

A map of the Middle East region is shown, with Iraq highlighted in a bright yellow color. The surrounding countries and the Persian Gulf are visible in a light tan and blue color respectively.

DRAFT WORKING PAPERS Iraq Status

This briefing is classified
UNCLASSIFIED
Derived from: Multiple Sources



Highlights

CPA Priorities:

- Essential Services
- Security
- Governance
- Economy

CPA Intermediate Objectives:

- Repair electric power infrastructure
- Rebuild the telecomms system
- Successful Constitutional Convention
- Implement new media strategies

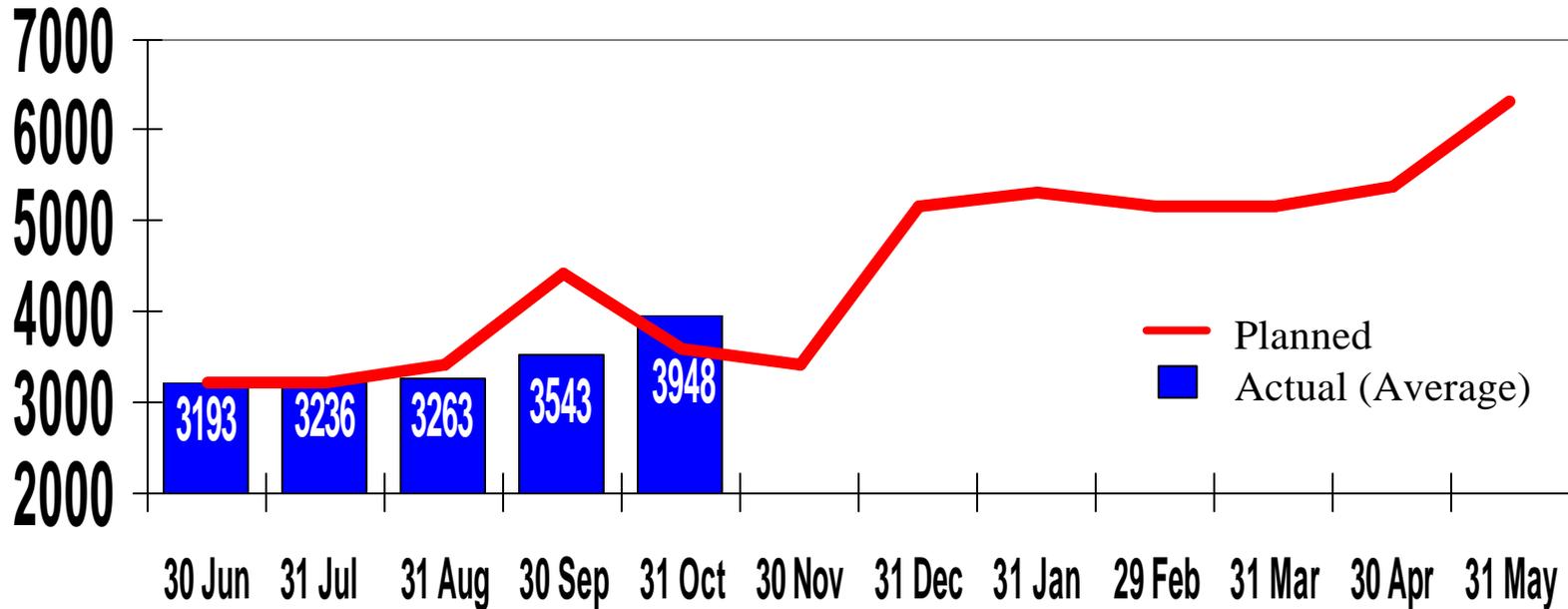
Weekly Highlights:

- Iraq National Power Production reached a high of 4,005 MW this past week
- First successful international calls through Iraqi telephone system
- 27 Oct: University of Mosul Law School holds first symposium on separation of power and concept of federalism
- Iraqi Media Network contract bidder conference to be held in Amman this week

