

Board of Supreme Audit

((Iraq Demand US Government to Compensate for Mismanaged Iraqi Funds by USA))

Deputy Secretary of US DoD expressed his inability to attend IAMB regular meeting to be held in Paris this year late April to discuss the details of SIGIR report issued on 27th July, 2010.

Former CPA (dissolved) handed over to US DoD agencies US\$9.1 billion from DFI funds, which SIGIR could not verify the spending of \$ 8.7 billion of these funds.

This is the 3rd time the Deputy expresses inability to attend or send a representative to the meeting, as he did not attend the previous two meetings held in Amman and Geneva in November 2010, and January 2011 respectively.

It should be noted that after US Embassy handed over to BSA part of the documents related to contracts according to which the disbursements were made, BSA tried to verify the aforementioned spendings. However, BSA found out that 9110 contracts were not documented, or did not exist originally.

In addition, while reviewing the handed over documents, BSA found that 1770 contracts were not identified by their Iraqi beneficiaries, because the beneficiary name was mistakenly stated; therefore BSA circulated these contracts to Iraqi ministries and departments to identify their beneficiaries, yet, up to date none has been identified.

Moreover, most of the projects lack delivery documents to prove handing over such projects to the Iraqi beneficial parties; as such, BSA officially informed US government that Iraq

maintains the right to claim compensation for the damages resulted from misconducting Iraqi funds.

BSA has also requested IAMB to develop a mechanism to retrieve Iraqi funds to DFI that, according to SIGIR, were unduly disbursed.