

# INTERNATIONAL STRATEGY GROUP

LLC  
c/o Couderc Brothers LLP  
1527 I Street NW  
Washington, DC 20006-4007  
Tel. (202) 775-5100  
Fax. (202) 775-1168

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Ambassador Abdullah Murad  
Ministry of Foreign Affairs  
State of Kuwait  
Safat 13001

Re: Proposal For The Protection And Investment of UNCC Public Sector Awards and Proceeds

Your Excellency,

Thank you for taking time from your busy schedule to meet with me at the Foreign Ministry on August 7. I wish to impress upon you, prior to that meeting, my conviction that Kuwait's UNCC awards are in imminent jeopardy. The new Iraqi government is bent on stripping Kuwait of its right to reparations. And increasingly world opinion supports the Iraqi position, because they have not heard from Kuwait.

More than a year ago, on July 16, 2003, an official Kuwaiti delegation from PAAC, KIA and KIO met with my consortium in London to consider our ideas on protecting the awards. The Kuwaiti officials favorably responded to our ideas, and requested that we prepare a detailed financial proposal for the protection and monetization of the awards. We were asked to consider numerous financial, political and strategic issues in preparing the proposal. In response, the consortium expended enormous financial, intellectual, and political capital not only to develop a detailed proposal but to secure the assurances that would be necessary for its success.

I personally hand delivered the proposal to the office of the Minister of Foreign Affairs on the 21<sup>st</sup> of January and thereafter to the Prime Minister's office on the 24<sup>th</sup> of February. Since that submission, the proposal has languished without response, and Kuwait has missed opportunity after opportunity to advance its interests. Each of the following events was vital to Kuwait's interests, but due to the absence of concerted strategy, became a lost opportunity:

- > the U.S. démarche to Kuwait to discuss sovereign debt forgiveness;
- > Iraq's repeated and public approaches to the UN seeking relief from reparations;
- > the appointment of a new interim government in Iraq and termination of the U.S.-backed Authority; and
- > the U.N. resolution providing for the transfer of sovereignty and an end to the Coalition's occupation.

Any one of these occasions could have been a turning point for Kuwait, and ensured or enhanced protection of the awards. And following each missed opportunity, I was assured that a favorable response to the consortium's proposal was just around the corner. In fact, the only response has been more than five months of official silence.

This silence is all the more perplexing when one considers that the officials in the presentation over a year ago, and officials on every other occasion when I have traveled to Kuwait to inquire regarding the proposal, have emphasized that it is urgent for the Government to protect the awards, and that no higher priority exists for the people of Kuwait.

Indeed, the awards are emblematic of a far more serious concern - Kuwait's sovereignty and security in a region and world that is increasingly supportive of Iraq. The consortium offers Kuwait an opportunity to use the issue of the awards as a means for establishing Kuwait's leadership in the region, and a means by which Kuwait can secure the support of the U.N. Security Council and its individual members.

My consortium has made exceptional efforts to secure a response. I have traveled to Kuwait on numerous occasions and met with officials of the Ministry of Foreign Affairs and the Prime Minister's Office. They have repeatedly