TF Restore Iraqi Electricity (RIE) Overview

Goal 01 Oct 03: 4,400 MW
Production and Transmission

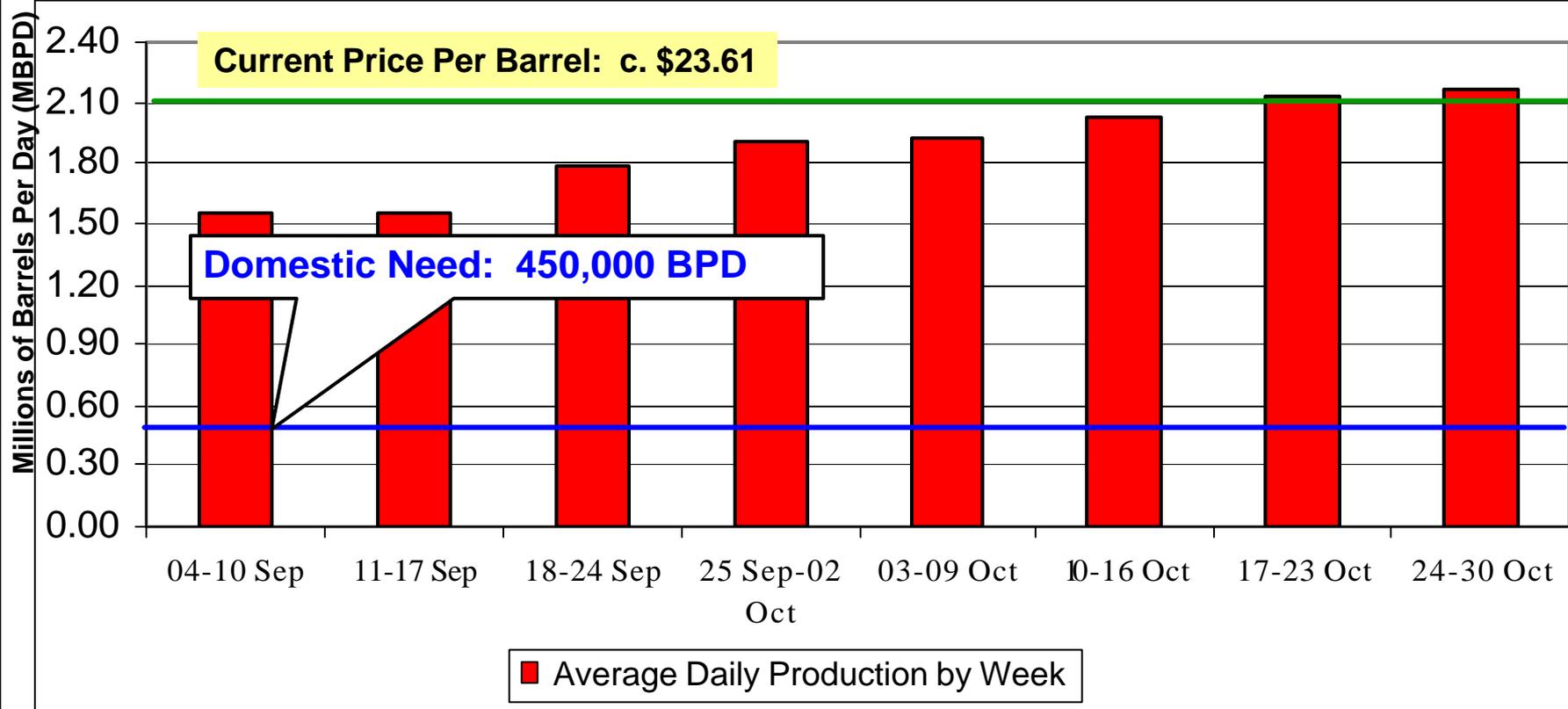
Goal 01 Jun 04: 6,000 MW
Production and Transmission



- Autumn Overhaul / Outage Program began 13 Oct 03 and ends Mar 04. The planned power production is based on CPAs overhaul / maintenance plan
- Coalition Forces began transitioning security duties for 20 electrical facilities to the Ministry of Electricity (MOE) security forces. Transition of authority will be complete by the end of Nov
- The Iraqi MOE entered into a joint project with Jordan to construct an electrical distribution grid shared by the two countries. This is a long term project

Crude Oil Production

Mid-Term Target (Dec 03): 2.1 MBPD (Pre-War Average for 2002)



