



***DRAFT
WORKING PAPERS
Iraq Status***

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Highlights

CPA Priorities:

- Essential Services
- Security
- Governance
- Economy
- Strategic Communications

CPA Intermediate Objectives:

- Reconstitute electric power infrastructure
- Reconstruct the telecom system
- Draft "Transitional Administrative Law"
- Build financial market structures
- Improve dissemination of information

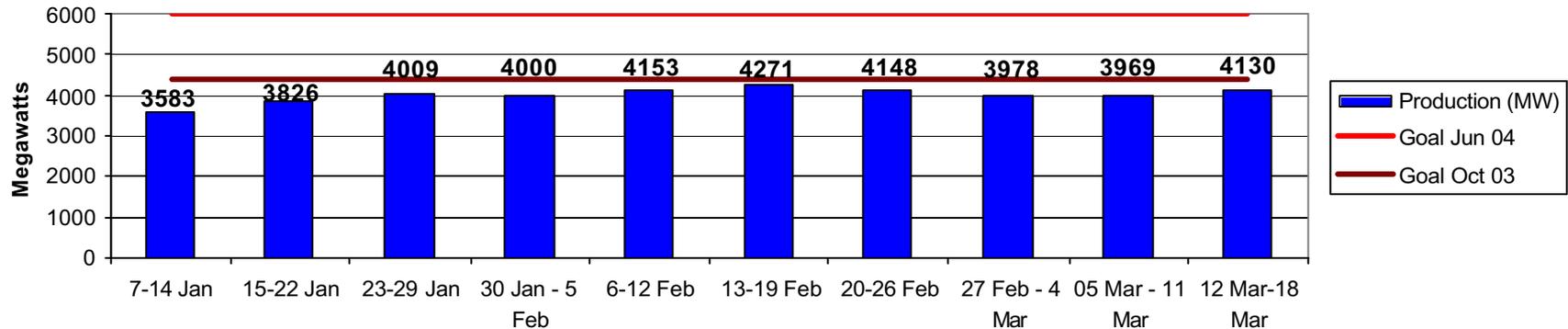
Weekly Highlights:

- UN estimates Iraq requires 1.4 million more housing units - CPA has contracts to build 3,528 units
- 984,225 telephone subscribers – 18% above pre-war active subscribers; 278,645 cell phone subscribers
- Transitional Administrative Law will serve as supreme law from 30 Jun until election of new government under permanent constitution by 31 Dec 05
- As of 14 Mar, the Trade Bank of Iraq has opened 109 letters of credit totaling \$499 million covering imports from 24 countries
- USAID's Local Governance Program is conducting Democracy Dialogue Activities throughout Iraq as part of the Civic Education Campaign

Electricity Overview



Goal June 04: 6,000 MW Peak Production Capacity

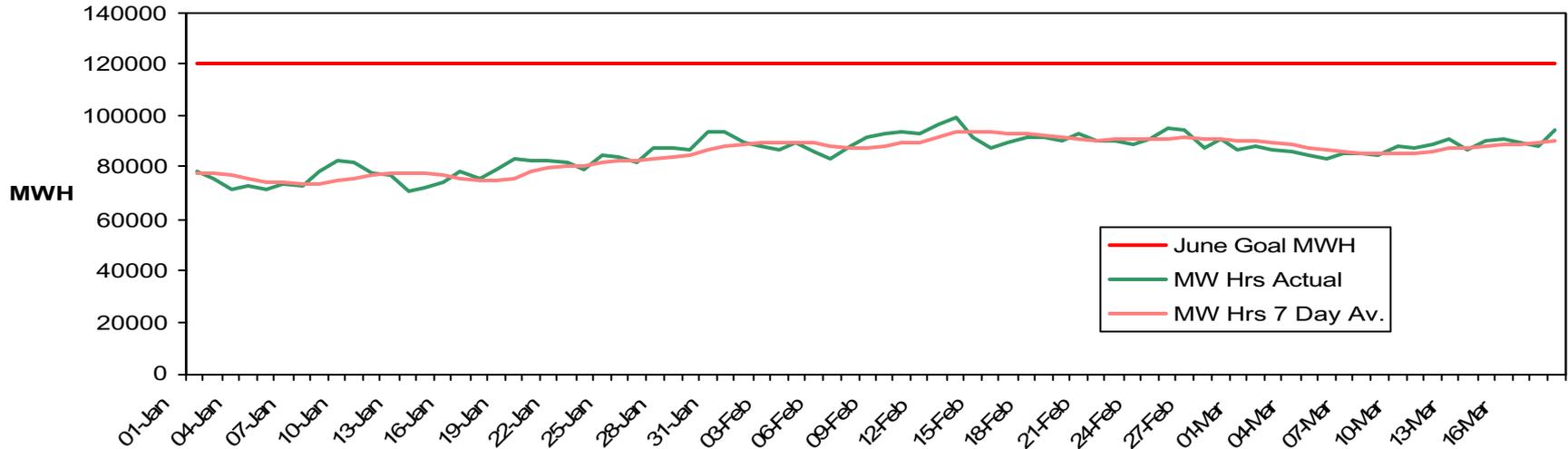


- Ambassador Bremer approved a new increase plan on 14 Jan to prevent current project delays from impacting the goal of 6,000 MW by 01 Jun
- CPA Autumn Maintenance Program begun Oct 03 transitioned into the Spring Program in February and has resulted in 1276 MW in scheduled maintenance losses on average over the past week. Unscheduled generator maintenance continues with 519 MW out of service

