

جمهورية العراق
وزارة المالية



REPUBLIC OF IRAQ
MINISTRY OF FINANCE

Press Release

For Immediate Release

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Iraq Announces Conclusion of Commercial Debt Settlement

Baghdad, Iraq: The Republic of Iraq today announced the conclusion of its program to restructure Saddam-era commercial debt with payments that were made to holders of small claims against Iraq and Iraqi public sector entities.

Holders that received payments include those who tendered in response to a final round of cash buyback invitations, as well as those who previously tendered and received awards in the arbitration process that addressed their unreconciled claims.

A total of \$19.7 billion of commercial claims against Iraq have been settled over the past eleven months as part of the Government of Iraq's program to address the huge debt stock accumulated by the Saddam regime.

As a result of the two rounds of Iraq's debt-for-debt exchange offer, the four rounds of its cash buyback offer and the arbitration process:

- 11,776 individual Saddam-era commercial claims have been cancelled, including 817 following the arbitration process;
- 491 commercial claimants participated in the program;
- The aggregate amount of commercial claims retired under this program exceeds \$19.7 billion; and
- The holders of approximately 96% (by value) of the eligible claims that received invitations to settle their Saddam-era claims agreed to do so.

“The success of Iraq’s commercial debt restructuring program represents a crucial milestone in Iraq’s return to normal relations with the international financial community,” said Bayan Jabr, Iraq’s Minister of Finance. “The pace and scale of this debt restructuring program is unprecedented in the history of sovereign finance.”

Sinan Al-Shabibi, Governor of the Central Bank of Iraq, added, “The enormous and unsustainable debt stock accumulated by the Saddam regime has now been reduced to the point that it will not deter the new investment needed to finance Iraq’s economic reconstruction. This was one of the major objectives that the Government of Iraq identified in June, 2004. It is an objective that has now been accomplished.”

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