WEEKLY AVERAGE OF 2.16 MBPD EXCEEDS MID-TERM TARGET OF 2.1 MBPD

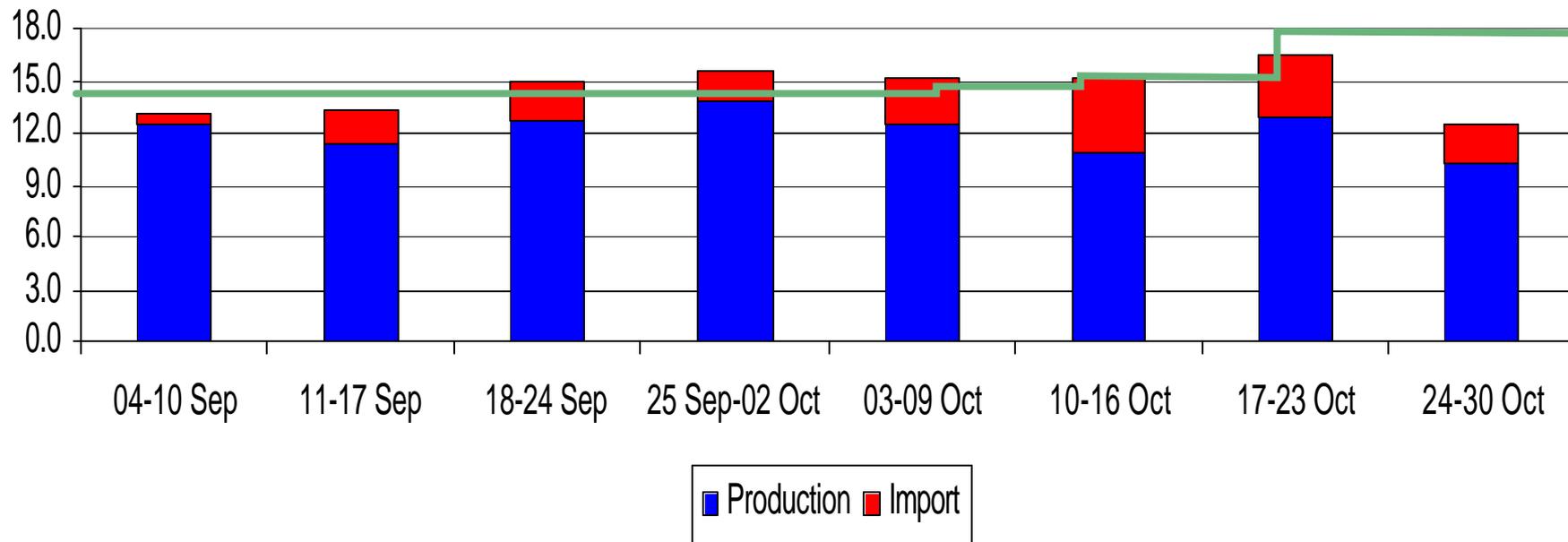
- Long Term Target (Dec 04): 3.1 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Feb 03
- Post-war Peak: 2.185 MBPD on 28 Oct 03
- Weekly average of crude exports: 1.4 MBPD

