

27 October 2004



Iraq Weekly Status Report

UNCLASSIFIED

DEPARTMENT
OF
STATE



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Highlights



Political/Governance

National Elections:

- The voter education campaign conducted by the Independent Electoral Commission of Iraq (IECI) and planning for Iraq's national elections in January continued to advance this week with voter registration scheduled to begin November 1.

Economic/Essential Services

One-Year Anniversary of New Iraqi Dinar:

- The one-year anniversary of the New Iraqi Dinar (NID) was celebrated the week of October 22. Since the NID's introduction, exchange rates have remained stable.

Global Effort to Eradicate Polio:

- During the first three days of the five-day polio eradication campaign, 70% of the 4.7 million children to be immunized had been vaccinated.



Governance – Iraq Elections Timeline

2004

01 Jun

Iraqi Interim Government (IIG) Announced and Governing Council dissolved

**Phase I
(Interim
Government)**

04 Jun

Election Commission established

28 Jun

Transfer sovereignty from CPA to IIG

15 Aug

National Conference convenes and selects Interim National Council

2005

31 Jan

Elections for the National Assembly complete: NLT 31 Jan 05

Early 05

Iraqi Transitional Government takes power

**Phase II
(Elected Government)**

15 Aug

National Assembly completes draft of permanent constitution

15 Oct

Referendum for permanent constitution

15 Dec

Elections for government completed

31 Dec

Elected government assumes office



Governance – Developments

Planning Iraq Elections Continues:

- The Independent Electoral Commission of Iraq (IECI) is moving ahead with preparations for January elections and has begun to distribute informational pamphlets on voter registration procedures.

Baghdad Governorate Council:

- The Baghdad Governorate Council plans to set up a national elections committee to educate citizens on the January elections.

Women's Role in the Elections:

- The Local Governance Program (LGP) recently supported two workshops that covered many of the current challenges faced by Iraq's local governments from the perspective of women. Eleven female members of Baghdad district councils and Iraqi NGOs attended the workshops.

Governance – Developments



Iraq Removed from List of State Sponsors of Terror:

- The US has officially removed Iraq from the list of state sponsors of terrorism to reflect the country's fundamental changes in leadership and policies, as well as to show support for Iraq's Interim Government (IIG). Iraq was first placed on the list in September 1990.

Iraqis Abroad Voting Rights:

- The Iraqi Foreign Ministry is considering whether or not Iraqis living outside of Iraq will be able to vote in the upcoming national election.



Governance – Developments

Capacity Building:

- USAID continues to implement Local Governance Programs (LGPs) in 18 governorates, increasing Iraqis' understanding of democratic principles and the political process.
 - Forty-two local government representatives from Dahuk participated in a LGP sponsored management training project. Participants included officials from the Ministries of Agriculture and Construction, the Governor's office and the local university. Workshops included topics such as leadership skills and managerial skills.
- The State Department is promoting capacity building and democracy through US-based programs for Iraqis.
 - “Public Affairs: The Art of Engaging and Informing the People” International Visitor Program (October 16 – November 6): The nine-person group coming from various Iraqi ministries, the Prime Minister's office and the Baghdad City Council will be receiving extensive hands-on training at the State Department and at other agencies on the public affairs function.
 - “Elections” International Visitor Program (October 23 – November 13): The six person group of Iraqi journalists and NGO leaders will observe the US electoral process up close, before, during and immediately after the November elections.



Economy

Oil Update:

- Crude Oil prices in world markets for the week ending 22 October closed with Kirkuk Crude at \$40.73/barrel, Basra Light at \$43.79/barrel, and the OPEC basket at \$45.89/barrel.

Employment Update:

Number of Iraqis employed by USG-administered projects in each sector

Sector	Iraqis last week	Iraqis this week	% Increase on week
Buildings, Health & Education	4,680	5,855	25.1%
Electricity	2,707 *	2,373	-12.3%
Oil	408	191	-53.2%
Public Works & Water	323	423	31.0%
Security & Justice	6,020	6,500	8.0%
Transportation & Communications	895	913	2.0%
PCO Office Staff	149	146	-2.0%
AIRP	13,400	13,320	-0.6%
PCO Weekly Survey TOTAL	28,582	29,721	4.0%
USAID	51,680	37,142	-28.1%
MILCON TOTAL	661	989	49.6%
GRAND TOTAL	80,923	67,852	-16.2%

Economy (cont.)



Iraq Securities Exchanges:

- At the New Iraqi Dinar (NID) auction on October 26, the settlement price was 1,460 dinars per USD. A total of 16 banks traded.
- The Ministry of Finance auctioned ID 150 billion (about \$102.7 million) in T-Bills on October 25; the settlement yield was 2.5 percent.

