

**Security Council**

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**Letter dated 3 January 2003 from the Secretary-General
addressed to the President of the Security Council**

I have the honour to inform you and, through you, the members of the Security Council that, pursuant to paragraph (8) (a) (ii) of Security Council resolution 986 (1995) and the Memorandum of Understanding concluded on 20 May 1996 between the United Nations Secretariat and the Government of Iraq (S/1996/356), the Government of Iraq has submitted to me its distribution plan for humanitarian supplies for the new period specified in paragraph 1 of resolution 1447 (2002).

The Government of Iraq was informed today that I have approved the plan on the understanding that its implementation would be governed by resolutions 986 (1995), 1281 (1999), 1284 (1999), 1302 (2000), 1330 (2000), 1360 (2001), 1382 (2001), 1409 (2002), 1447 (2002) and 1454 (2002) and by the Memorandum of Understanding (S/1996/356), without prejudice to the procedures followed by the Security Council Committee established by resolution 661 (1990).

In accordance with the recommendations contained in my report to the Security Council dated 12 November 2002 (S/2002/1239, para. 63), the categorized list of goods received and amended for the phase XII distribution plan (S/2002/666) will constitute the basis for the categorized list posted on the web site of the Office of the Iraq Programme for the new period specified in paragraph 1 of resolution 1447 (2002). The technical experts of the United Nations Monitoring, Verification and Inspection Commission (UNMOVIC) and the International Atomic Energy Agency (IAEA) will keep the categorized list under review and provide the necessary assessments following the submission of applications, in accordance with the relevant provisions contained in resolutions 1409 (2002) and 1454 (2002) and the revised procedures for the implementation of the Goods Review List (S/2002/515, annex, as revised by resolution 1454 (2002), annexes A and B).

The distribution plan and the letter dated 3 January 2003 from the Executive Director of the Iraq Programme addressed to the Chargé d'affaires of the Permanent Mission of Iraq to the United Nations, conveying my acceptance of the plan, are attached.

(Signed) Kofi A. Annan

Annex I

Letter dated 3 January 2003 from the Executive Director of the Iraq Programme addressed to the Chargé d'affaires a.i. of the Permanent Mission of Iraq to the United Nations

[Original: English]

On behalf of the Secretary-General, I have the honour to acknowledge receipt, under cover of your letters dated 26 and 31 December 2002 addressed to the Secretary-General, of the distribution plan submitted by your Government for the new period specified in paragraph 1 of Security Council resolution 1447 (2002) of 4 December 2002. In this respect, I should like to inform you that I have been authorized by the Secretary-General to convey the following.

I have the honour to inform the Government of Iraq, through you, that, having examined the distribution plan, and taking into full account the relevant provisions of resolutions 986 (1995), 1447 (2002) and 1454 (2002), as well as the memorandum of understanding concluded on 20 May 1996 between the United Nations Secretariat and the Government of Iraq (S/1996/356), the Secretary-General has come to the conclusion that the plan, if properly implemented, should meet the requirements of equitable distribution of humanitarian goods to the Iraqi population throughout the country. The plan is therefore approved with the following understandings.

The United Nations welcomes the positive response by the Government of Iraq to the recommendations contained in the Secretary-General's report to the Security Council dated 12 November 2002 (S/2002/1239, section VI) on the presentation of the distribution plan. The financial allocations presented in the distribution plan are regarded by the United Nations as being provisional and for planning purposes only, as the funding level for the distribution plan for phase XIII is based on the estimated revenues to be received from the volume and price of oil exports from Iraq.

Furthermore, in view of the difficulties which are being experienced in the implementation of the programme owing to the substantial shortfall in funding from previous phases, it is essential that the Government of Iraq keep under constant review the funding levels and revise, as appropriate, the allocations contained in the distribution plan for phase XIII, in order to ensure the availability of necessary funds to various sectors, particularly to priority sectors such as health, water and sanitation. The Office of the Iraq Programme will keep the Government of Iraq fully informed of the status of the funding level and provide any assistance which the Government may wish to have in that regard.

The approval of the distribution plan is subject to the condition that its implementation is governed by the relevant provisions of Security Council resolutions 986 (1995), 1281 (1999), 1284 (1999), 1302 (2000), 1330 (2000), 1360 (2001), 1382 (2001), 1409 (2002), 1447 (2002) and 1454 (2002) and the memorandum of understanding (S/1996/356) and that, in case of inconsistency between the particular provisions of the plan, on the one hand, and the resolutions and the memorandum of understanding, on the other, the provisions of the latter

documents shall prevail. Furthermore, the approval of the plan is without prejudice to actions that might be taken by the Security Council Committee established pursuant to resolution 661 (1990), regarding applications for export of particular items contained in the goods review list submitted for the Committee's consideration (S/2002/515 and resolution 1454 (2002), annexes A and B).

(Signed) Benon V. **Sevan**
Under-Secretary-General

Annex II

Letters dated 26 and 31 December 2002 from the Chargé d'affaires a.i. of the Permanent Mission of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith the procurement and distribution plan for phase XIII submitted by the Republic of Iraq pursuant to the Memorandum of Understanding signed on 20 May 1996 between the Government of Iraq and the United Nations Secretariat and to Security Council resolution 1447 (2002).

My Government trusts that the plan will be approved shortly and will submit the related annexes within the next few days.

(Signed) Mohammed **Salman Ali**
Chargé d'affaires a.i.

With reference to our letter No. 724 of 26 December 2002, on instructions from my Government, I have the honour to request the deletion of the final part of that letter, which reads “and will submit the related annexes within the next few days”.

(Signed) Mohammed **Salman Ali**
Chargé d'affaires a.i.