract contains a 1051-listed good. UNMOVIC and the IAEA have continued to perform this duty during this reporting period. Under UNSCR 1382, UNMOVIC and the IAEA would be charged with screening all oil for food contracts for GRL-listed items. Under this approach, the GRL includes the 1051 lists and items that Iraq could use to support its conventional military. Since weapons inspectors left Iraq in December 1998, the UN Office of the Iraq Programme is the principal organization allowed to observe goods going into Iraq under the OFF program. Various UN agencies have provided end-use verification to varying low degrees. In the absence of weapons inspectors and other experts on the ground in Iraq, The United States has placed holds on a number of prohibited or dual-use contracts that otherwise likely would have been approved if UNMOVIC/IAEA monitoring were available.

#### 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 OFF program. Under UN control, the proceeds of Iraqi oil sales are used to purchase humanitarian goods, fund UN Compensation Commission awards against Iraq arising out of its invasion and occupation of Kuwait, and to meet UN administrative costs. As of March 15, 2002, Iraq had exported nearly \$3.0 billion worth of oil during the eleventh six-month phase of the OFF program, which began on November 30, 2001. According to UN data since the start of the OFF program, 21,575 contracts for humanitarian goods worth over \$31 billion have been approved through January 31, 2002. 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 have increased. The Security Council's commitment in recently adopted resolution 1382 to implement the Goods Review List and related procedures on May 30, 2002, will help eliminate holds (contracts would either be approved or submitted to the sanctions committee members for approval or submitted to the sanctions committee members for approval or denial), while ensuring that the Iraqi regime has less access to the goods most important to its rearmament efforts.

The OFF 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 percentage of the funds generated under the OFF program are spent on items for northern Iraq.

Humanitarian efforts in northern Iraq have led to a marked contrasts between the health of the population of the north, where indicators show an improvement, and of the population living in the areas where the UN does not administer the program.

International humanitarian programs, including most importantly the OFF Program, have steadily improved the life of the average Iraqi and led to improvements in health care, water, sanitation, agriculture, education, and other areas, while denying Saddam Hussein control over most of Iraq's oil revenues.

However, as noted in a February 26, 2002, UN report, the Government of Iraq is not committed to using the funds available through the OFF program to improve the health and welfare of the Iraqi people. Iraq's recent cut-off of oil exports, attributed to the Palestinian-Israeli conflict, is the latest in a series of political moves whose impact falls principally on the Iraqi people, as lack of oil revenues directly impacts the Oil-for-Food program. In addition, Iraqi contracting delays, cuts in food, medicine, educational and other humanitarian sector allocations, government attempts to impede or shut down humanitarian NGO operations in northern Iraq, and Baghdad's delays in the issuance of visas for UN personnel demonstrate that the Iraqi regime is attempting to undermine the effectiveness of the program.

On March 6, 2002, the United States briefed the United Nations Security Council 661 Sanctions Committee on Iraq's diversion of trucks to its military programs. 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 UNSCR 1284, and other relevant UNSCRs, better enables the humanitarian needs of the Iraqi people to be met while denying political or military 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 on new procedures for international flights. In the absence of an agreement, we continue to press for adherence to existing Sanctions Committee procedures, that allow for Committee approval of flights with a demonstrable

humanitarian purposes. The majority of international flights to Iraq in the past year have operated in compliance with UNSC 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. On April 18, 2001, the United Nations Commission on Human Rights strongly condemned "the systematic, widespread and extremely grave violations of human rights and of international humanitarian law by the Government of Iraq, resulting in an all-pervasive repression and oppression sustained by broad-based discrimination and widespread terror."

Human rights NGOs and other interested voices continue to call for 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 OFF program continued unabated. The government fails to use revenues earned via the OFF or from illicit trade 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 continuing its ethnic cleansing policy of forcibly expelling ethnic Kurds and Turkomans from Kirkuk and other cities, and transferring Arabs into their places. Saddam's security apparatus continues to repress Shias.

#### THE IRAQI OPPOSITION

We continue to support 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.

Since October 2001, we have been making short-term extensions to our cooperative agreement with the Iraqi National Congress (INC), as we negotiate a new agreement with them. The funding in the current grant has allowed the INC to continue operations at its headquarters and satellite offices, begin satellite television broadcasting into Iraq, continue production and distribution of its newspaper, undertake outreach programs to further develop its organization, deploy teams to advocate the interests of the Iraqi people at international fora, plan for the delivery of humanitarian relief of Iraqis in need, collect information on the Iraqi regime, and manage assistance provided under the Iraq Liberation Act (ILA). We plan to reach a new agreement with the INC shortly, to provide them with further funding to continue such activities.

In addition, we are currently planning a broad-based conference of Iraqi emigres and oppositionists that will (1) provide Iraqis the opportunity to make their case for a better government; (2) affirm a statement of political principles and give a basis for major oppositionists to come together to build towards the future; and (3) provide a platform for a series of working groups regarding immediate, practical post-Saddam needs, such as transitional justice, public health, public finance, education, environment and water, the role of the military, building a free press, building civil society, and rebuilding the Iraqi economy.

#### THE UNITED NATIONS COMPENSATION COMMISSION

The United States 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 \$37.7 billion, and has already paid \$13.8 billion of those awards. Of the former amount, the United States Government has been awarded approximately \$666.3 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 to it of a certain percentage of the proceeds from authorized oil sales under Security Council resolution 986 (1995) and subsequent extensions. The allotment has generally been set at 30 percent. However, for the six-month phase of the OFF program beginning December 6, 2000, there was a reduction in that allotment to 25 percent. This reduction has been extended with each subsequent rollover, including the latest one starting on November 29, 2001, as embodied in UNSCR 1382. The reduction is designed to make funds available for specific programs intended to meet pressing humanitarian needs of the Iraqi people.

#### CONCLUSION

Iraq remains a serious threat to international peace and security. The Iraqi regime's record on human rights continues to be abysmal. 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 member under a new government that serves its people, rather than represses them.

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