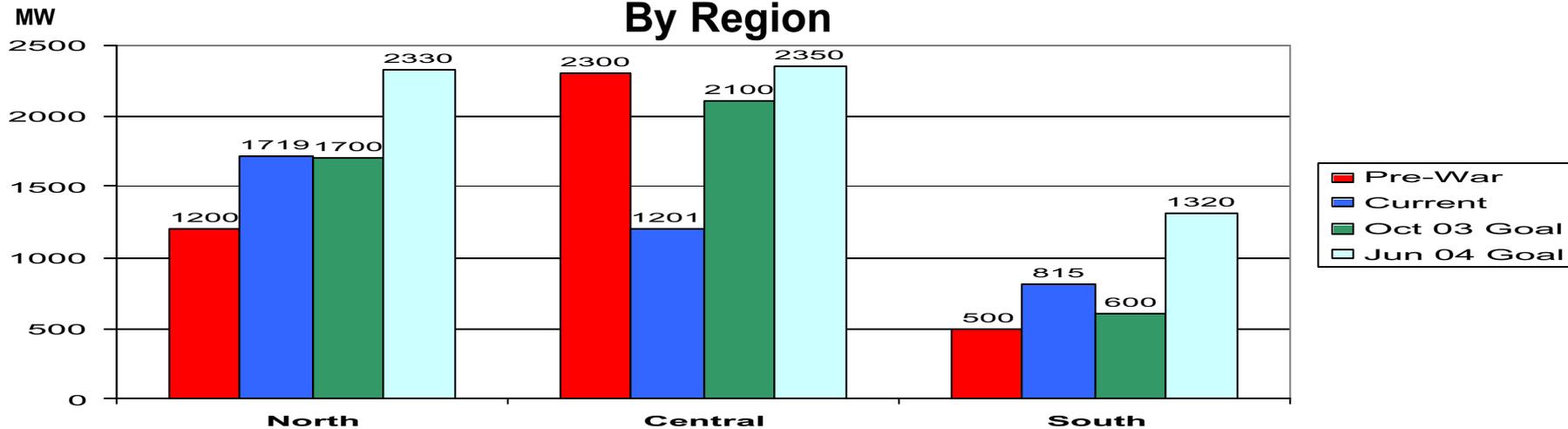


Power Production

Mega Watt Hour Production



By Region

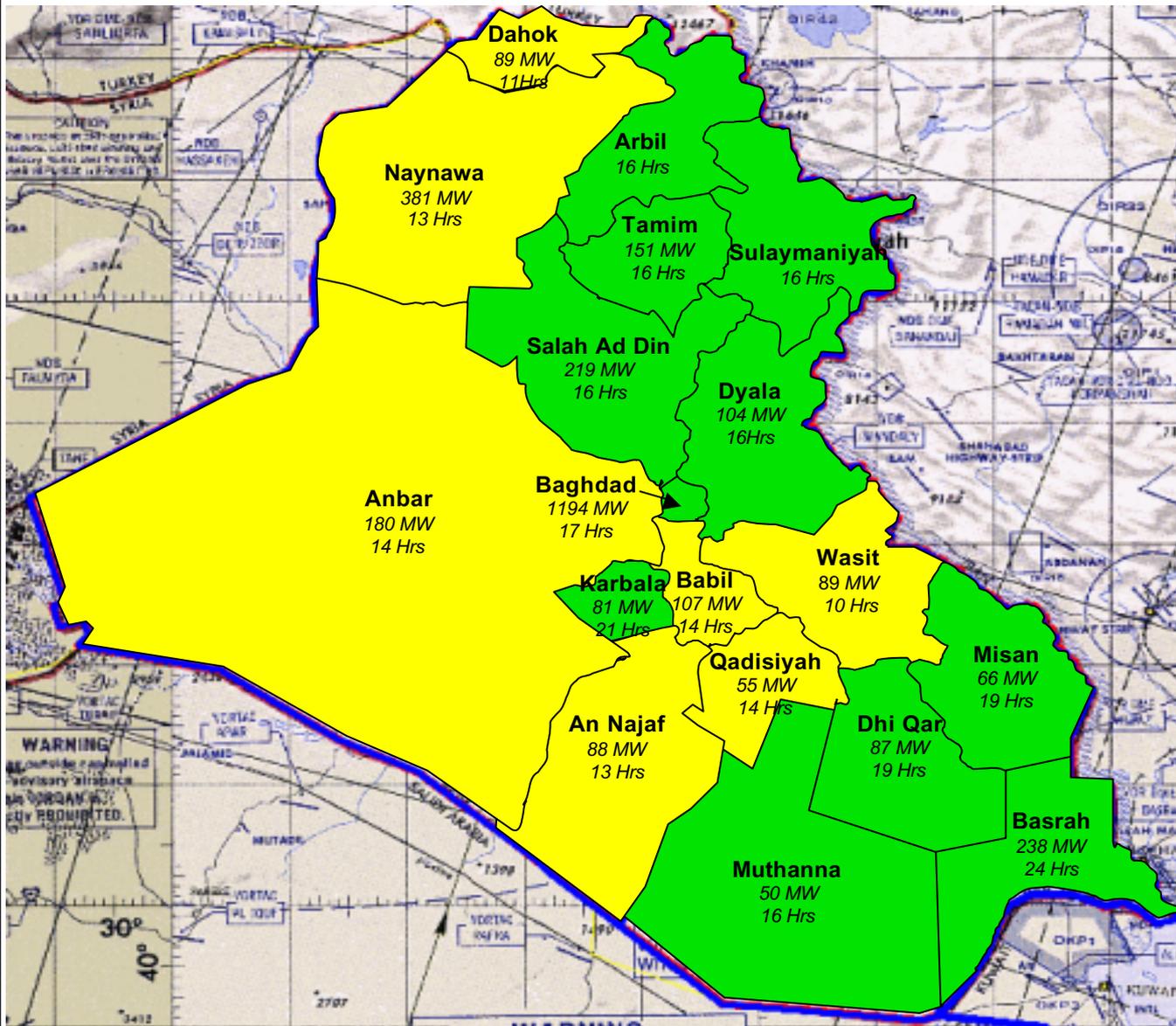


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Hours of Power – Week of 12 March



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Average Hours of Electricity Available to Residents by Governate

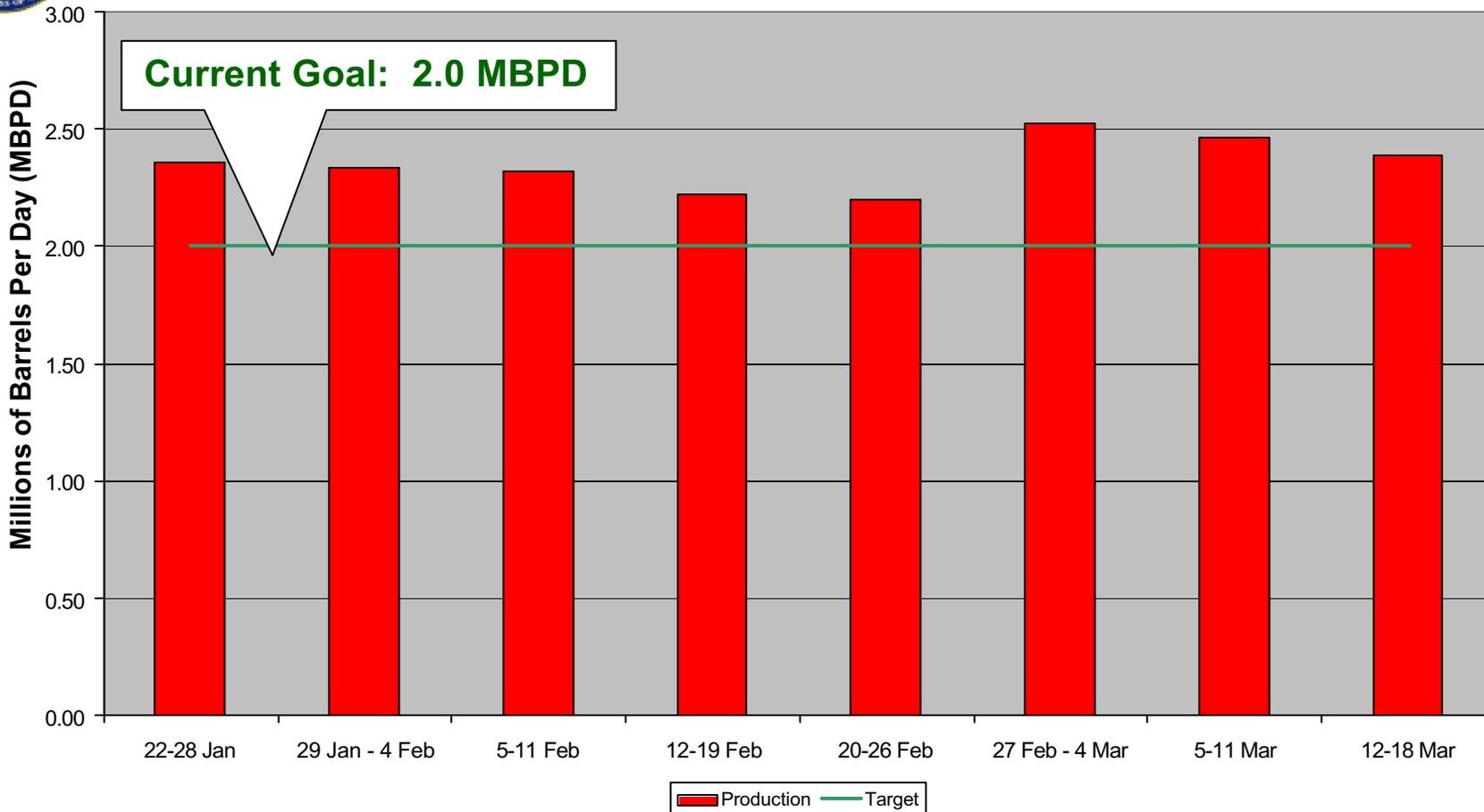
- = 8 Hrs = Red ●
- 9 to 15 Hrs = Amber ●
- = 16 Hrs = Green ●

Percent Change (7 Day)	
Baghdad	3.5%
Duhok	-0.25%
Naynawa	1.3%
Tamim	12.6%
Salah Ad Din	9.8%
Anbar	-7.0%
Dyala	12.2%
Babil	12.5%
Karbala	-20.6%
Najaf	-24.4%
Qadisiyah	2.2%
Wasit	-19.9%
Muthanna	14.7%
Dhi Qar	8.5%
Misan	-1.7%
Basrah	-10.1%