Diesel Supply



M Liters /
Day

Goal: 18.0 M Liters

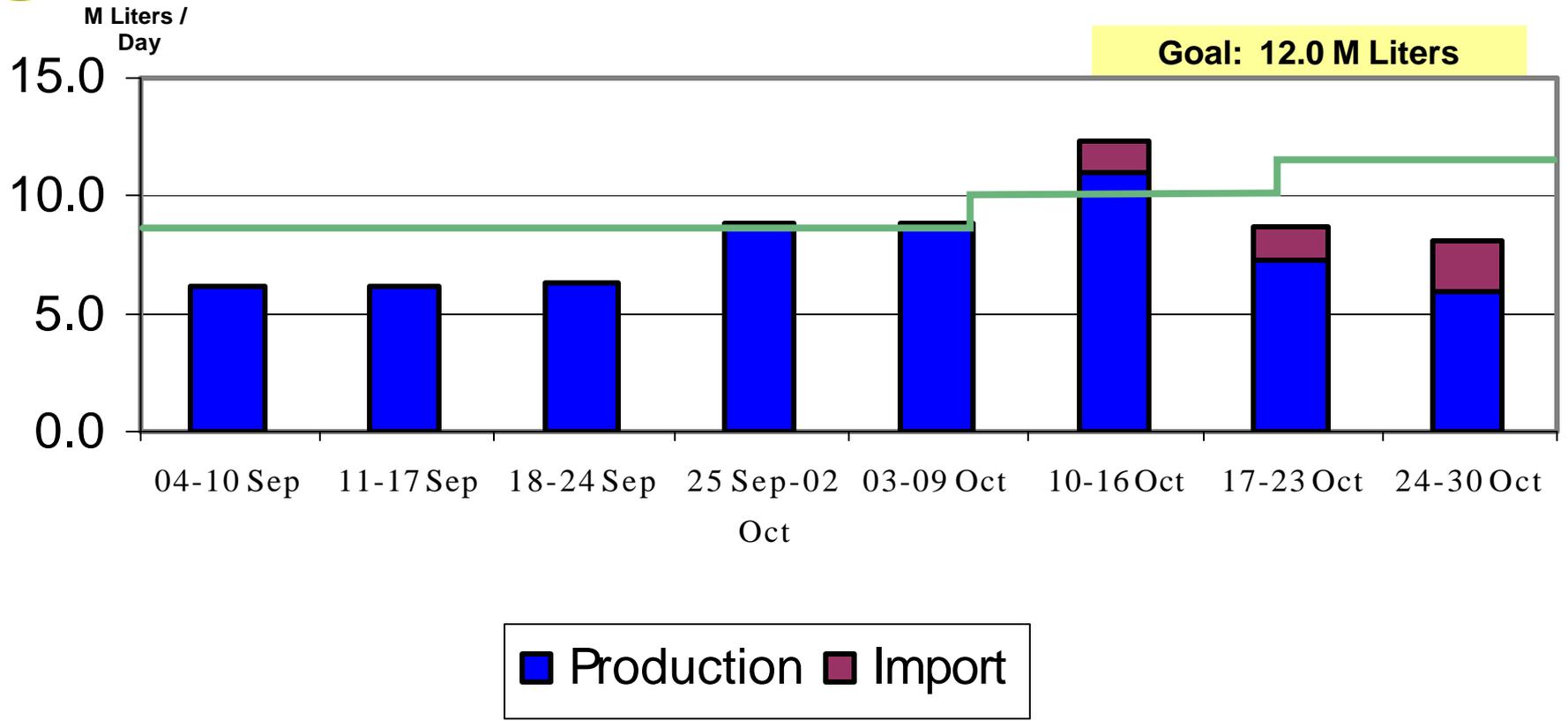


- Supply currently 70% of goal
- Multiple pipeline breaks due to sabotage, wear, and parts/equipment failures have hampered refined product production and delivery over past week



Kerosene Supply

DEPARTMENT OF DEFENSE



- Kerosene imports began 05 Oct. Initial goal = 2.0M liters / day
- Current supply 67% of total goal

