

08 September 2004



Iraq Weekly Status

DEPARTMENT
OF
STATE



Table of Contents

SECTION	SLIDE(S)
<u>1.0 Highlights</u>	3-4
<u>2.0 Political Affairs</u>	
2.1 Governance	5-6
<u>3.0 Economic Affairs</u>	
3.1 Economy	7-9
3.2 Essential Services	10-14
<u>4.0 Reconstruction</u>	
4.1 Project and Contracting Office (PCO)	15-16
<u>5.0 Security</u>	
5.1 Security and Stability	17-20
<u>6.0 General Information</u>	21

Highlights



Political/Governance

Iraqi Interim National Council:

- Iraq's Interim National Council convened for the first time last week, taking what one delegate described as "the first steps in a democratic journey."

Economic

Telecommunications:

- Total number of telephone subscribers in Iraq is now over 1,509,148 (including 709,416 cell phone subscribers) – 81.2% above pre-war levels.



Highlights (cont.)

Reconstruction

Accomplishments:

In the past week, reconstruction accomplishments include:

- An Najaf Teaching Hospital
- Independent Electoral Commission Building

Security

Security Forces Update:

- Iraqi security forces capabilities continue to improve. Capability is demonstrated by Iraqi Army Special Operations Forces, Iraqi Intervention Forces, National Guard, and Police proving instrumental in conducting effective operations in Najaf with Coalition Forces in setting conditions for the withdrawal of Sadr's militia and the preservation of the Imam Ali Shrine.
- The newly formed Combined Review and Release Board considered the detention of 300 security detainees during its first week of deliberation.
- Started first training course in Jordan for Department of Border Enforcement personnel – the first centralized, specialized training program for Border Police, Customs, Immigration officials, and leaders. The training included over 400 in total, but over 200 returned to Iraq for disciplinary reasons.



Governance - Developments

Security Operations:

- Following the successful re-establishment of government authority in Najaf and the return of the Shrine of Ali to legitimate religious authorities, Multi-National Forces-Iraq (MNF-I) continue to support the Iraqi Government's efforts to bring law and order to Baghdad's Thawra City neighborhood.

Najaf Cleanup Continues:

- U.S. troops are working with Iraqis in Najaf to clear weapons caches and explosive devices hidden by al-Sadr's militia during the three weeks of intense fighting in August.

Interim National Council Meeting:

- Iraq's interim National Council convened for the first time last Wednesday electing Fuad Masum as Chairman. Participants in the meeting discussed measures to quell the continued insurgent fighting and to expand participation in the council. One delegate described the meeting as taking "the first steps in a democratic journey." There were subsequent meetings on September 4, 5, and 6 focusing on organizational issues.



Governance - Developments

Capacity Building:

- The State Department is promoting capacity building and democracy 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.
- USAID continues to implement local governance activities in 18 governorates, increasing Iraqis' understanding of democratic principles and the political process.
 - An association of local councils in Al Muthanna Governorate is developing a handbook to inform councils on their powers, legal status, structure, and parliamentary procedures. The handbook will be presented to the Governorate Council for approval; the Council may use it as a structure for its own members.



Economy

Employment Update

Number of Iraqis employed by each sector/project

Sector	Iraqis last week	Iraqis this week	% Increase on week
Buildings, Health & Education	2,945	2,011	-31.7%
Electricity	482	482 *	0.0%
Oil	391	374	-4.3%
Public Works & Water	3,459	1,173	-66.1%
Security & Justice	3,815	3,815 *	0.0%
Transportation & Communications	169	150	-11.2%
AIRP	12,914	14,237	10.2%
PCO Weekly Survey TOTAL	24,175	22,242	-8.0%
USAID	88,436	88,436	0.0%
MILCON TOTAL	2,010	716	-64.4%
GRAND TOTAL	114,621	111,394	-2.8%

Data as of 01 Sept

Economy (cont.)



Iraq Securities Exchanges

- As of September 1, the total number of listed companies on the Iraq Stock Exchange (ISX) was 47 companies.
- Structure of the ISX:
 - Nine member Board of Governors
 - Initial members were nominated by the CPA, appointed by the Governing Council, have a two-year sunset clause, and a shorter than normal term.
 - Elected by Exchange members through a General Assembly process annually
 - Staggered terms to maintain intellectual capital
 - Representatives from brokerage firms, listed companies and the public (e.g., business people)
 - Regulatory provisions for removal in the event of fraud, manipulation, malfeasance or failure to comply with Exchange regulations
- 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.



