

15 September 2004



# Iraq Weekly Status (NSC)

DEPARTMENT  
OF  
STATE

# Highlights



## Political/Governance

### Election Timeline:

- Iraq's interim Prime Minister Allawi announced that elections will go ahead as scheduled next January.

## Economic

### Telecommunications:

- Total number of telephone subscribers in Iraq is now over 1,531,732 (including 732,000 cell phone subscribers) – 83.9% above pre-war levels.

### Iraqi Stock Exchange (ISX):

- 113 companies are currently listed on the ISX, an increase of over 400% since trading first opened on June 24.

# Highlights



## Reconstruction

### Reallocation of Iraq Relief and Reconstruction Fund (IRRF) Spending:

- A proposal to shift \$3.46 billion of the IRRF to improve security, boost oil output and prepare for national elections was introduced this week and is awaiting approval from Congress.

## Security

### Security Forces Update:

- Of the \$3.46 billion IRRF reallocation, \$1.804 billion is planned for Security and Law enforcement improvements. The increase will allow expansion of police, national guard and border forces.
- Iraqi security forces capabilities continue to improve. Capability is demonstrated by Iraqi Army, Special Operations Forces, Iraqi Intervention Forces, National Guard, and Police.
- Two-thirds of Iraqi Regular and Intervention Force battalions are now trained or in training; six are operational and 12 are conducting basic training.

# Governance - Developments



## Iraq Elections On Schedule:

- Interim Prime Minister Iyad Allawi announced that National Assembly elections will proceed as planned in January 2005. Prime Minister Allawi said the IIG is “determined to win the war against the terrorists and establish democracy in Iraq.”

## UN to Assist in Pollution Cleanup:

- The United Nations’ Environment Program (UNEP) will assist Iraq in cleaning up a variety of pollution problems resulting from more than a decade of instability and neglect by the former regime. UNEP will also train Iraqi experts in building the proper skills to be fully independent in the long term.

# Governance - Developments



## Capacity Building:

- The State Department is promoting capacity building and democracy in Iraq, including through US-based programs for Iraqis:
  - "Elementary and Secondary Education" International Visitor Program (August 31-September 17): An introduction to American education for six Ministry of Education officials, teachers, school administrators and others involved in educational policy making.
  - "U.S. Media and Political Campaigns" International Visitor Program (September 5-September 25): The program for Iraqi journalists will examine the role of the media in U.S. political campaigns and the particular symbiosis between the media and the candidates they cover.



# Economy

## Oil Update

- Crude Oil prices in world markets for the week ending 9 September closed with Kirkuk Crude at \$34.89/barrel, Basra Light at \$35.32/barrel, and the OPEC basket closing at \$37.36/barrel.

## Employment Update

Number of Iraqis employed by each sector/project

Sector	Iraqis last week	Iraqis this week	% Increase on week
Buildings, Health & Education	2,011	3,726 *	85.3%
Electricity	482	3,919 *	713.1%
Oil	374	402	7.5%
Public Works & Water	1,173	308	-73.7%
Security & Justice	3,815	6,560	72.0%
Transportation & Communications	150	175	16.7%
AIRP	14,237	15,053	5.7%
<b>PCO Weekly Survey TOTAL</b>	<b>22,242</b>	<b>30,143</b>	<b>35.5%</b>
<b>USAID</b>	<b>88,436</b>	<b>88,436</b>	<b>0.0%</b>
<b>MILCON TOTAL</b>	<b>716</b>	<b>1,017</b>	<b>42.0%</b>
<b>GRAND TOTAL</b>	<b>111,394</b>	<b>119,596</b>	<b>7.4%</b>

Note : \* Indicates Sector's projection numbers, rather than DB contractor's reported actuals

Data as of 8 Sept

## Economy (cont.)



### Iraq Securities Exchanges

- At the New Iraqi Dinar (NID) auction on September 13, the settlement price was 1,460 dinars per dollar, the same as the previous day and unchanged since June 17.

#### NID monthly average:

- |               |      |              |      |
|---------------|------|--------------|------|
| • April 2004: | 1440 | July 2004:   | 1460 |
| • May 2004:   | 1461 | August 2004: | 1460 |
| • June 2004:  | 1458 |              |      |

- The Ministry of Finance auctioned ID 150 billion (about \$102.7 million) in T-Bills on August 30; the settlement yield was 5.0 percent.
- Total number of transactions at the Iraq Stock Exchange (ISX) for the month of August, 2004 was 3736, with almost 2.66 billion shares traded. This is an increase in volume of about 33% since trading began on June 24.
- 113 companies are currently listed on the ISX, with an average of 5 new companies being added each week. Since June 24, 86 new company listings have been added to the ISX.