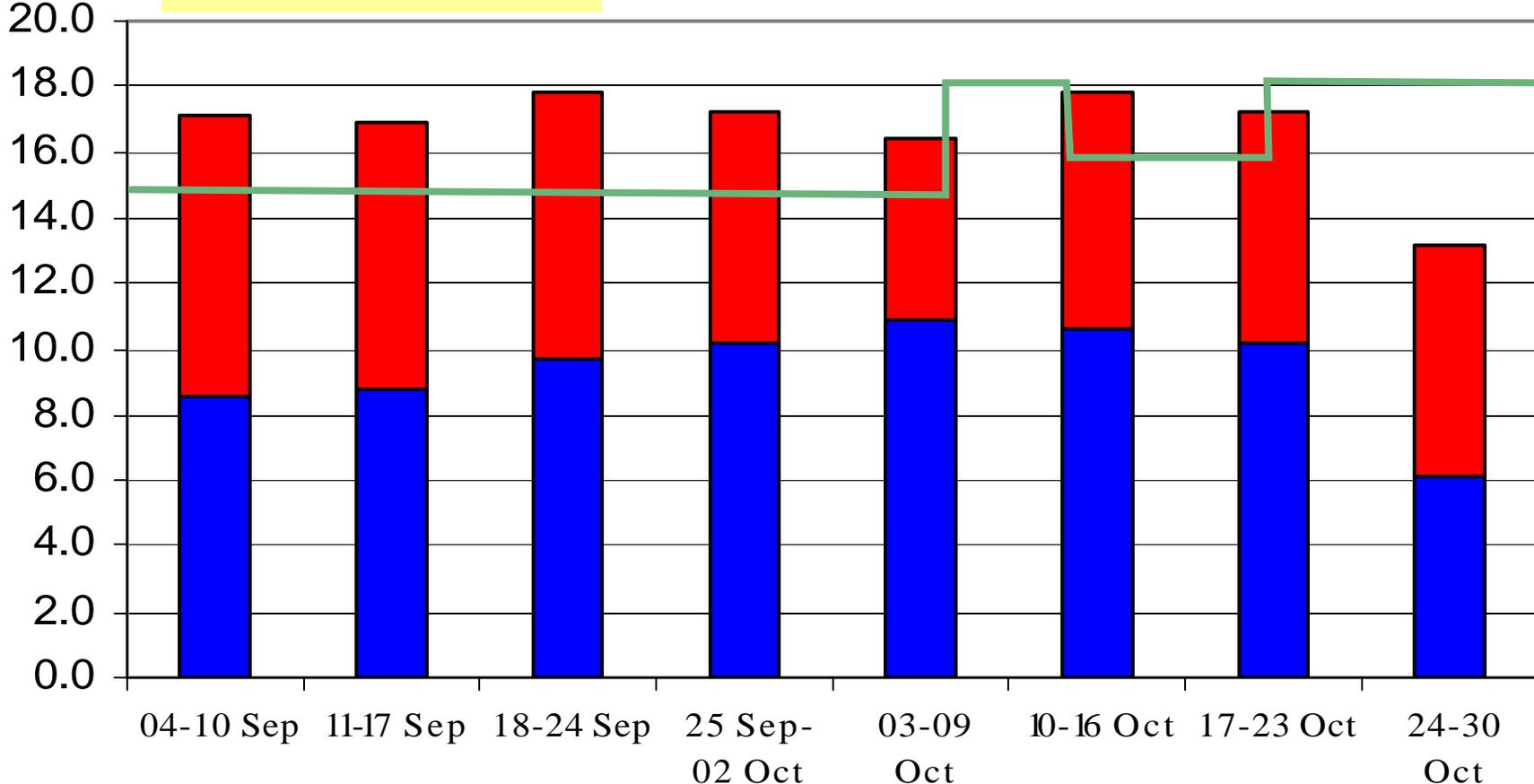


Gasoline / Benzene Supply

DEPARTMENT OF DEFENSE

M Liters / Day

Goal: 18 M Liters



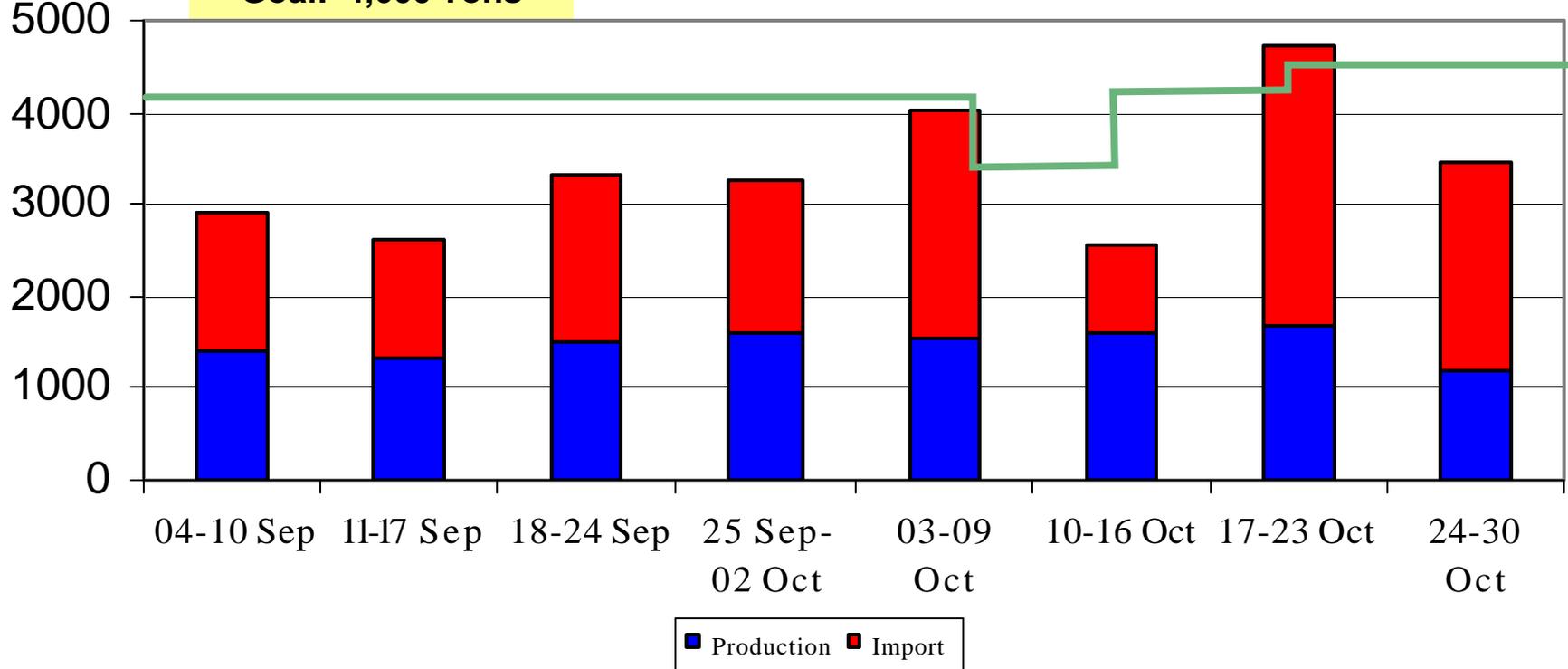
■ Production ■ Import

• Current supply 73% of goal

Liquid Propane Gas Supply

Tons / Day

Goal: 4,600 Tons



- Southern LPG plant has stable power, will begin processing once NGL delivery starts; NGL processing delayed by pipe rupture in propane cooling system of NGL Plant
- Current supply 75% of goal

Essential Services - Education



Educational Enrollment

- School registration and attendance stabilizing at approximately 3.6 million primary and 1.5 million secondary students
- Record 97,000 Freshmen applications for 03-04 academic year (63,000 last year)
 - 22 Major Universities, 43 Technical Schools

Current Activities

- Ministry of Education (MOE) establishes universal school ID number to provide student and teacher management and more accurate budgets
- MOE survey supports planning and helps establish teacher and staff salaries
- MOE being equipped with the Education Management Information System (EMIS)

K-12 School Buildings In Iraq	13,597
Rehabilitations Completed by 10/14	1,628
Rehabilitation goal by 10/1	1,000
Ongoing school rehabilitations	393

Includes repair / replacement of doors, windows, restroom facilities; generally no major reconstruction or new construction

Essential Services - Healthcare



Milestones

- **Oct 03:** Achieve 100% of pre-war level of healthcare throughout Iraq
- **EOY 03:** 70-80% national coverage for children's immunizations
- **FY 04:** Update medical technologies and fix infrastructure / equipment