Economy – Private Sector Development

Private Sector Reform

- USAID recently awarded a three-year contract worth \$225M to provide private sector reform in the following areas:
 - Fiscal (tax, customs)
 - Financial (banking sector)
 - Monetary policy (central bank)
 - Commercial law, utilities, and social safety net
- Ramp up of these projects will begin this month

Agriculture Development

- Twenty-four Ministry of Agriculture participants from Diyala and Babil Governorates completed a four-day workshop in Baghdad preparing them to conduct an agricultural survey of summer crops in their governorates.
- The participants are senior staff members of the Governorate offices of the Ministry of Agriculture

Essential Services - Water and Sanitation



Current Projects

- USAID is beginning work on a new rural water initiative, which will bring water to rural communities with populations of 1,000 to 5,000. This new project will install approximately 150 wells in 300 rural communities.
- PCO has several current water supply projects totaling \$64.9M and several water sanitation projects, including Najaf City sewerage rehabilitations totaling \$55M.
- The rehabilitation of two wastewater treatment plants in Baghdad continues.
 - These plants will treat nearly 75 percent of the wastewater flow from Baghdad municipality once complete.
- Restoration of 14 Basrah Governorate water treatment plants is almost complete. All USAID work at this plant is scheduled for completion mid-September 2004.
- The rehabilitation of a wastewater treatment plant in Babil Governorate continues and is on schedule for completion by November.
 - Once complete, the plant will serve approximately 53,000 Iraqis.



Essential Services - Health Care

National Conference

- The National Conference on August 30-31 was successful. Approximately 350 delegates, Director Generals and officials attended the discussions on the "Current Health Situation in Iraq and Future Strategies."

Current Projects

- The Ministry of Health (MOH) coordinated with the MNF-I representatives on the opening of the Al Furat Clinic on September 12 to serve the community as a primary health care facility and a 24/7 Emergency Room (casualty) area.
- Plans were formally laid out for the construction of 10 smaller health clinics in the Baghdad/Sadr City Area to be jointly constructed with Assisting Marsh Arabs and Refugees (AMAR) and MOH funding and staffing.
- The Najaf Teaching Hospital is currently undergoing essential repairs in preparation for a partial opening of services between September – October, which has been closed since the fighting in April.
- The Women's Hospital is now open; teams are currently in Najaf evaluating the repair progress despite local interference with the efforts of the contracting crew.



Essential Services – Education

Educational Exchanges

- With Embassy assistance, 11 Iraqi students ages 16-17 from the YES (Partnership for Youth, Exchange and Study) are in the US studying at high schools this year across the country. 29 Iraqi college students (25 Fulbrighters and 4 P4L undergraduates) are currently studying throughout the U.S. on State Department Scholarships.
- Seven professors from the University of Baghdad just returned from MIT, West Point Military Academy and Harvard on an international exchange. In the future, they will link up via teleconference for joint classes.

School Rehabilitations

- Members of 478th Civil Affairs battalion facilitated final delivery of 23 computers to the Technical Institute of Higher Administration and Management on August 28, 2004 in Baghdad.
- A new school, rehabilitated by a Field Support Company in the 15th Forward Support Battalion, opened in Abu Ghraib on September 2.

Education and Security

- Kidnapping attempts on children are still an issue as a method of profit, recruitment and population manipulation.
- A Professor and Chairperson of the English Translation Department at Mosul University was assassinated on her way to work on August 30. 37 academic professionals have been killed in the past year.

Essential Services – Oil



Crude Oil Production

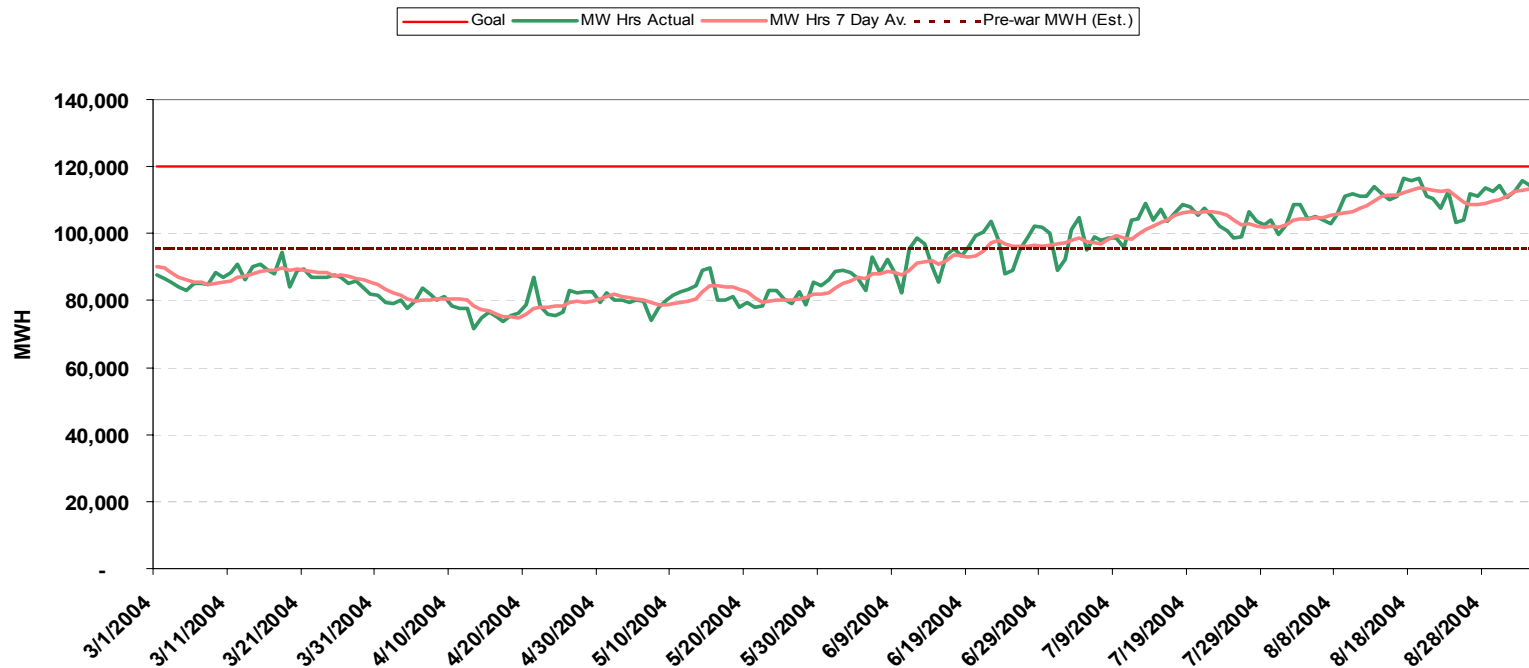
- **Post-War Peak:** **2.606 MBPD (31 Aug)**
- **Exports (monthly average as of Aug 2004):** **1.114 MBPD**
- **Long-Term Target (Dec):** **2.8 MBPD**