U.S. Treasury Marks One-Year Anniversary of New Iraqi Dinar:

- After one year of the New Iraqi Dinar in circulation, the exchange rate has remained steady, price stability has been restored, and economic growth this year is 50 percent, one of the highest rates in the world.
- Demand for the new currency has been strong. The Iraqi government has earned \$5 billion in seignorage (the capital gain generated by the creation of reserve money) during the past year.

Economic Development



Rebuild Iraq Expo:

- The 2nd International Trade Exhibition for the Rebuilding of Iraq Expo will be held April 4-7, 2005 in Amman, Jordan. Last year's exhibition attracted more than 1,400 exhibitors targeting key Iraqi economic sectors, from 48 countries.
- "Rebuild Iraq 2005" will give international buyers, manufacturers, suppliers and contractors direct access to Iraqi project directors, government bodies and a variety of decision-makers involved in the economic rebirth of Iraq. Exhibitors will also be able to meet and appoint Iraqi, Jordanian, and other Middle East agents and distributors during the show.



Essential Services – Water and Sanitation

Water Treatment Projects:

- Current estimates indicate that approximately 40% of the Iraqi population is be served by potable water.
- The PCO currently has 648,000 cubic meters of water treatment capacity under construction, and completed the rehabilitation of two water treatment plants in Baghdad last week.
- USAID-sponsored repairs at a major At' Tamim Governorate water treatment plant are 50% complete; repair work is employing 124 Iraqis.

Wastewater Treatment Projects:

- A recently completed USAID sewer repair project in Al Basrah will improve wastewater disposal, reduce flooding, and contribute to the improvement of public health in the area.
 - The work covered repairs to 17 pumping stations, cleaning and repairs for approximately 330 kilometers of pipe, and improved the safety of many streets.
 - The work completed on the sewerage network will provide a level of functionality that allows unrestricted flow of sewage and storm water. This project collectively employed over 330 local workers in the Basrah area.

Essential Services – Food Security



Public Distribution System (PDS) and MOT-Awarded Contracts:

- Embassy officials have received 94 contracts under MOT II, including pulses, tea, infant formula, vegetable oil/ghee, infant cereals and adult milk, which have been compiled into a new draft pipeline report that will be used to track those shipments.
- The Ministry of Trade sent a special team to Beirut, Lebanon last week to work on immediate funding of 20 contracts (which include sugar, infant formula, baby food, adult milk, soap and lentils) that were identified for immediate delivery, and the remaining 78 contracts under MOT II. Of those contracts, 45 L/Cs have been issued and the Ministry of Trade plans to complete the remaining 56 L/Cs this week.
- MOT plans to begin tendering, awarding contracts, and funding L/Cs, for commodities for MOT III during the first quarter of 2005.



Essential Services – Health Care

Global Effort to Eradicate Polio in Iraq:

- The worldwide effort, that began in 1988, is now close to realizing its goal of a polio-free world. The polio eradication campaign has been the largest non-military, global enterprise ever, involving dozens of organizations, scores of Governments and thousands of health workers worldwide.
- USAID, through its implementation partners UNICEF and the World Health Organization, in conjunction with Iraq's Ministry of Health, launched a polio immunization campaign throughout Iraq in September.
- During the first three days of the five-day campaign, the Ministry of Health reported that 70 percent of the 4.7 million children to be immunized had been reached and vaccinated.

Current Construction Projects:

- Construction has commenced on 12 new primary health care facilities.
- Renovation of the Najaf Teaching Hospital is 50% complete and scheduled to open on December 1.



Essential Services – Education

USAID's HEAD Program:

- USAID's Higher Education and Development (HEAD) program began in late September and continues to install equipment to provide internet access at a major university in northern Iraq.
 - This university had no network to connect the campus buildings, and only 70 of the institution's 1,000 computers had access to the Internet. The new computer network will improve the communication services inside the campus and with other Iraqi universities and institutions.

The Minister of Higher Education visits United Nations Educational, Scientific and Cultural Organization (UNESCO):

- During a meeting at UNESCO headquarters on October 11, the Director-General of UNESCO and the Iraqi Minister of Higher Education discussed how to strengthen cooperation in the field of higher education between the organization and Iraq.
- A meeting chaired by the UNESCO Special Envoy for Basic and Higher Education concluded with an agreement to implement four projects which will be financed by the Qatar Foundation for Education, Science and Community Development.
- These projects will provide textbooks for higher education institutions, books for the four main university libraries, and laboratory equipment for medical related and engineering faculties. The agreement also provides for the creation of fellowships for University students and teaching staff.