Current Activities

- **Ministry of Health (MOH)** is developing a strategic plan for a sustainable healthcare system for 2005 and beyond
- **Spanish Brigade** completed newly built wing of 8 rooms accommodating 6 beds for the hospital in MND CS

Compared to life under Saddam's rule:

- **Public health spending** has increased 26 times
- **Doctor's salaries** are eight times higher
- **Pharmaceutical distribution** and child vaccination programs dramatically increased in size and effectiveness

Essential Services - Water

Water Supply and Sewage Treatment Milestones (in Liters)

	Pre-War	Post-war	Jun 04	Nov 04
Potable Water Availability	12.9 Million	4.0 Mil	13.4 Mil	21.3 Mil
Sewage System Coverage	6.2 Million		85% cap	

Current Activities

- 1.6M people benefit from rehabilitation of six water treatment plants in Babil, Diyala, and Baghdad governorates
- 103 rural water treatment plants rehabilitated in five central and southern governorates (serve 272,000)
- Water treatment plant in al Hillah repaired (serves 550,000)
- Bechtel continues dredging at the first section of the two-part reservoir at Basrah end of the Sweet Water Canal

Irrigation Canals	Km (est)
Total Irrigation Canals in Iraq	27,000
Canals needing clearance May 03	20,000
Canals cleared as of 27 Sept	15,000
Canals being cleared per week	500

Ministry currently estimates 85% completion toward pre-war levels for water, sanitation and municipal services

Essential Services - Telecommunications



TELECOM Connections

Type	Pre-War	Sept 2003	Jan 2004 Goal
Landline	1,100,000	850,000	1,100,000
Wireless	0	0	50,000
Internet	4,500	4,900	50,000

- Milestones
- Sep 03: Internet connectivity established to 15 of 18 governates
- Oct 03: Cell phone contract awards to Asia-Cell (N), Orascom (C), Atheer (S)
- Oct 03: Issue regulations encouraging competition and wireless Internet
- 23 Oct: First successful international calls
- 5 Nov: All active subscribers to have access to the international gateway
 - Two of thirteen switches installed
 - 250,000 consumer lines can then be restored to service
- Dec 03: Begin cell phone service
- Dec 03: Restore nationwide landline connectivity