Crude Oil Production

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N/P



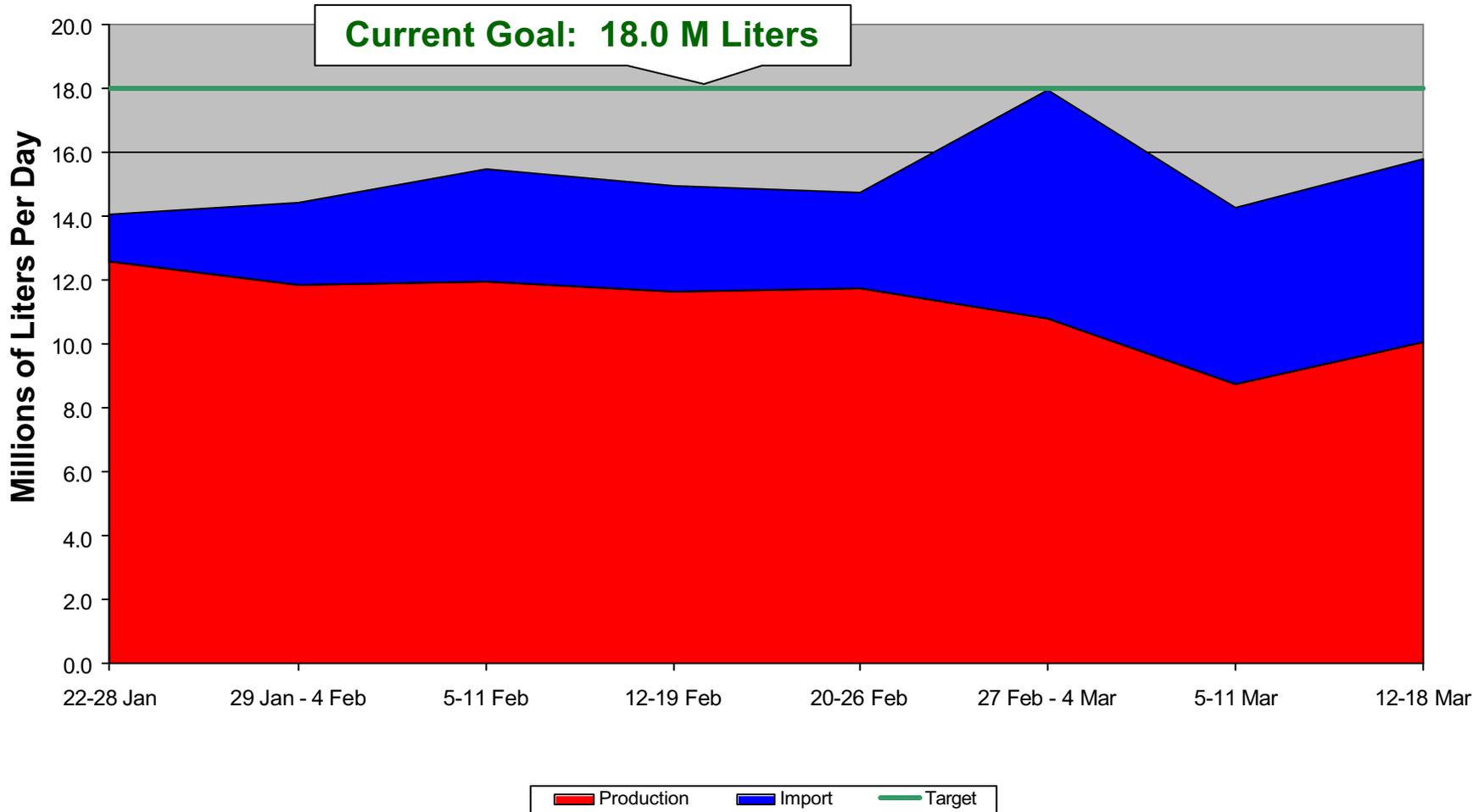
Weekly Average of 2.388 MBPD Exceeds Target of 2.0 MBPD

- Long Term Target (Dec 04): 2.8-3.0 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Mar 03
- Post-War Peak: 2.541 MBPD on 28 Feb 04
- Weekly average of crude exports: 1.6 MBPD



Diesel Production

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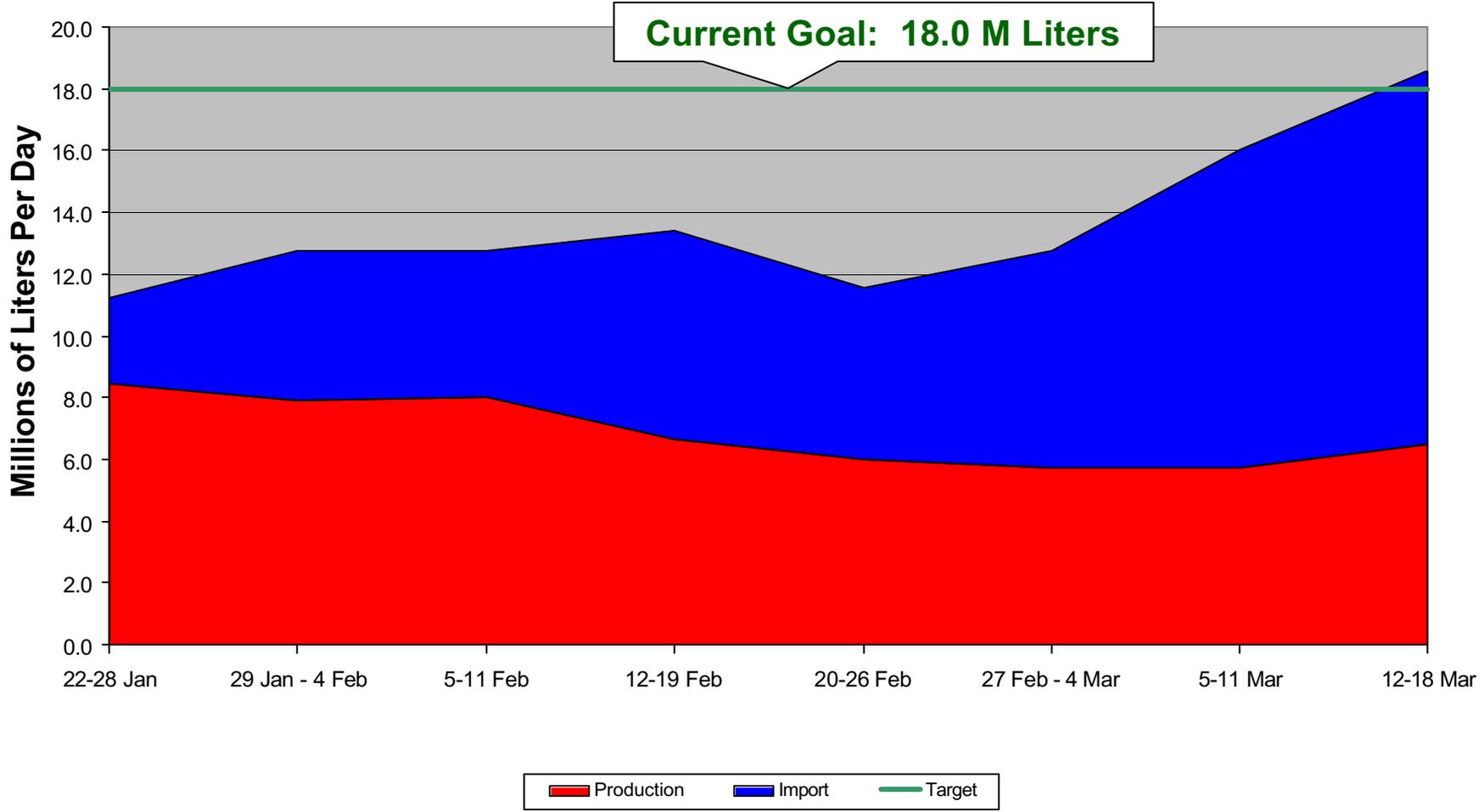