Essential Services – Telecommunications

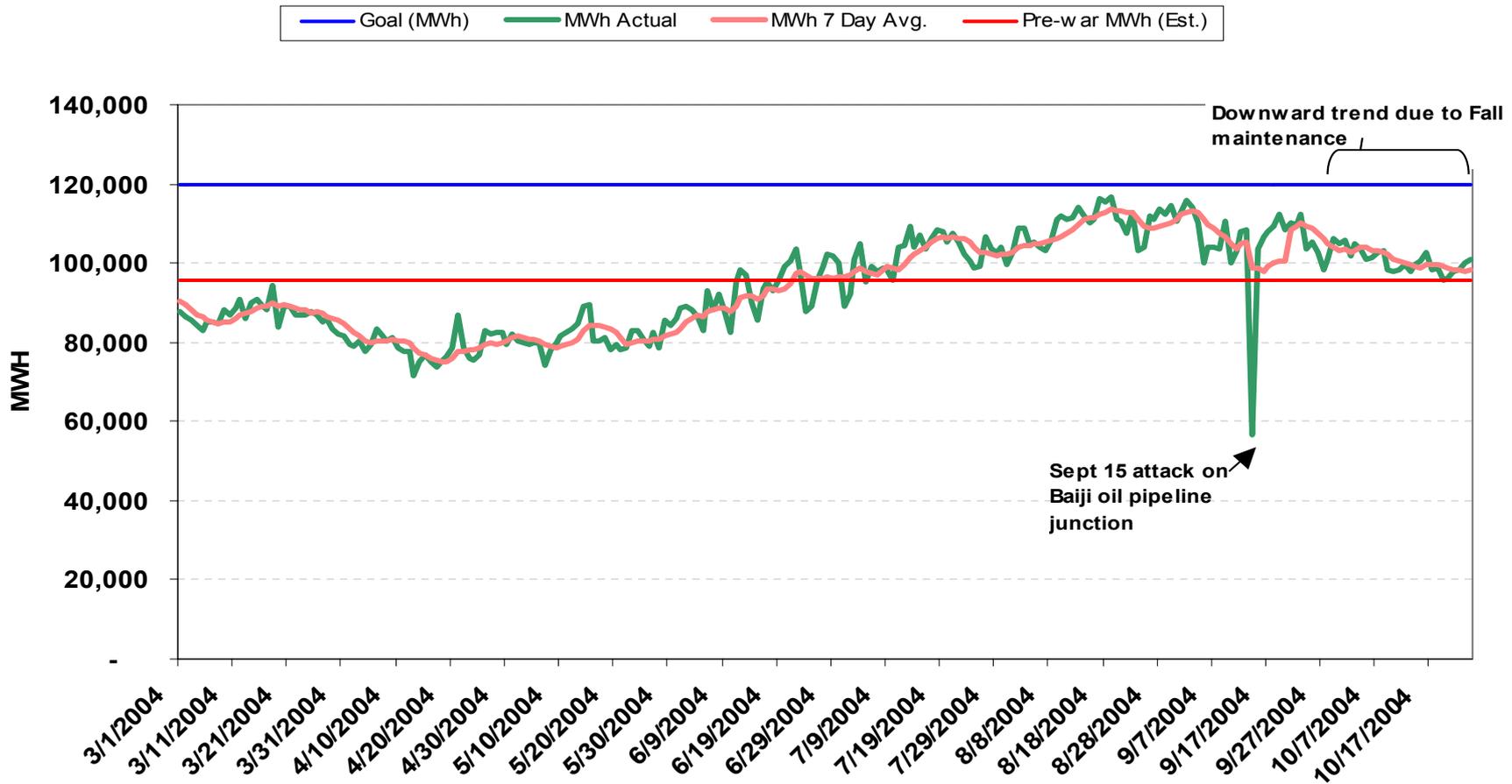
The Iraq Telecommunications and Postal Commission (ITPC) has made significant progress restoring basic telecommunications services. Some accomplishments to date include:

- Auditing more than 1,200 km of the fiber optic backbone network and performed emergency repairs, reconnecting 20 cities and 70% of the population.
- Reconstituting Baghdad area phone service by installing switches with 240,000 lines at 12 sites.
- Installing 13 new switches, and fully integrated them with the 14 existing switches.
- Reactivating more than 213,000 subscriber lines through the Ministry of Communications.
- Installing a satellite gateway system at Baghdad's largest telecom exchange and restored international service.
- Training ITPC engineers and technicians in the operation and maintenance of the satellite gateway system and the new switches.