Essential Services - Transportation

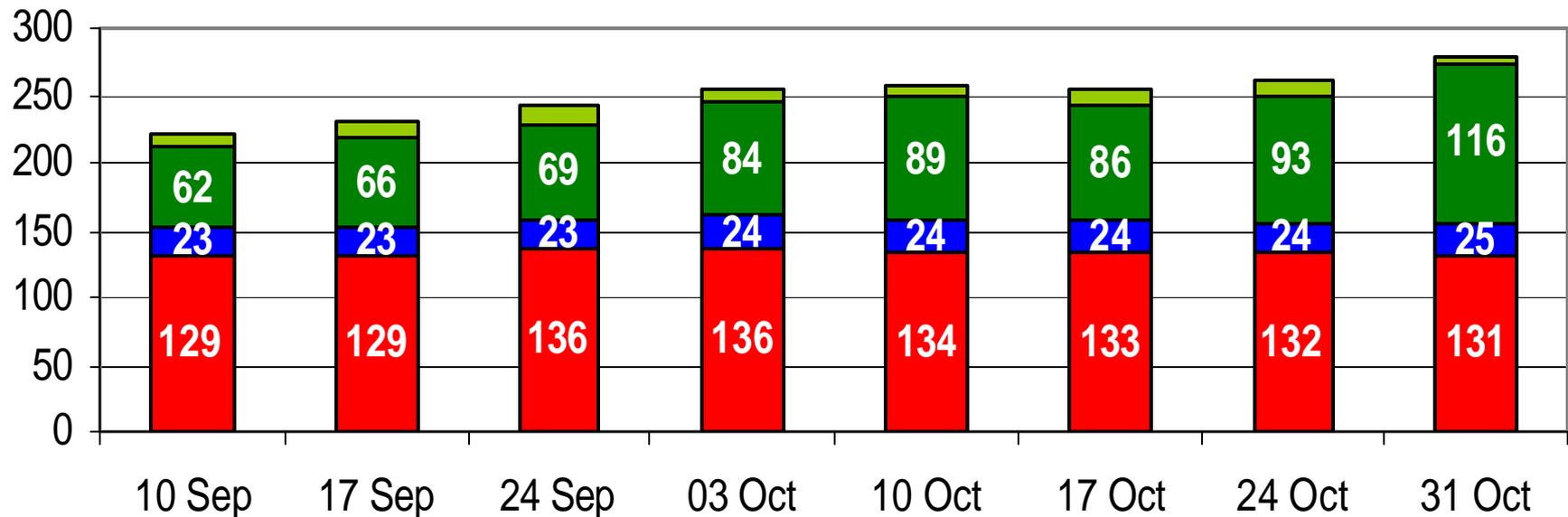


- **Iraqi Civil Aviation Authority (CAA) sent 27 Air Traffic Controllers (ATC) to Jordanian Queen Noor aviation college for a four-week course**
 - **Important first step towards recertification as accredited controllers**
- **Ministry of Transportation (MOT) is working with Iraqi Airways to formulate a plan to fly the Hadj (end of Jan through first days of Feb 04)**
 - **Iraqi Airways has never failed to fly the Hadj**
 - **MOT views it as a service of national and religious importance**
- **Iraqi Republic Railways (IRR) is negotiating a contract with the Turkish Railway for transportation of petroleum products**
 - **Trains of partially refined crude will be transported to Turkey, where the tanker cars will be cleansed.**
 - **Returning train will transport gasoline**
- **Bechtel Railroad team held pre-bid meetings for subcontract to provide crush and transport ballast and subcontract for workshop construction and loading of IRR trains**



Total Security Forces in Iraq

(x1000)



US

Iraqis Operating w/ Coalition

Other Coalition

Additional Iraqi Recruits

- Iraq Security Force casualties (since 01 Jun): **86 KIA**, **153 WIA**
- US Forces decreasing as a percentage of total forces



Stability Contributors

Countries with forces in Iraq

32

TOTAL ~25,000

Albania
Azerbaijan
Bulgaria
Czech Rep
Denmark
Dom Rep
El Salvador
Estonia
Georgia
Honduras
Hungary
Italy
Kazakhstan
Korea
Latvia
Lithuania

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

Countries considering decision to provide forces for Iraq

14

TOTAL TBD

46 Countries
Potentially Supporting
Iraqi
Stability and
Humanitarian Relief

Governance - National



MILESTONES

- 14 Jul: GC established
- 11 Aug: Constitutional Prep Committee appointed
- 01 Sep: Highly qualified interim cabinet ministers appointed
 - 9 PhDs, remainder with advanced degrees
 - 2 physicians, 1 attorney, numerous engineers
- 10 Sep: Governor of Central Bank named
- 19 Sep: Council of Judges established to supervise judicial and prosecutorial systems - provides independent judiciary
- Oct: Constitutional Prep Committee submits options to choose Convention
- 15 Dec: Deadline to establish constitutional process and timeline
- Challenges:
 - Capacity for elections
 - Method to choose qualified reps to Constitutional Convention

Governance - International Recognition



MILESTONES

- **08 Sep:** Arab League grants seat to GC
- **12 Sep:** GC members seated at UN session
- **20 - 21 Sep:** GC - Ministerial delegation attended WB / IMF meetings in Dubai
- **24 Sep:** Iraqi delegation attends OPEC meeting
- **22 Sep - 03 Oct:** 13 GC members attend UN sessions
- **02 Oct:** GC President Chalabi addresses UN GA
- **08 Oct:** GC reps attend OIC Kuala Lumpur meeting
- **16 Oct:** UNSC approves resolution inviting GC to submit by 15 Dec a timetable for drafting new constitution and holding democratic elections
- **21 - 23 Oct:** Iraqi delegates attend Madrid Donors' Conference

Governance - Local

- **255 municipal councils mostly in urban areas**
 - 100% of Iraqis represented by a council at municipal or governate level
- **Baghdad has one city, 88 neighborhood, and 9 district councils**
 - First time in 35 years people of Baghdad have direct, meaningful say in community affairs
- **27 Oct: 300 women attend Sulimaniya University forum on women's participation in politics and government**
- **27 Oct: University of Mosul Law School held symposium on governance issues entitled "Human Rights and Democracy"**
 - Focused on separation of powers; human rights within a democracy; and concept of federalism
 - Later sessions will target general public to raise awareness of governance issues and produce a better informed electorate
- **Challenges:**
 - Increasing involvement of women (75 of 800 representatives at various levels)
 - Enhancing credibility of local councils



Economics - Financial Market Structures

- **Central Bank Governor announced six foreign banks to be licensed to operate in Iraq in the next five years**
 - **Request for Application to be issued within weeks**
 - **Banks should put up minimum capital of \$25 million and concentrate on high-tech and e-banking services**
- **UN transfers additional \$1 billion to Development Fund for Iraq from Oil For Food escrow account**
- **Currency exchange is proceeding well**
 - **Over 2.25 billion banknotes positioned in Iraq**
 - **Expect over 1.5 billion notes to be exchanged directly for old dinars**
 - **Central Bank conducts currency auctions to set market exchange rate (Oct 22 auction market settlement rate = 1,920 old dinars to \$1)**