# Economy – Private Sector Development

## Agriculture Development

- USAID will re-equip 3 agricultural extension centers in northern Iraq.
  - These centers are used to train farmers in agricultural techniques and technologies to improve crop productivity.
  - Extension agents work in the fields of plant protection, soils, agronomy, and animal resources.
  - The centers currently employ 24 extension agents who train about 400 individuals in the field each year.

## Iraqi Construction Sector Business Briefing

- The United States Trade and Development Agency (USTDA) is conducting an Iraqi construction sector business briefing on October 19, 2004, in Arlington, VA.
  - The briefing will provide businesses with an opportunity to hear from high-level Iraqi construction sector officials about the current and future projects in Iraq and the opportunities available for businesses.
  - The Iraqi delegation is comprised of officials from Iraqi Ministry of Housing and Construction, the State Corporation for Roads and Bridges, the National Center for Engineering Consultancy, the National Center for Construction Labs and Research, and representatives of the state-owned Iraqi construction firms.





# Essential Services - Water and Sanitation

## Current Projects

- Total non-construction obligations for the week are \$11.2M.
  - The majority of this amount is due to the second delivery order of generators from Bertoli in support of the Ministry of Water Resources (PC 64000).
  - The assets will be installed at key locations throughout Iraq as reliable backups at water treatment and pumping facilities.
- USAID is beginning work on a new rural water initiative that will bring water to rural communities with 1,000 to 5,000 people.
  - The new project will install approximately 150 wells in 300 rural communities.
  - Several standard designs for varying sizes of communities have been developed to reduce design costs
- USAID's rehabilitation of the Sweet Water Canal System will increase water production by 100 percent, serving almost 2.1 million people.

# Essential Services - Food Security



## The Public Distribution System (PDS)

- Iraq's PDS now has sufficient stocks and contracts to fully meet national needs for the month of October. The Ministry of Trade is issuing tenders for subsequent months.
- The Ministries of Trade and Finance, and the Central Bank of Iraq have agreed to put aside sufficient funds to purchase commodities required for the remainder of the year, and to establish an additional three-month buffer stock.



## Essential Services - Telecommunications

- Total number of telephone subscribers in Iraq is now over 1,531,732 (including 732,000 cell phone subscribers) – 83.9% above pre-war levels.
- There are now 799,732 land line telephone subscribers in Iraq, compared with 833,000 subscribers pre-war.

### Cell Phone Users by Region

Region	Population *	Cell phone users	Penetration
<b>NORTH</b>	<b>4,147,300</b>	<b>289,000</b>	<b>6.97%</b>
<b>S. CENTRAL (BAGHDAD)</b>	<b>6,677,000</b>	<b>332,000</b>	<b>4.97%</b>
<b>SOUTH</b>	<b>4,501,000</b>	<b>111,000</b>	<b>2.47%</b>

As of Sep 09

*Source: IRMO Office of Communications as reported by cell phone companies Iraqi Central Statistical Organization 1997 Census, (assuming 3% annual growth)*

- As of August 5, there are 79,600 internet subscribers. These statistics do not reflect the large number of unregulated users of Internet cafés.



# Essential Services - Health Care

## Current Projects

- Four Primary Health Centers are scheduled to begin in both Najaf and Sadr City in the next few weeks. Both are on an accelerated schedule per the Minister of Health's request.
- Work continues on the Najaf Teaching Hospital and the emergency and administration areas are expected to be open on September 16, 2004.
- The rehabilitation for the Najaf Maternity Hospital is being assessed at \$15 million, including upgrades to the physical plant and equipment purchases.
- Overall, the proposed 150 Primary Health Center sites are being finalized and identified as cleared properties by the Iraqi MOH legal department. Reconstruction continues on the 19 hospitals already begun.
- The Iraqi Academy of Health Science Center (IAOHSC), a permanent training facility, is being actively pursued, with a proposed site under negotiations. This Academy will be the central point of training for almost all of the primary health care activity as well as other specialized education.



# Essential Services – Education

## Elementary Education

- The Embassy IRMO/Ministry of Education (MOE) office, USAID and the First Cavalry Division are making steady progress in enhancing the education experience for Iraqi children.
  - However, significant obstacles remain in maintaining security for civilian/military reconstruction, logistical support and distribution for donations, equipment, textbooks and supplies.

