

## Immunity Mechanism on Iraqi Funds Abroad

Dr. Abdul Basit T. Sa'eed, the BSA president and chairman of the Iraqi Committee of Financial Experts (COFE), and the accompanying delegation left to New York, U.S. to attend the United Nations Security Council session held on July 12, 2010 on the government of Iraq report on the progress of the work plan of DFI successor arrangements under SC Resolution No. 1905, of 2009, as well as the financial and administrative control over DFI.

The International Advisory and Monitoring Board (IAMB) was first founded as a supervisory affiliation on the gains and expenditures of Iraq's public funds generated from oil and oil products production and exports. These gains, which are deposited in the Federal Reserve Bank, N.Y. under DFI account, were granted an international immunity to avoid any measurement of seizure or confiscation by international courts. The Iraqi Committee of Financial Experts (COFE) was established on April 1, 2007 to work in conjunction with IAMB.

IAMB recognized, through its proceedings and press statements during the 3 last years, that COFE is totally competent and capable to take over control over the DFI in replacement of IAMB.

Under the said Resolution, the International Security Council requested the government of Iraq to create a replacing mechanism for the transition of IAMB's activities to COFE.

During the session, the complexities that might take place in tandem with the DFI transfer to an alternate system, which could compromise the international immunity of Iraqi funds and consequently bring them to seizure, were also discussed and explored. The session also highlighted proposed mechanisms aim to guarantee the immunity of Iraqi funds abroad and the role of the United Nations and the United States.

The discussion went through the efforts maintained by the Iraqi government to liquidate the outstanding debts of Iraq during the former regime era, its successes with Paris Club member states to reach a settlement of more than \$51 b out of the total debts, and Iraq's arrival on settlements with non-Paris Club creditor states under conditions similar to those of Paris Club states except for 13 countries among which are the member states of the Cooperation Council for the Arab States of the Gulf (GCC). Iraq confirmed also, during the session, its commitment to settle, resolve and process all debts and claims inherited from the former regime of Iraq.