Electricity Overview



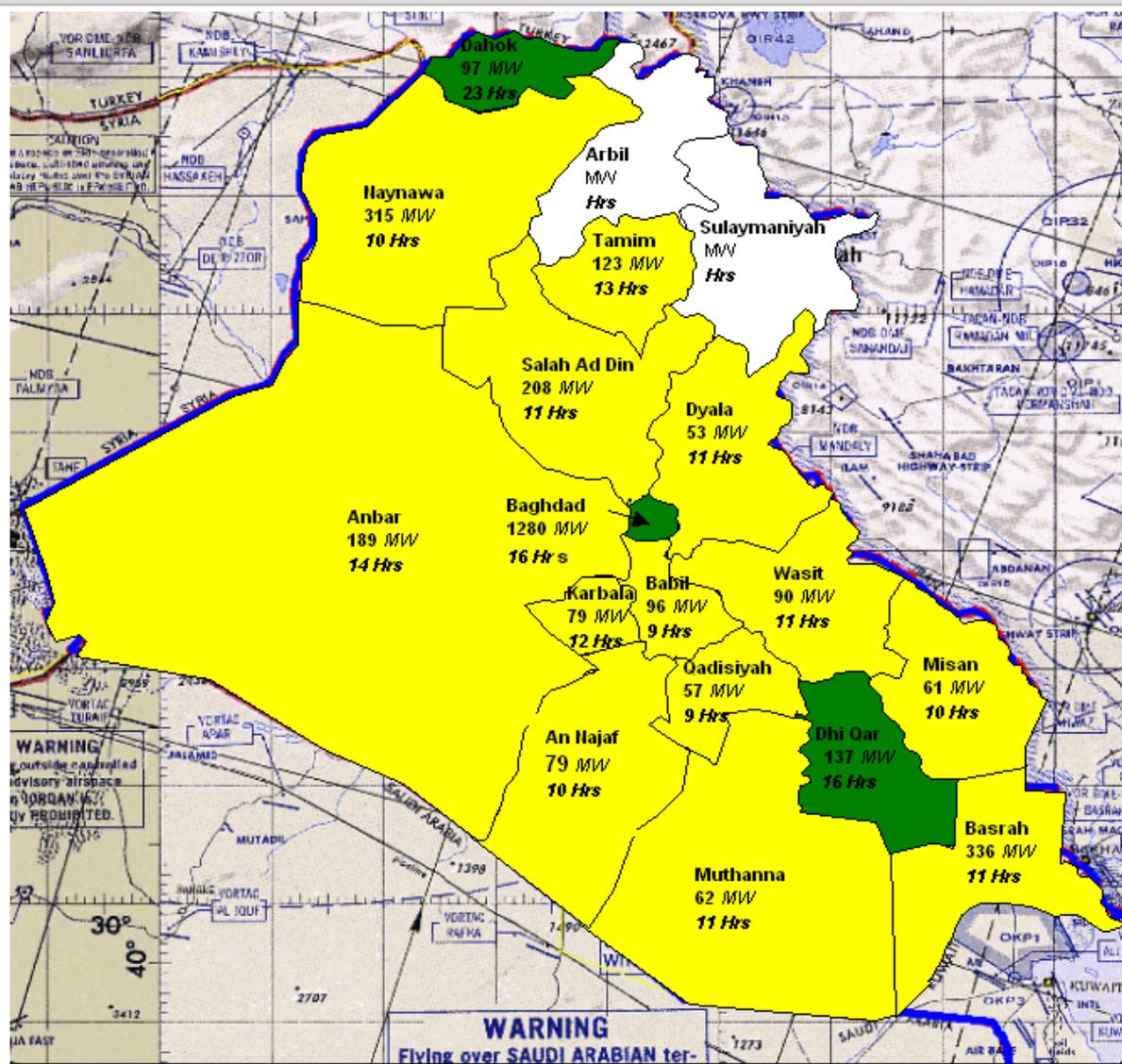
Megawatt Hour Production (MWh)



- On average 791 MW of generation capacity was scheduled offline and while 685 MW was unscheduled for maintenance.
- 7 Day Average (18 – 24 Oct): 98,236 MWh