## School Construction

- The MOE is soliciting assistance monies from the World Bank for new school buildings, which may delay the number of schools available until September 2006.
  - The MOE is requesting an investment of \$43.2 million for school construction and \$7.4 million for rehabilitation of existing facilities.
  - The work at individual schools ranges from \$45,000 - \$70,000 and can be completed quickly. The original summer break of 90 days may still hold for the 2005-6 school year.

## Project and Contracting Office (PCO) Developments



- To date, the PCO has issued 206 task orders, out of a total of 390 (53%).
  - These task orders cover 2,301 projects nationwide, out of a total 2,824 (81%).
  - Of the \$18.4 billion supplemental, \$9.94 billion has been committed, \$7.10 billion is contractually obligated, and \$1.138 billion has been disbursed.
  - There are 119,596 Iraqi Employees from over 310 Iraqi Firms working on reconstruction affiliated with PCO.
  
- The Accelerated Iraq Reconstruction Program (AIRP) is meeting urgent local needs across Iraq, currently working on 621 total projects for \$2.4B:
  - Projects cover: water and sanitation, health, education, building, roads, power, telecommunications, and various other with a new emphasis on schools and clinics.
  - Upcoming round of contract awards will be open to all nations, with exception of states that sponsor terrorism.

# Project and Contracting Office (PCO)



Sector	2207 Report	Apportion	Committed		Obligated		Disbursed	
			Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	3235	3095	2722	2731	1913	1921	550	562
Electricity Sector	5465	2538	2182	2328	1975	1975	248	344
Oil Infrastructure	1701	1701	1340	1317	818	820	39	42
Justice, Public Safety, and Civil Society	1033	825	733	705	407	382	41	43
Democracy	451	451	420	420	319	369	34	34
Education, Refugees, Human Rights, Governance	259	259	241	240	127	128	24	25
Roads, Bridges, and Construction	367	270	223	223	132	132	6	7
Health Care	786	577	574	574	381	385	2	2
Transportation and Communications	500	467	418	410	210	215	8	9
Water Resources and Sanitation	4246	892	860	860	672	676	14	16
Private Sector Development	183	135	102	102	49	69	34	34
Admin Expense (USAID, State)	213	29	29	29	29	29	19	20
<b>TOTAL</b>	<b>18439</b>	<b>11239</b>	<b>9844</b>	<b>9939</b>	<b>7032</b>	<b>7101</b>	<b>1019</b>	<b>1138</b>
<b>CONSTRUCTION</b>	<b>12406</b>	<b>5815</b>	<b>5459</b>	<b>5555</b>	<b>4501</b>	<b>4478</b>		
<b>NON-CONSTRUCTION</b>	<b>5582</b>	<b>4973</b>	<b>3965</b>	<b>3964</b>	<b>2212</b>	<b>2254</b>		
<b>DEMOCRACY</b>	<b>451</b>	<b>451</b>	<b>420</b>	<b>420</b>	<b>319</b>	<b>369</b>		
<b>Total</b>	<b>18439</b>	<b>11239</b>	<b>9844</b>	<b>9939</b>	<b>7032</b>	<b>7101</b>		

Data as of 09 September 2004



# Interagency Iraqi Security Forces Update

## Highlights:

- The focus of effort is shifting from acquisition of equipment to distribution within theater.
- 96,681 trained Iraqis are on duty and an additional 19,796 are in training.\*
- Iraqi Security Forces capabilities continue to improve, but performance varies by region. Recent operations by elements in Najaf fighting demonstrates capability.

## Manning:

- Additional 257 recruits started basic training in the Iraqi Army this week.
- 7,158 available and qualified recruits are now awaiting transportation to training.

## Training:

- 855 law enforcement students graduated from training this week.
- 2,500 candidates will start police training this week.

## Equipping:

- Over 4,000 radios are on hand and will be distributed starting this week.
- 122 ambulances and 157 other vehicles were delivered this week.

\*Numbers reflect the expanded plan based on the recent troops to task analysis conducted by Iraqi Security Forces leadership and Multi-National Transition Security Command-Iraq, approved by Iraqi Interim Government leadership. These numbers do not include members of the Facilities Protection Service (FPS).