• This week's average production and imports are 88% of goal



Kerosene Production

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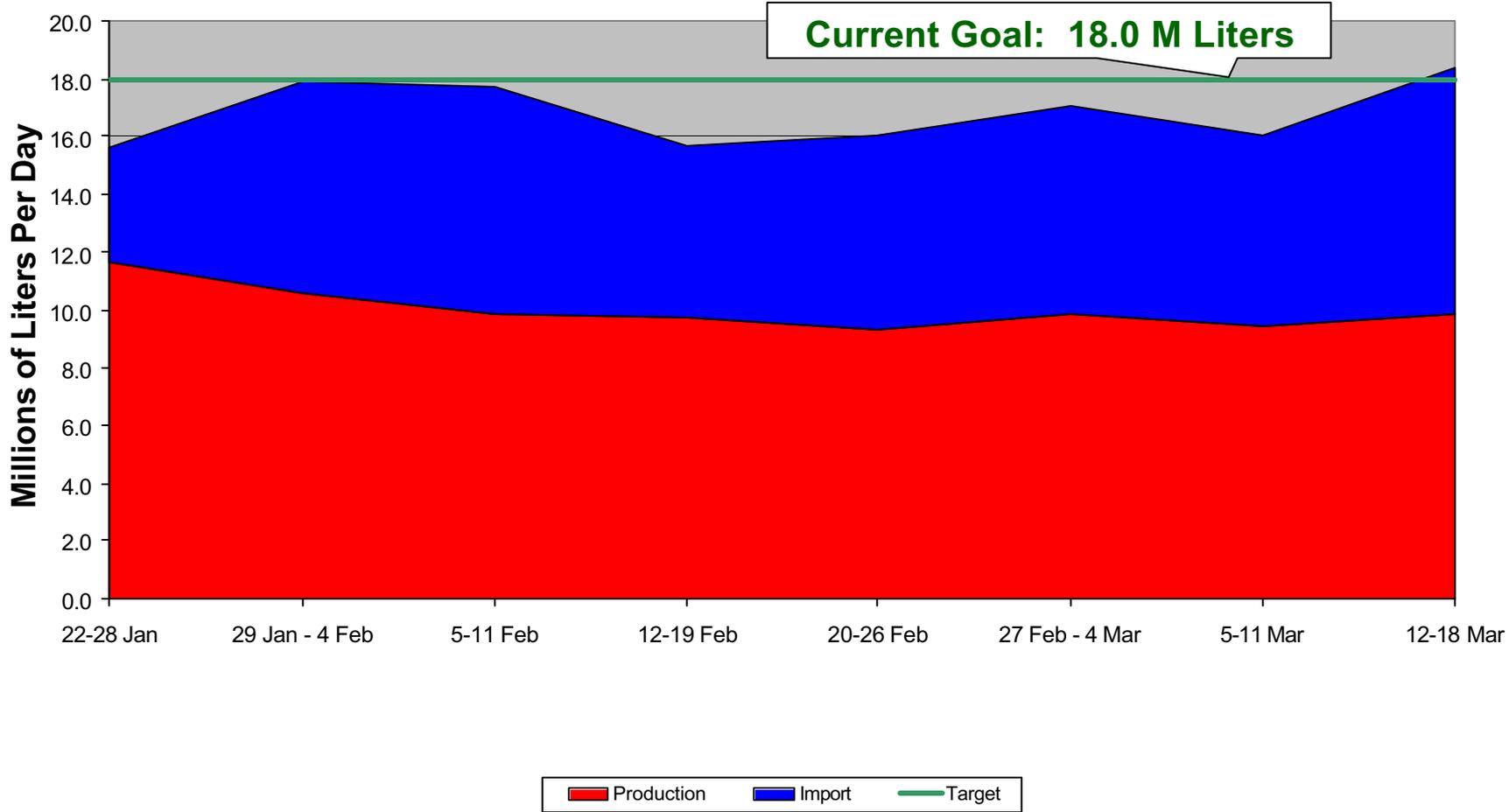


- This week's average production and imports are 103% of goal



Gasoline / Benzene Production

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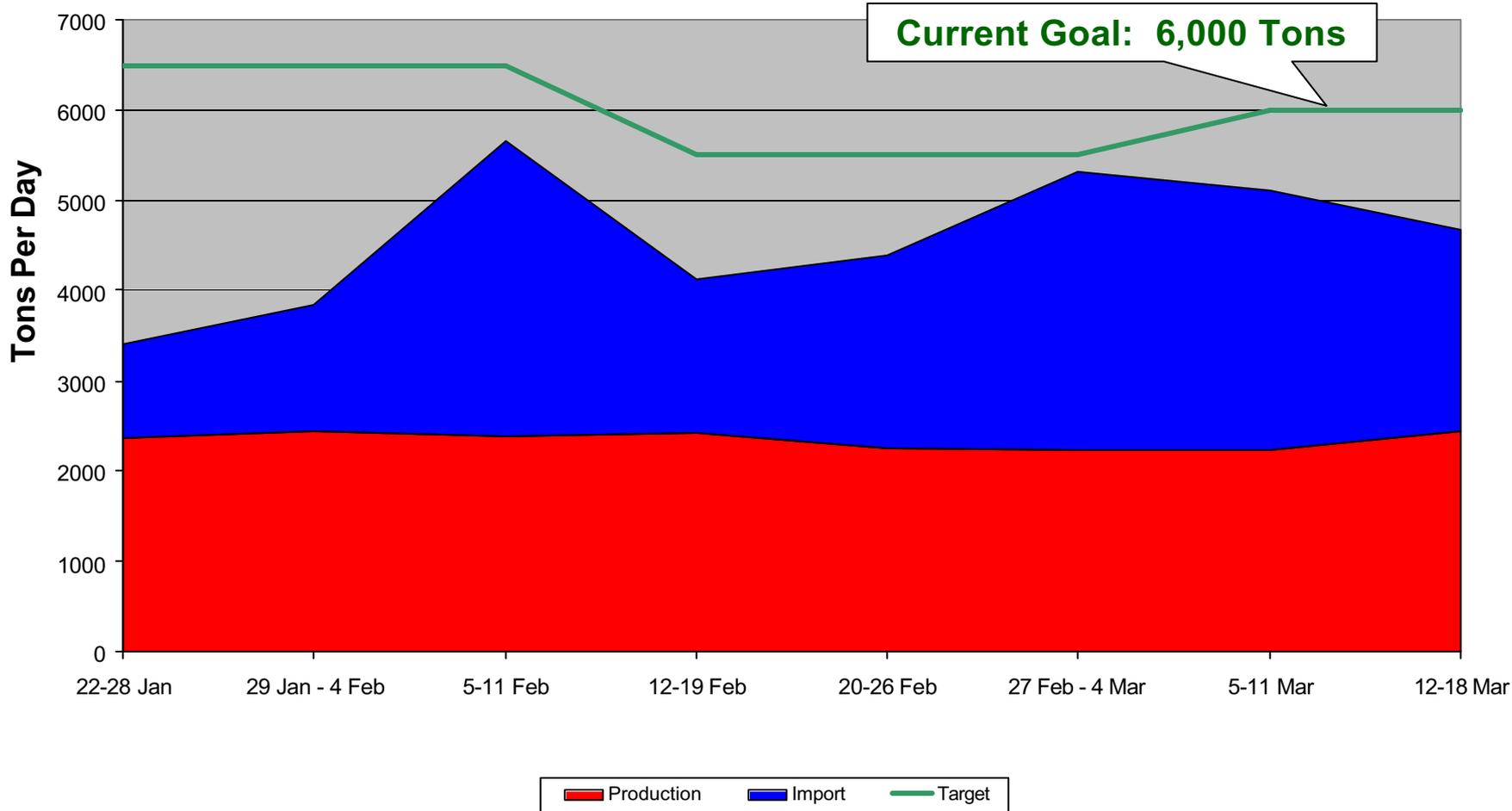


• This week's average production and imports are 102% of goal



Liquefied Petroleum Gas Production

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N/P



• This week's average production and imports are 78% of goal

Essential Services - Education



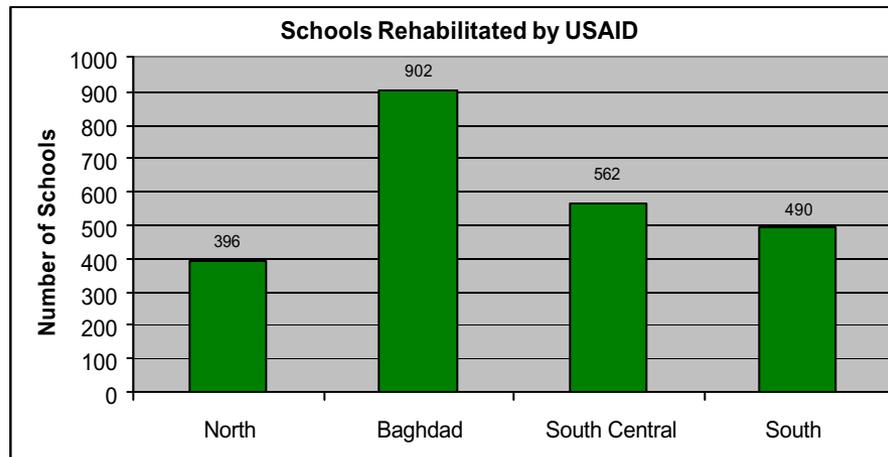
- **Minister of Education (MoE) held press conference on 07 Mar**
 - Reviewed education reform since Sep 03 and a four-year plan for future reforms
 - Released the Ministry's situation analysis (in Arabic and English)
 - MoE curriculum specialists will meet with UNESCO experts in a curriculum reform workshop
- **MoE employees attending World Bank workshop in Amman on textbook procurement, school rehabilitation, contracting, finance and administration, and project management**
- **MoE committee will redesign the Ministry's Teacher Training Institute, composed of teachers, training institute staff, and curriculum specialists**