Electricity – Hours of Power



Average hours of Electrical Service provided over a 7 Day Period

≤ 8 Hrs = Red	
9 to 15 Hrs = Amber	
≥ 16 Hrs = Green	
No Report = White	

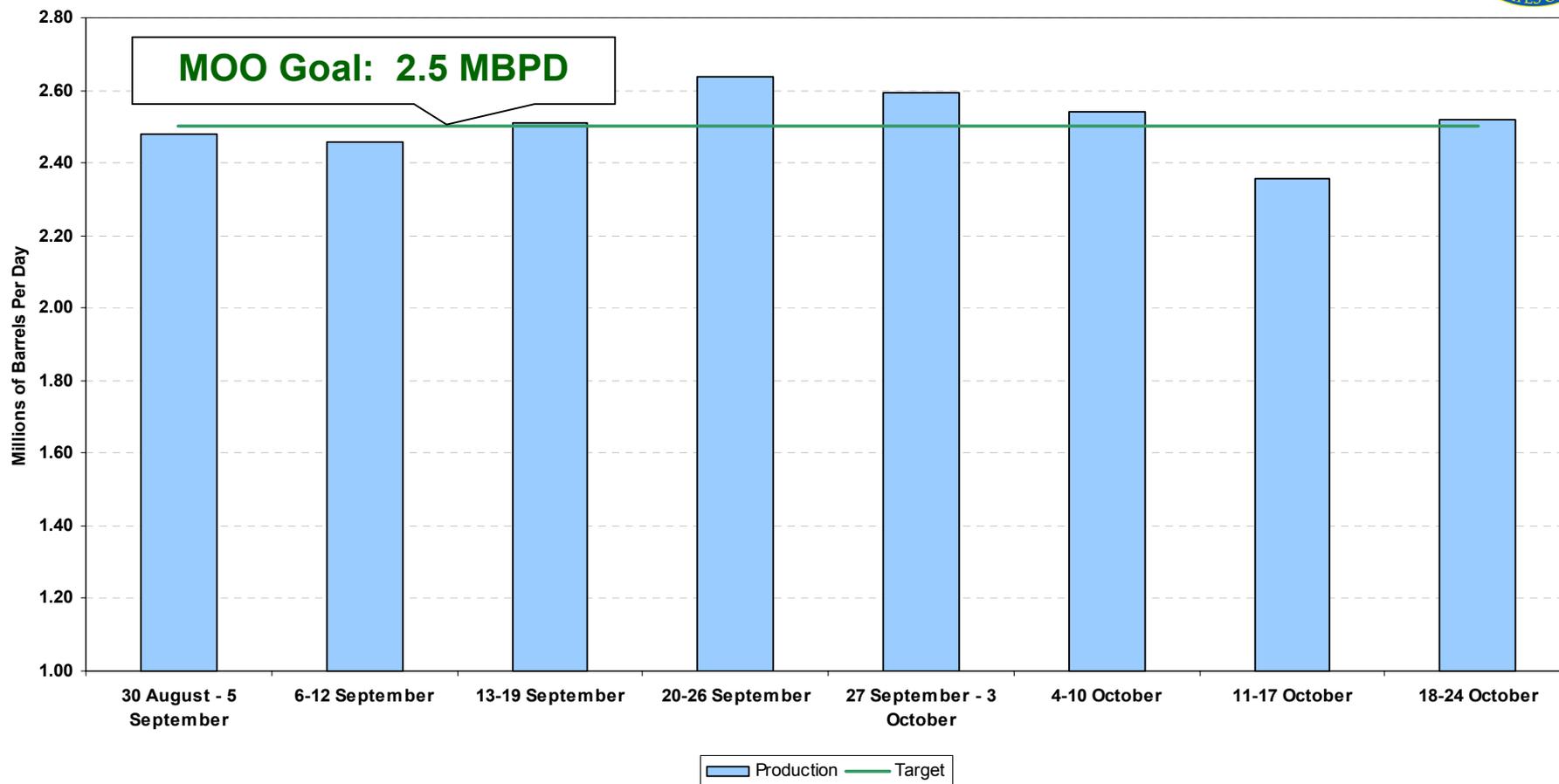
Percent Change in MW over a 7 Day Period

Baghdad	-4.9
Dahuk	-1.1
Ninewah	-3
Tamim	-2.3
Salah Ad Din	1.8
Anbar	-3.9
Diyala	-7
Babil	-8.7
Karbala	-24.9
Najaf	-8.4
Qadisiyah	-2.9
Wasit	-15
Muthanna	2.1
Dhi Qar	-1
Maysan	3.1
Basrah	-11.1
Arbil	Unknown
Sulaymaniyah	Unknown

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Average Electrical Power Distribution per Governorate as of 13 October 2004

