First report of the Secretary-General pursuant to paragraph 4 of Security Council resolution 2335 (2016)

I. Introduction

1. The present report is submitted pursuant to paragraph 4 of Security Council resolution 2335 (2016), in which the Council requested the Secretary-General to report on the implementation of the resolution no later than 30 March 2017, with a final report three months after the transfer of any remaining funds, pursuant to paragraph 2 of the resolution, to the Government of Iraq, unless otherwise authorized by the Council.

2. Pursuant to paragraph 2 of resolution 2335 (2016), the Secretariat continues to maintain the escrow accounts authorized in paragraphs 3, 4 and 5 of Security Council resolution 1958 (2010).

II. Administrative escrow account

3. I should like to inform the members of the Security Council that the activities undertaken and funded as outlined in paragraph 4 of resolution 1958 (2010) from 1 January to 31 December 2016 have led to expenditure amounting to $657,514 for the activities related to the orderly termination of the residual activities of the oil-for-food programme.

III. Indemnification escrow account

4. I should like to inform the members of the Security Council that no expenditures have been incurred to date in respect of the amount referred to in paragraph 5 of resolution 1958 (2010).

5. In a letter dated 29 December 2016 addressed to the President of the Security Council (S/2016/1126) and his fifth report to the Council pursuant to paragraph 8 of resolution 1958 (2010) (S/2016/497), the Secretary-General indicated that the United Nations and the Government of Iraq had reached certain understandings on the indemnification arrangements to be concluded in accordance with paragraph 7 of resolution 1958 (2010). I wish to express my appreciation for the continuous and
constructive interaction between the Government of Iraq and the Secretariat on this matter.

6. In this regard, I welcome the important steps that the Government of Iraq has taken in the meantime in respect of some of the elements of the understandings reached. While substantial progress has been made, the necessary implementing arrangements have yet to be signed.

7. I remain hopeful that the Government of Iraq and the Secretariat will be able to conclude such arrangements on the basis of the understandings already reached and in accordance with the timelines set out in resolution 2335 (2016).

8. I will inform the Security Council of further progress in connection with the implementation of resolution 2335 (2016).