Economics - Private Sector Development

- **Six legal experts to review key commercial laws related to impact trade, investment, and commercial activity**
 - Determine extent to which legislation promotes or constrains private investment and private sector growth and development
 - Make recommendations re legislation that creates investor friendly, market-driven economic legal framework
- **National Employment Program in public works sector will generate 100,000 jobs per quarter**
 - Pilot program already generated 9100 jobs
- **CPA is developing privatization plan for 150 of 190 State Owned Enterprises (SOEs)**
 - Minister of Industry and Minerals proposes leasing 18 SOEs to foreign concessionaires for 5 to 10 years

Economics - Donors' Conference

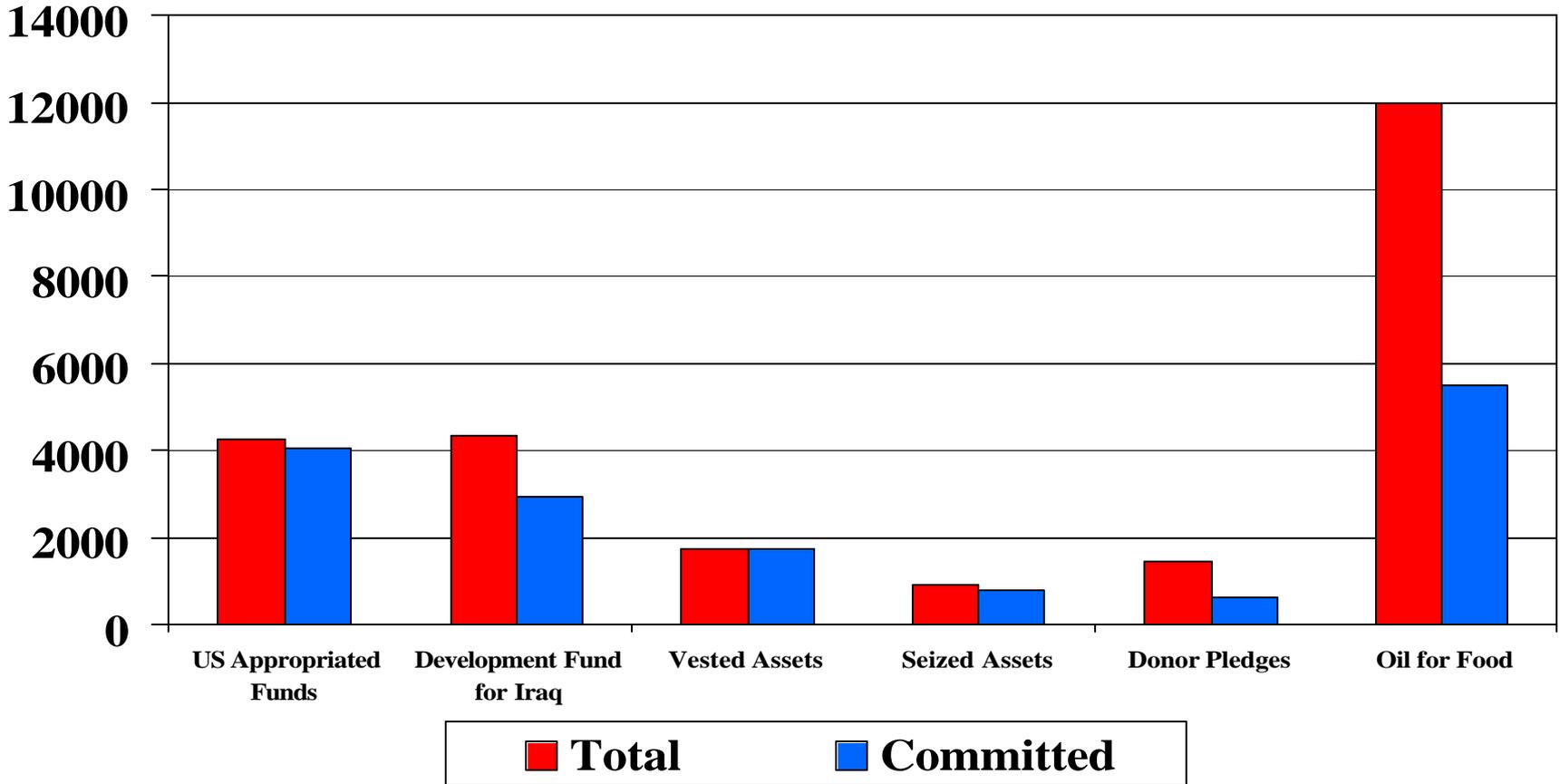


- **Madrid Donors Conference attended by 73 countries, 19 International Organizations and 13 Non-Government Organizations**
- **United Nations, World Bank, and International Monetary Fund estimate costs to build Iraqi infrastructure: \$50 - 75B**
- **\$20.3B Supplemental covers 27 - 40% of the estimate**
- **Conference brings in \$13 billion in new pledges**
 - **\$4.9 billion are outright grants**
 - **Loans account for the balance**



Iraq Funds Status (\$ Millions)

Total Available \$9,662
Total Committed \$6,804



DEPARTMENT OF DEFENSE