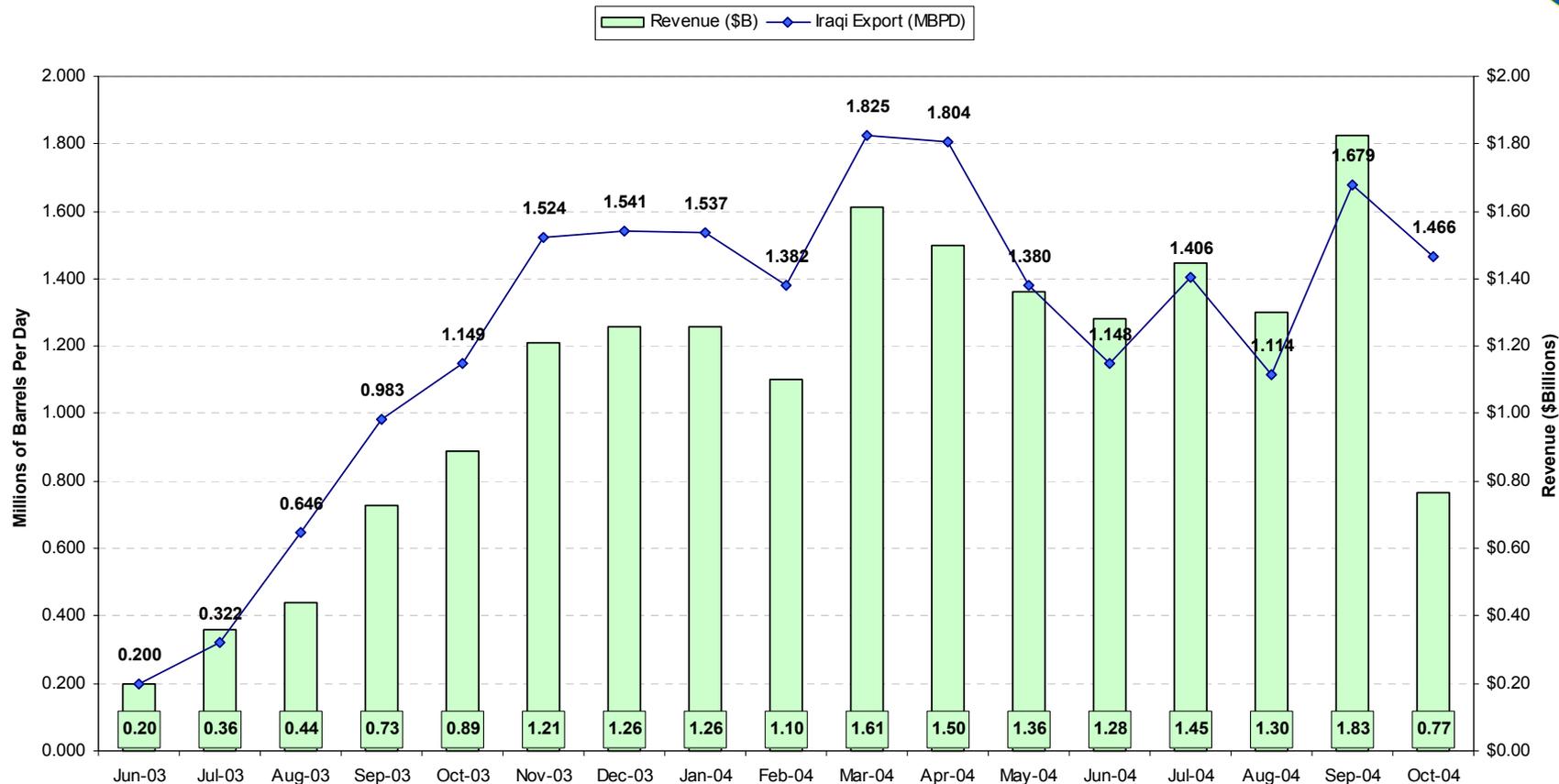
Crude Oil Production



- **Weekly Average (Oct 18-24) of 2.52 MBPD**
- **Near Term Ministry of Oil (MOO) Target (Dec 04): 2.8 – 3.0 MBPD (Pre-War Capacity)**
- **Pre-War Peak: 2.5 MBPD in Mar 03**
- **Post-War Peak: 2.67 MBPD**