CPA Education Objective: Improve Quality and Access to Education

- **Reorganize and staff the Ministry of Education**
- **Rehabilitate school buildings and build new schools**
- **Advance national dialog on curriculum reform**
- **Continue and expand teacher training**

Essential Services – Education (cont)

- **11,939 schools require repairs and 4,500 new schools are necessary to meet facility needs**
 - **USAID rehabilitated 2,350 schools**
 - **CPA refurbished 105 schools with Overseas Humanitarian, Disaster and Civic Aid**
 - **CJTF-7 provided support to numerous schools with CERP funds**
 - **US supplemental funds will rehabilitate at least 1,047 schools**
 - **World Bank may commit to rehabilitate another 1,000 schools**
- **Oxford Research Int. & ABC News survey of 2,737 Iraqis in Feb found that 72% rated their local schools as good, with 47% seeing improvement since before the war**



Essential Services – Healthcare

- **Ministry of Health (MoH) and University of Baghdad College of Medicine are training public health students to monitor and evaluate health projects**
- **USAID continues primary health care training of trainers program which will reach 2,500 primary health care providers throughout Iraq**
- **MoH and USAID partner World Vision International are assisting disability centers that provide support, education, social activities, and vocational training to 8,000 disabled persons in Mosul**
 - **Provides heaters, winter clothing, floor rugs, wheelchairs, crutches, and specialized furniture, and one daily hot meal for three months**
- **USAID's Community Action Program (CAP) partner, International Relief and Development (IRD), is working with community members to improve Baghdad health services and facilities**

CPA Health Care Objective: Improve Quality and Access to Health Care

- **Develop health care organizations, management, and infrastructure**
- **Train health care professionals**
- **Pharmaceutical logistics support**
- **Secure system**
- **Public health**

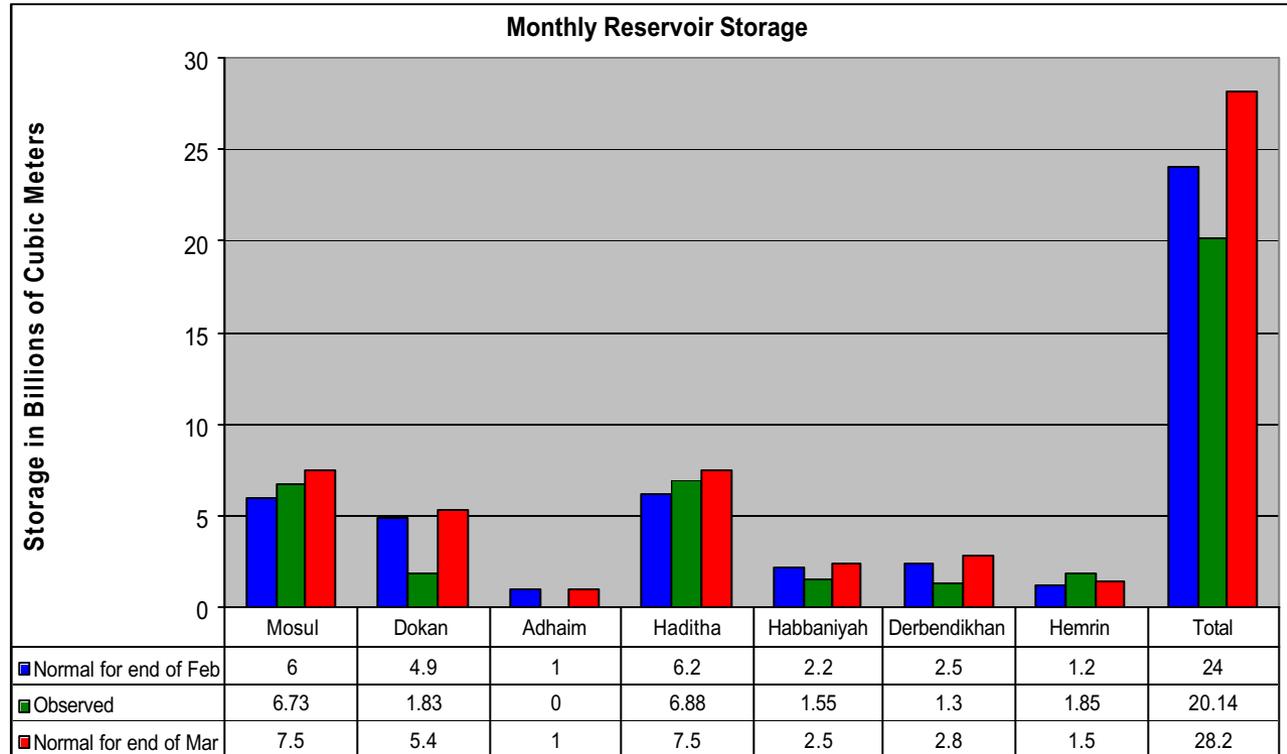


Essential Services – Water

DEPARTMENT OF DEFENSE N/P

- Oxford Research Int. & ABC News survey found that:
 - 50% of respondents rated availability of clean water as good (20% very good; 30% quite good) compared to 48% who rated availability as bad
 - Compared to pre-war conditions: 41% said availability of clean water was better, 40% said it was same, and 16% said it was worse

- Chart at right shows observed reservoir storage levels against normal monthly levels for Feb & Mar. Three reservoirs on the Tigris river, & one on the Euphrates river, are below monthly averages due to heavier than normal releases for generating hydroelectric power



Source: Ministry of Water Resources

Essential Services – Water (cont.)

- One current USAID project is providing fresh drinking water for people in the At'Tamim Governorate and improved irrigation to enable more productive farming
- Emergency power generators are being rehabilitated at Baghdad water treatment plants to ensure continuous access to clean water
- USAID's implementing partner, the International Rescue Committee (IRC), is proceeding with water and sanitation improvements and hygiene education for approximately 161,000 internally displaced persons in Arbil Governorate
- Turkish delegation agreed last week to provide seasonal data on snowfall & reservoir levels sufficient for Iraq to develop its water plan for this year

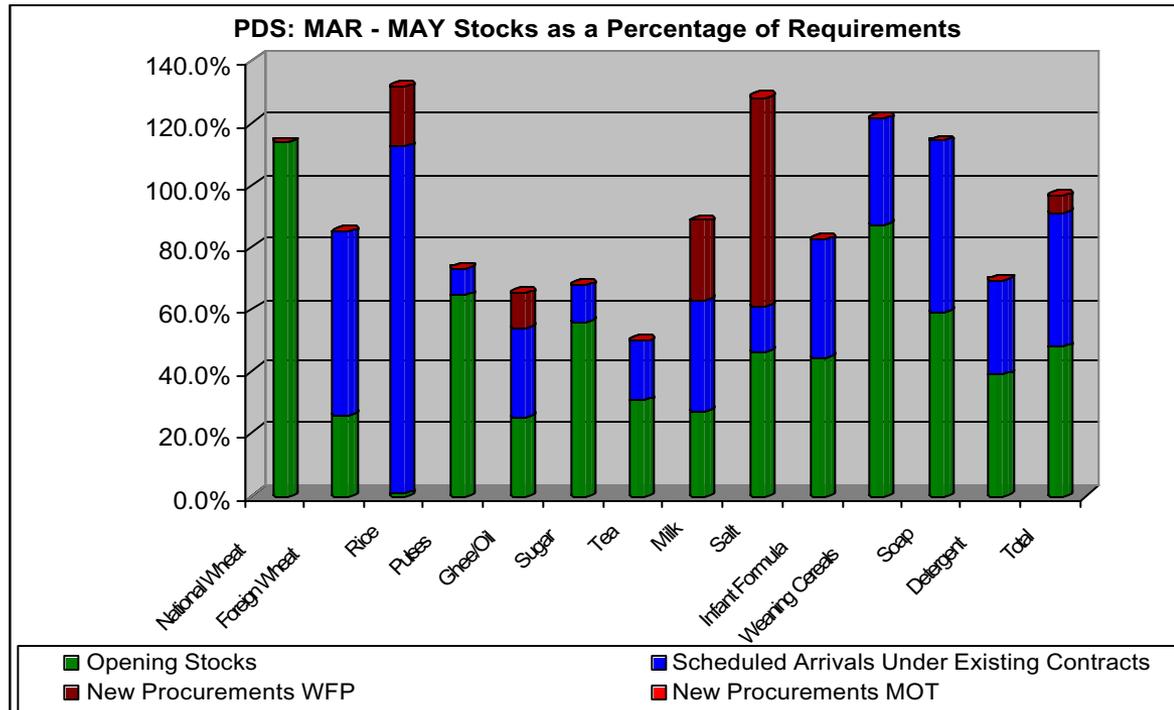
CPA Water Objective: Provide Water Supply, Sewerage & Municipal Services; Improve Water Resource Management