- **2003 Revenue:** **\$5,076.6M**
 - **2004 Revenue:**
 - **Pre-Transition:** **\$8,105.2M**
 - **Post-Transition:** **\$2,395.9M**
- \$10,501.1M**



Essential Services – Power

Megawatt Hour Production (MWH)



Electrical Generation

- **Pre-War** **95,600** **Megawatt Hour Production (est.)**
- **Goal** **120,000** **Megawatt Hour Production**
- **No current data on scheduled and unscheduled outages**
- **7 Day Average: 112,016 MWH**





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 2,302 projects nationwide, out of a total 2,824 (82%).
 - Of the \$18.4 billion supplemental, \$9.8 billion has been committed, \$7.0 billion is contractually obligated, and \$1.019 billion has been disbursed.
 - There are 111,394 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:
 - 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	2976	2654	2722	1880	1913	467	550
Electricity Sector	5465	2538	2185	2182	1972	1975	216	248
Oil Infrastructure	1701	1701	1324	1340	813	818	38	39
Justice, Public Safety, and Civil Society	1033	825	720	733	406	407	35	41
Democracy	451	451	420	420	318	319	24	34
Education, Refugees, Human Rights, Governance	259	259	241	241	125	127	23	24
Roads, Bridges, and Construction	367	270	235	223	136	132	6	6
Health Care	786	577	574	574	381	381	2	2
Transportation and Communications	500	467	417	418	208	210	8	8
Water Resources and Sanitation	4246	892	859	860	671	672	14	14
Private Sector Development	183	135	102	102	49	49	34	34
Admin Expense (USAID, State)	213	29	29	29	29	29	19	19
TOTAL	18439	11120	9760	9844	6988	7032	886	1019
CONSTRUCTION	12406	5815	5455	5459	4490	4501		
NON-CONSTRUCTION	5582	4854	3885	3965	2180	2212		
DEMOCRACY	451	451	420	420	318	319		
Total	18439	11120	9760	9844	6988	7032		

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Interagency Iraqi Security Forces Update

Highlights:

- The focus of effort is shifting from acquisition of equipment to distribution within theater.
- 90,826 trained Iraqis are on duty and an additional 18,601 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 750 recruits started basic training in the Iraqi Army this week.
- 38 female students graduated from basic training on 02 September.

Training:

- 440 border enforcement candidates started training this week.
- 118 law enforcement students started training this week.

Equipping:

- Badly needed equipment for all the security forces is arriving in large quantities.

*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

Ministry of Interior Man, Train & Equip Status



<u>Organization</u>	<u># On Hand</u>	<u># Trained/In Training</u>	<u># Planned*</u>
Iraqi Police	84,950	32,553/4,241	135,000
Border Police	14,313	14,313/440	32,000
Civil Intervention Force	0	0/0	4,800
Emergency Response Force	83	83/0	270

*Reflects the expanded plan numbers based on the recent troops to task analysis

Ministry of Defense Man, Train & Equip Status



<u>Organization</u>	<u># On Hand</u>	<u># Trained/In Training</u>	<u># Planned</u>
Iraqi Army	11,312	4,789/7,562	27,000
Iraqi Intervention Force	7,417	1,928/5,489	6,584
Iraqi Special Operations Force	653	758/75	1,620
Coastal Defense Force	412	282/130	409
Air Force	162	116/46	502
Iraqi National Guard	35,150	34,184/966	62,032

*Reflects the expanded plan numbers based on the recent troops to task analysis



Stability Contributors - OIF

Countries with forces in Iraq

32

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

TOTAL ~25K

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 or (classified) NEA-I-IPOG-DL@state.sgov.gov