# Iraqi Police Forces: Current Status

		MANNING		TRAINING			EQUIPPING							
							WEAPONS		VEHICLES		COMMS*		BODY ARMOR	
FORCE	COMPONENT	AUTH	ON DUTY	UN-TRAINED	IN TRNG	TRAINED	REQ	O/H	REQ	O/H	REQ	O/H	REQ	O/H
Iraqi Police	IRAQI POLICE SERVICE	135,000	86,623	47,829	4,241	34,553	213,185	93,093	22,395	5,923	67,565	13,245	135,000	42,491
	CIVIL INTERVENTION FORCE	4,800	0	0	0	0	11,490	0	1,002	0	10,240	0	4,800	0
	EMERGENCY RESPONSE UNIT	270	83	0	0	83	1,020	500	58	0	352	0	270	50
Dept of Border Enforcement		32,000	14,753	0	440	14,313	42,601	16,442	8,271	1,627	8,271	1,627	28,626	4,000
<b>TOTAL</b>		<b>172,070</b>	<b>101,459</b>	<b>47,829</b>	<b>4,681</b>	<b>48,949</b>	<b>268,296</b>	<b>110,035</b>	<b>31,881</b>	<b>7,550</b>	<b>87,583</b>	<b>14,872</b>	<b>168,696</b>	<b>46,541</b>

- 70-100 % OF REQUIREMENT
- 40 - 69 % OF REQUIREMENT
- 39 % OR LESS OF REQUIREMENT

\* Some Radios are on hand but they are an interim capability only

**(Does not include 73,992 personnel in Facilities Protection Service)**



# Iraqi Armed Forces: Current Status

National Guard numbers reflect increased authorization for six division HQs, 21 brigade HQs, and 65 battalions

		MANNING		TRAINING			EQUIPPING							
							WEAPONS		VEHICLES		COMMS		BODY ARMOR	
FORCE	COMPONENT	REQ'D	O/H	UN-TRAINED	IN TRAINING	TRAINED	REQ	O/H	REQ	O/H	REQ	O/H	REQ	O/H
ARMY	IRAQI ARMY	27,000	12,351	0	7,562	4,789	23,606	15,432	2,298	1,768	3,596	0*	20,949	6,137
	IRAQI NATIONAL GUARD	62,032	35,150	0	966	34,184	68,760	37,635	2,142	698	11,208	427	62,032	23,320
	IRAQI INTERVENTION FORCE	6,584	7,417	0	5,489	1,928	8,850	3,300	583	152	1,798	1,021	6,584	2,741
	IRAQI SPECIAL OPS FORCE	1,620	653	0	75	578	1,898	1,274	180	59*	1,212	115*	1,620	605
AIR FORCE		502	162	0	46	116	383	0	34	4	21	0*	502	0
COASTAL DEFENCE FORCE		409	412	0	130	282	486	12	15	15	156	1*	409	0
<b>TOTAL</b>		<b>98,147</b>	<b>56,145</b>	<b>0</b>	<b>14,268</b>	<b>41,877</b>	<b>103,983</b>	<b>57,653</b>	<b>5,252</b>	<b>2,696</b>	<b>13,764</b>	<b>1,564</b>	<b>92,096</b>	<b>32,803</b>

- 70-100 % OF REQUIREMENT
- 40-69 % OF REQUIREMENT
- 39 % OR LESS OF REQUIREMENT

\*Some Radios are on hand but they are an interim capability only

Note: Iraqi National Guard equipment "on hand" numbers are being reverified following the August Mahdi Militia uprising



# Stability Contributors - OIF

## Countries with forces in Iraq

31

TOTAL ~24K

Albania  
Australia  
Azerbaijan  
Bulgaria  
Czech Rep  
Denmark  
El Salvador  
Estonia  
Georgia  
Hungary  
Italy  
Japan  
Kazakhstan  
Korea  
Latvia

Lithuania  
Macedonia  
Moldova  
Mongolia  
Netherlands  
New Zealand  
Norway  
Poland  
Portugal  
Romania  
Singapore  
Slovakia  
Thailand  
Tonga  
Ukraine  
UK

## Countries committed to provide forces for Iraq

1

### 33 Countries

(including US)

### and NATO

Potentially Supporting  
Iraqi Stability and  
Humanitarian Relief

# Iraq Weekly Status – General Information



- Development, coordination and distribution responsibilities for the Iraq Weekly Status Report have been transferred from the Department of Defense to the Department of State.
- This brief draws from multiple sources. References are cited on the respective pages in the “Notes Page” section (View → Notes Page).
- Please forward all questions and/or comments to (unclassified) [NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov) or (classified) [NEA-I-IPOG-DL@state.sgov.gov](mailto:NEA-I-IPOG-DL@state.sgov.gov)