Create viable organization to deliver water/sewerage/municipal services (WSMS) • Expand WSMS to meet national needs • Develop full range of municipal services & inclusive delivery mechanism • Improve Ministry processes in preparation for Iraq's sovereignty • Infrastructure improvements to water resource system • Facilities improvements & capacity building within Ministry

Essential Services – Food Security



- Chart at right shows stocks for goods that Iraqis receive under the Public Distribution System as a % of estimated requirements on hand until end of May
- The % of estimated requirements includes opening stocks & scheduled arrivals of goods
- Having 100% of each commodity ensures stock availability through May



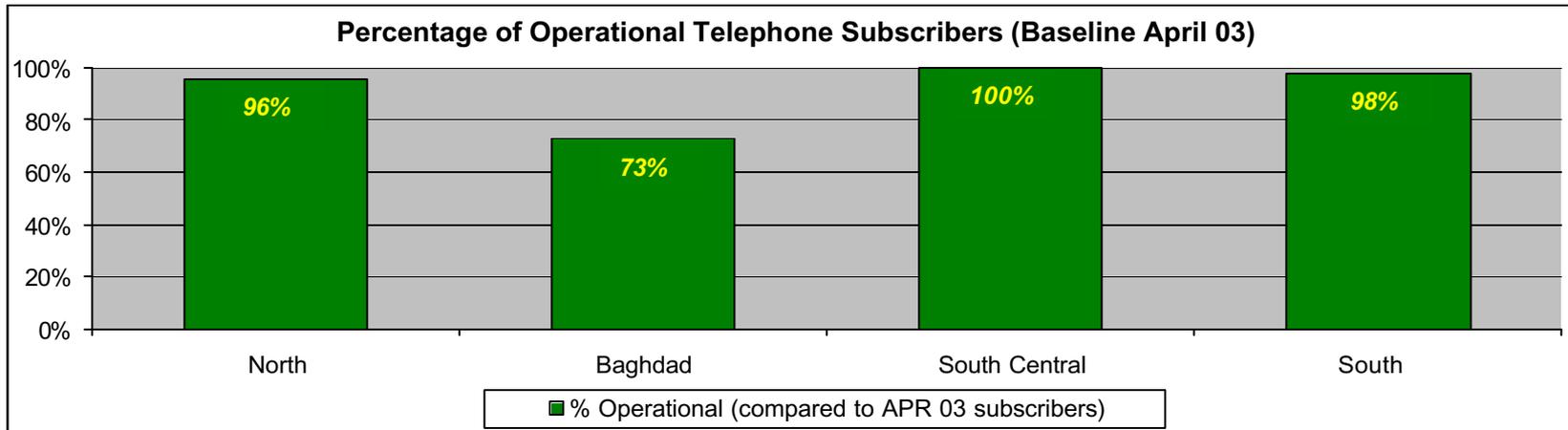
- CPA projects no shortages in Apr / May rations given procurement of high need items
- Scientists from Ministry of Agriculture visited Winter Crops Tech Demonstration project to observe effect of supplemental irrigation on bread wheat productivity. Plots with supplemental irrigation were growing significantly better than those without

CPA Food Security Objective: Provide Food Security for all Iraqis

Enhance capacity of Ministry of Agriculture • Assure supply of inputs • Strengthen research system • Ensure adequate stocks for Public Distribution System (PDS) • Monitor food security • Hand over administration of system in the North • Initiate reform of rations basket • Environmental Initiatives

Essential Services – Telecommunications

- Total number of telephone subscribers: 984,225
 - 18% above pre-war active subscribers
 - Includes 278,645 cell phone subscribers (34,645 since last week)
- CPA has reinstated service for 122,980 subscribers since May 03, though temporary equipment shortage prevented increase from last week
- Chart below shows percentage of current operational telephone subscribers compared to number of active subscribers in Apr 03



Source:
CPA Senior
Advisor to
Minister of
Comm. &
Iraqi
Telephone
& Postal
Company
(ITPC)

CPA Objectives: Reconstruct Communications & Postal Systems

Build Iraq's first responder network • Establish independent regulatory agency • Upgrade Iraqi Telephone and Postal Company (ITPC) network for interoperability • Build transmission component data network for Iraq, including international gateways • Restructure ITPC and its business operations • Upgrade and modernize postal systems • Upgrade ITPC outside plant for increased subscriber capacity and use

Essential Services – Building & Housing



- According to a United Nations estimate, Iraq requires 1.4 million more housing units. CPA currently has contracts to build 3,528 units. A Polish company will begin construction of 504 units in Basra next week
- The Ministry of Housing and Construction is working to create a mortgage financing company to develop the private sector housing market
- Three towns in An Najaf Governorate have completed renovations of their municipal buildings under a \$55,500 combined grant. Renovations will improve the operating conditions and service delivery of local government
- USAID partner International Relief and Development (IRD) is working with more than 50 local community volunteers to rehabilitate and increase capacity of the Aruba Square Market in Baghdad's Kadhamiya district
 - Vendors are currently selling fruit, vegetables, fish, and meat in an ill-equipped area with poor sanitation
 - New market will improve the local economy by helping 150 vendors establish safer permanent stalls beside the main road

Essential Services – Transportation



- CPA completed the reconstruction of Al Furat Bridge in Baghdad last week
- Through USAID funding, community members have finished sub-coat for paving of the Al Asfar road between Rashad and Tikrit
 - Project will reduce standard commute between these towns by more than 1 hour, lowering transportation costs for local farmers, and connecting the towns to regional centers. Will benefit 20,000 Iraqis
- USAID is training Iraqi firefighters to take over airport fire protection duties from the US Military. This is an important step in preparing the airport for commercial activities & transferring responsibility to Iraqis
- Restoration of Iraq's railroad system near Basrah is progressing; ballast production rate has met targets, averaging 800 cubic meters a day

CPA Objectives: Restore Economically Strategic Transportation Infrastructure

Enable Iraqi civil aviation to prepare for international commercial aviation and cargo service • Enable Iraqi Port Authority to administer a port of call with intermodal capabilities and inland container distribution • Enable Iraqi Republic Railways to provide domestic and international passenger and freight capabilities • Reform civil service at Ministry of Transportation



Iraqi Security Forces Personnel & Training Summary

	Required	On Payroll (Untrained)	On Duty (Partially Qualified)	On Duty (Fully Qualified)	In-Training	TOTAL
Iraqi Border Police	8,835	0	8,259	0	521	8,780
Dept of Border Enforcement	16,892	0	9,873	0	0	9,873
Iraqi Police Service	75,000	59,638	12,422	2,324	3,840	78,224
Iraqi Civil Defense Corps	40,000	0	0	33,560 (OJT Continuous)	1,933	35,493
Iraqi Armed Forces (IAF)	40,000	0	0	3,005	2,169	5,174
Facilities Protection Service (Ministries & MSCs)	55,000	0	0	73,992	0	73,992
	235,727					211,536

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N/P

Data as of 19 Mar



Stability Contributors

Countries with forces in Iraq

33

TOTAL ~24K

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

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

Data as of 180500Z Mar

Countries considering decision to provide forces for Iraq

6

TOTAL TBD

39 Countries
 Potentially Supporting
 Iraqi Stability and
 Humanitarian Relief

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Governance – National Transition



2004

08 Mar

Transitional Administrative Law signed

01 Apr

Establishment of Election Commission (approximate date)

15 Apr

Annex to TAL released describing selection process and powers of Interim Government (approximate date)