Crude Oil Monthly Export – Volume & Revenue



• **2003 Revenue:** **\$5,076.6M**

• **2004 Revenue:**

– **Pre-Transition:** **\$8,105.2M**

– **Post-Transition:** **\$5,341.6M**

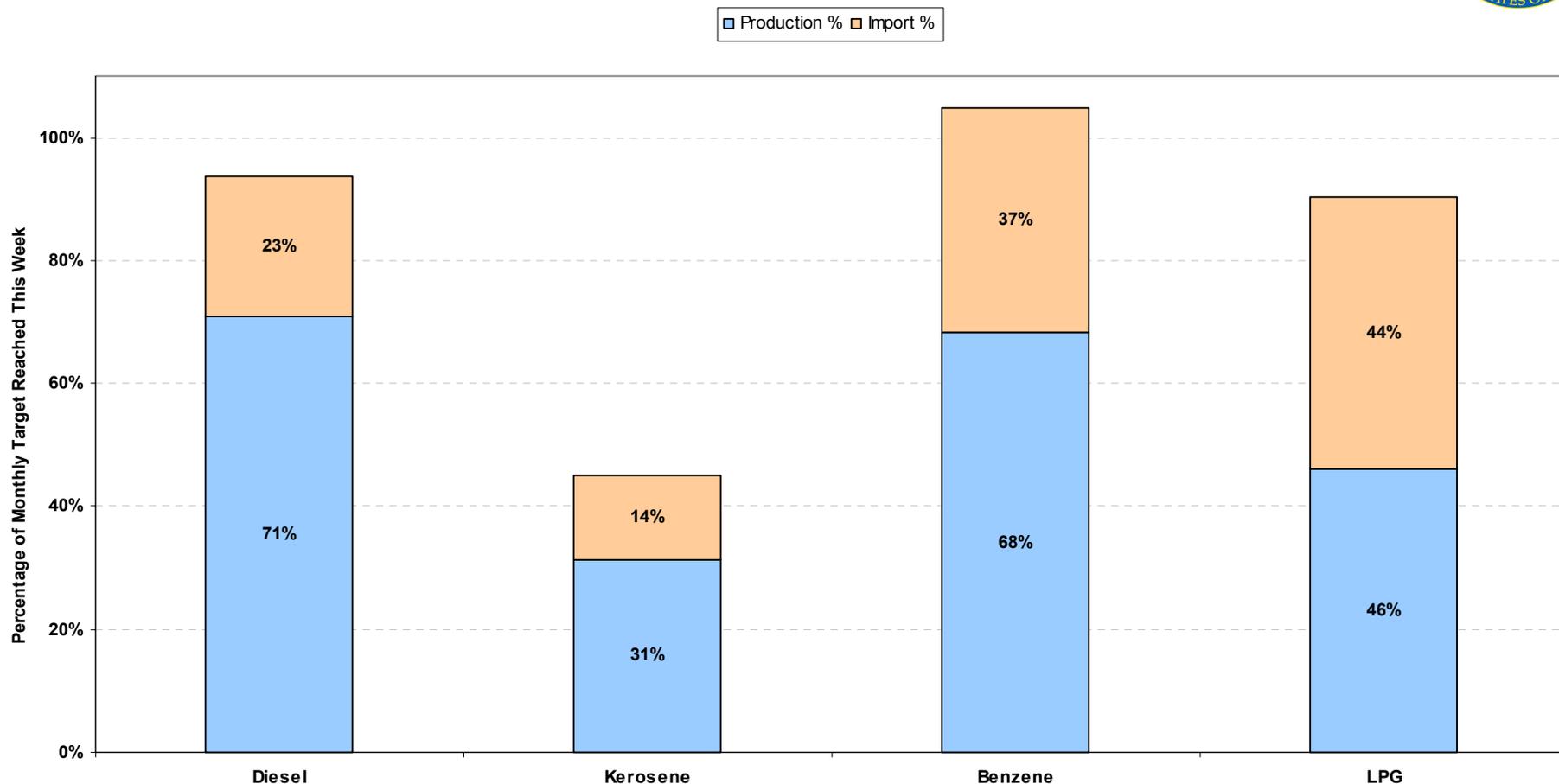
\$13,446.8M

As of 22 Oct

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Refined Products – Domestic Production & Imports