30 May

Selection of Interim Government (approximate date)

30 Jun

Iraqi Interim Government takes power

Phase I
(Interim Government)

2005

31 Jan

Elections for the National Assembly complete: NLT 31 Jan 05
(31 Dec 04 if possible)

Early '05

Iraqi Transitional Government takes power

Phase II
(Elected Government)

15 Aug

National Assembly completes draft of permanent constitution

15 Oct

Referendum for constitution

15 Dec

Elections for permanent government completed

31 Dec

Permanent government assumes office

Governance – Transitional Administrative Law



- **Transitional Administrative Law (TAL)** will serve as Iraq's supreme law between 30 Jun handover of sovereignty and election of a new government under a permanent constitution

- **TAL outlines authorities for Iraqi Transitional Government:**

- **Legislative:** National Assembly

- 275 elected officials

- Electoral law will aim to achieve at least one-quarter women and fair representation of all communities in Iraq

- **Executive:** Presidency Council, Council of Ministers, Prime Minister

- President and two Deputies elected by National Assembly

- Presidency Council appoints Prime Minister and Council of Ministers

- Prime Minister responsible for day-to-day government management

- **Judicial Authority**

- Higher Juridical Council will supervise federal judiciary

- Federal Supreme Court – 9 members nominated by Higher Juridical Council and appointed by Presidency Council

- TAL posted on internet at www.cpa-iraq.org



Economics – Financial Market Structures

- **Members of the Central Bank of Iraq, Central Statistical Organization and CPA-Economic Policy visited Mosul, Arbil, and Sulaymaniyah to arrange for cooperation in gathering and reporting macro-economic, fiscal, money and banking statistics**
- **Information technology specialists from the Federal Reserve Bank of New York are studying Iraqi banking system's IT, communications, and automation capabilities and needs, with a particular focus on the Central Bank**
- **CPA and USAID are assisting Rasheed and Rafidain banks to reconcile year-end financial statements according to International Accounting Standards**
- **Iraq Stock Exchange is expected to open in early April**

CPA Economic Objective: Commence Reform of Tax System

- **Reform tax rates**

Economics – Currency & Banking

- **\$3.6 billion out of supplemental funds are currently committed to Iraq relief and reconstruction efforts, 35 % of the 01 Jul goal**
- **As of 14 Mar, the Trade Bank of Iraq has opened 109 letters of credit totaling \$499 million covering imports from 24 countries**
- **As of 11 Mar, the balance in the Development Fund for Iraq (DFI) was \$8.1 billion**
 - **Total payments out of the DFI amounted to \$5.6 billion**
 - **DFI investment program has earned \$15 million in interest**
- **As of 20 Feb, Iraq's two large state-owned commercial banks, Rafidain and Rasheed, have extended dollar loans totaling \$8.9 million, a 49% increase over the dollar loan amount extended as of 30 Nov 03**
- **CPA has issued over 1,400 micro and small business loans worth approximately \$3 million**

CPA Economic Objective: Build Financial Market Structures

- **Modernize the Central Bank**
- **Commercial Banking System**
- **Re-establish Baghdad Stock Exchange**
- **Restructure National Debt**

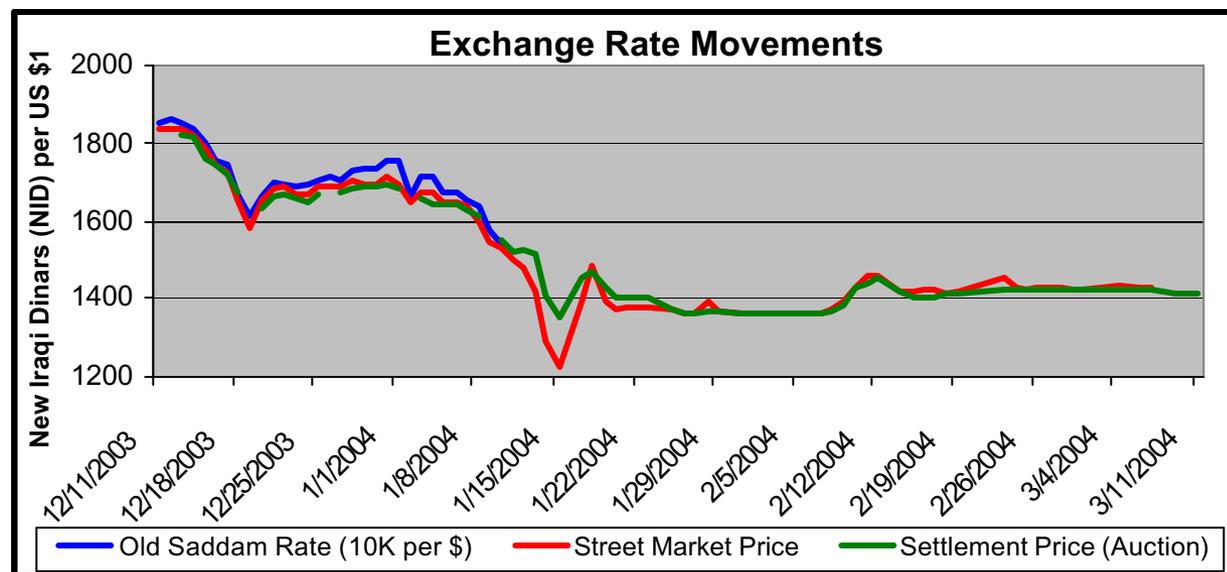


Economics – Currency & Banking (cont)



- The Currency Auction was developed and is operated by the Central Bank of Iraq (CBI)
- At the New Iraqi Dinar (NID) auction on 04 Mar, the settlement price was 1,415 dinars per dollar and the value of dollars sold at the auction was \$22 million
- From 28 Feb – 04 Mar, the NID appreciated 0.7 percent against the US dollar

Date	# banks participating	Amount sold or bought	Auction price (dinars per dollar)
16-Feb	13	\$7.735 million	1,400
17-Feb	14	\$11.310 million	1,425
19-Feb	14	\$13 million	1,415



Economics – Other Developments

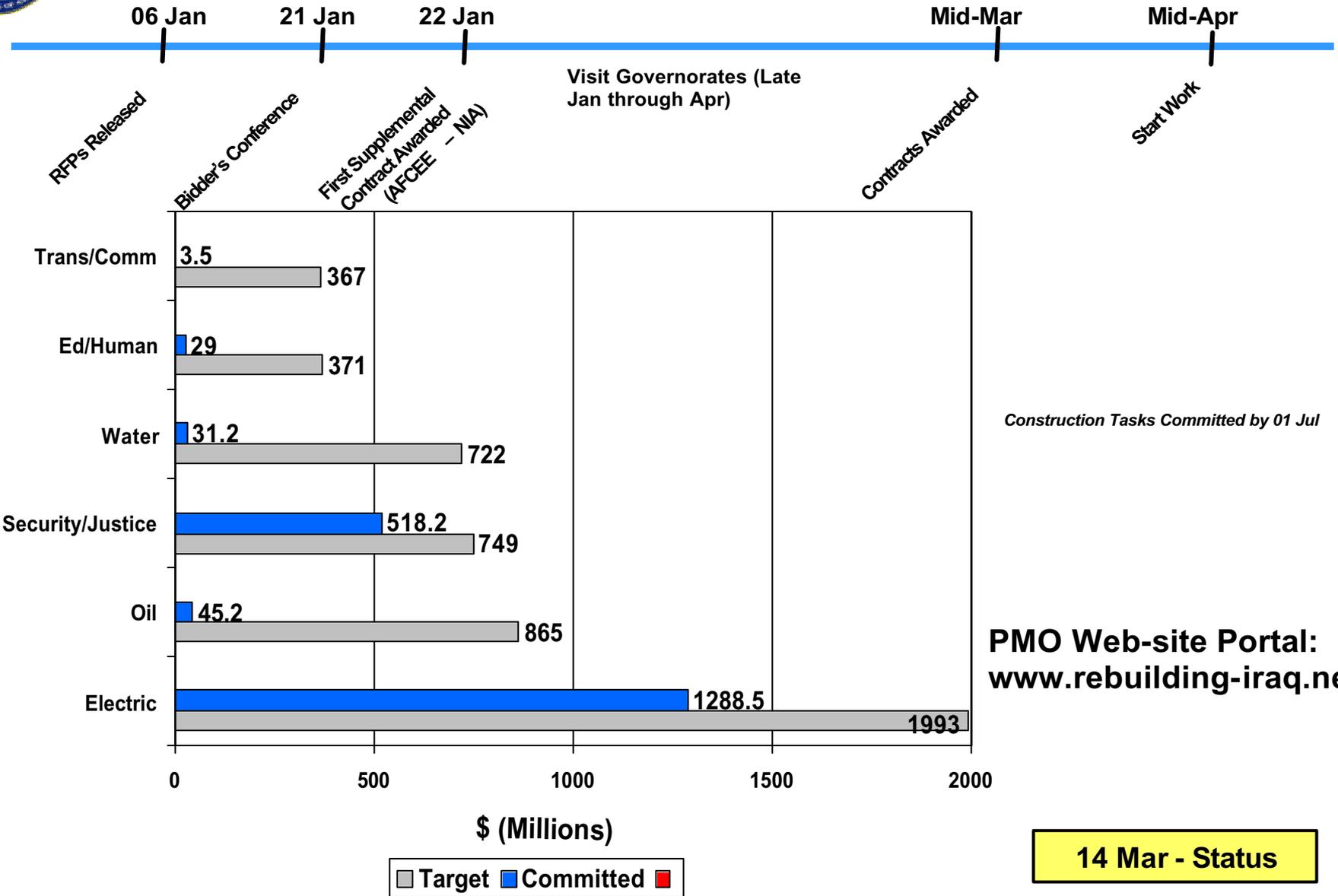
- Ministry of Planning announced unemployment rate of 28 % and underemployment rate of 21.6 %, a total of 49.6 % affected
- CJTF-7 C-9 estimates that CPA has created 379,721 jobs for Iraqis (45 percent of the CJTF-7 target of 850,000):
 - Security / National Defense: 220,923
 - CJTF-7: 51,673
 - Civilian contractors working under CPA contracts: 68,154
 - Governorate Teams: 1,550
- In the recent Oxford Research Int. survey, 69% rated the availability of jobs as bad, however 73% expect improvement over the next year
- The “road-show” throughout Europe promoting foreign investment in Iraq has already yielded visits from several companies
- As of 10 Mar 04, estimated crude oil export revenue reached \$2.8 billion for 2004