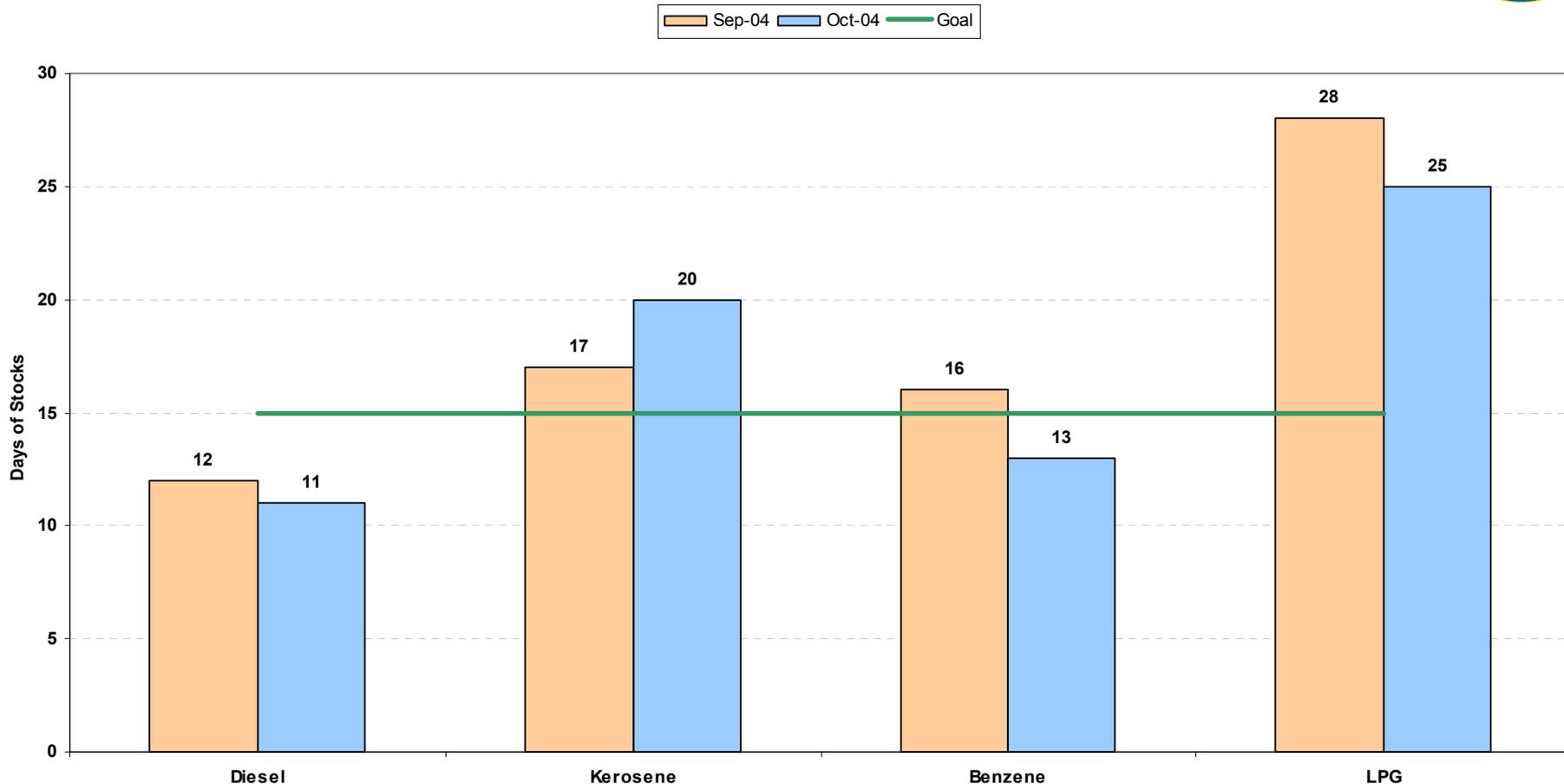


Note: This chart represents the percentage of target reached for the week of Oct 18-24

- Diesel: 16.9 ML of 18 ML
- Kerosene: 6.7 ML of 15 ML
- Benzene: 18.9 ML of 18 ML
- LPG: 3,880 tons of 4,300 tons

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National Stock Levels



- The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates. This does not represent seasonal change. The numbers given above are monthly averages.



Iraq Relief and Reconstruction Fund (IRRF) – Financial Status

\$ Millions	Sector	2207 Report	Apportion	Committed		Obligated		Disbursed	
				Last Week	Current	Last Week	Current	Last Week	Current
	Security and Law Enforcement	5045	5045	3428	3652	2255	2325	792	852
	Electricity Sector	4350	3840	3366	3432	2218	2213	354	369
	Oil Infrastructure	1701	1701	1200	1200	735	735	53	55
	Justice, Public Safety, and Civil Society	1122	979	838	834	483	510	63	74
	Democracy	831	541	504	473	472	472	80	80
	Education, Refugees, Human Rights, Governance	379	290	241	145	138	138	28	33
	Roads, Bridges, and Construction	359	299	289	298	148	150	15	15
	Health Care	786	786	763	637	456	333	4	4
	Transportation and Communications	499	499	384	390	181	187	13	13
	Water Resources and Sanitation	2311	1408	1240	1241	780	787	24	25
	Private Sector Development	843	168	142	142	140	140	47	47
	Admin Expense (USAID, State)	213	29	29	29	29	29	26	26
	IRRF II SUBTOTAL 9%	18439	15585	12424	12473	8035	8019	1499	1593
	CONSTRUCTION	11416	8954	7546	7591	4904	4848		
	NON-CONSTRUCTION	6192	6090	4374	4405	2659	2699		
	DEMOCRACY	831	541	504	473	472	472		
	IRRF 1 SUBTOTAL 69%	2475	2475	2418	2418	2418	2418	1704	1704
	GRAND TOTAL IRRF I & II 16%	<u>20914</u>	<u>18060</u>	<u>14842</u>	<u>14891</u>	<u>10453</u>	<u>10437</u>	<u>3203</u>	<u>3297</u>

Data as of 25 Oct 04

Iraqi Security Forces Update



<u>Iraqi Security Forces</u>	<u>Trained/On Hand</u>	<u>Required</u>
Police	43,927	135,000
Civil Intervention Force	0	4,920
Emergency Response Unit	73	270
Border Enforcement	14,313	32,000
Highway Patrol	589	1,500
Bureau of Dignitary Protection	446	500
Army	4,507	27,000
National Guard	40,457	61,904
Intervention Force	1,743	6,584
Special Operations Force	617	1,967
Air Force	167	502
<u>Coastal Defense Force</u>	<u>409</u>	<u>582</u>
Total	*107,248	272,729

*The military forces continue to receive advanced unit training and may require some equipment



Stability Contributors – OIF

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Countries with forces in Iraq

Albania	El Salvador	Kazakhstan	Mongolia	Slovakia
Australia	Estonia	Korea	Netherlands	Tonga
Azerbaijan	Georgia	Latvia	Norway	Ukraine
Bulgaria	Hungary	Lithuania	Poland	UK
Czech Rep	Italy	Macedonia	Portugal	
Denmark	Japan	Moldova	Romania	

TOTAL ~ 25,392 Forces

29 Countries and NATO
 (including US)
Supporting Iraqi Stability Operations

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