CPA Economic Objective: Pursue National Strategy for Human Resources Development



Program Management Office (PMO)

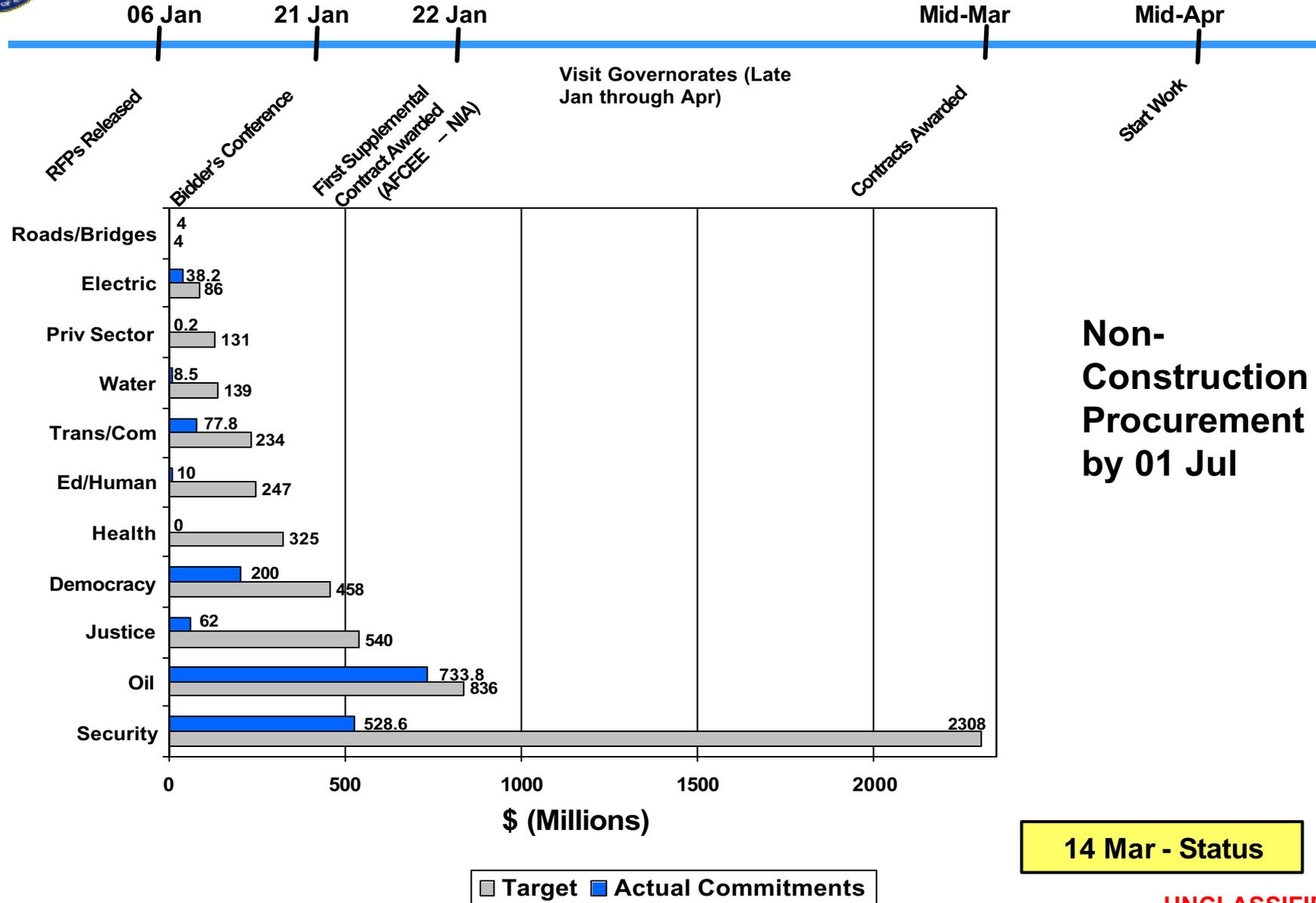
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N/P





Program Management Office (PMO) (cont)

DEPARTMENT OF DEFENSE N/P



Non-Construction Procurement by 01 Jul

14 Mar - Status

Program Management Office (PMO) (cont)



14 Mar - Status

Sector	2207 Report	Apportioned	Committed	Obligated
* Security and Law Enforcement	3,243	2332.7	1048.6	351.6
Electricity Sector	5,560	1683.1	1326.7	1038.2
Oil Infrastructure	1,701	1600.0	779	451.6
Justice, Public Safety, and Civil Society (less democracy)	560	560.9	* 91	32.1
Democracy	458	458.0	200	155.3
Education, Refugees, Human Rights, Governance	280	138.5	10	9.5
Roads, Bridges, and Construction	370	119.3	4	4
Health Care	793	330.0	0	0
Transportation and Telecommunications	500	164.0	81.3	6.3
Water Resources and Sanitation	4,332	496.2	39.7	38.9
Private Sector Development	184	64.5	.2	0
TOTAL	18,439	7947.2	3578.7	2087.5
CONSTRUCTION	12,611	3950	1990.3	1355.3
NON-CONSTRUCTION	5,370	3539.2	1388.4	576.9
DEMOCRACY	458	458	200	155.3
Total	18,439	7947.2	3578.7	2087.5

In Millions

* Previous Democracy Building Amounts Recorded in Justice, Public Safety, & Civil Society

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Strategic Communication

- **USAID is working with the CPA to ensure that the Iraqi population is well educated about the Transitional Administrative Law**
 - **Programs to support this effort include producing booklets, and the dissemination of information to local media outlets**
- **USAID's Local Governance Program is conducting Democracy Dialogue Activities throughout Iraq as part of the Civic Education Campaign**
 - **Dialogues will improve public understanding of the transition to democracy and increase participation in the political process**
- **The Iraqi people celebrated International Women's Day on 08 Mar. Events marking the celebration included:**
 - **Grand opening of Mansour Women's Center in Baghdad (including its computer training center), an art exhibit by Iraqi women artists, and performances by an all-female band that formed after the war**
 - **Approximately 150 women of all ages, ethnic, and religious backgrounds attended the first Women's Day Celebration at the new Center for Iraqi Women in Mosul**