



***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**
- **Increase professionalism of TV staff**

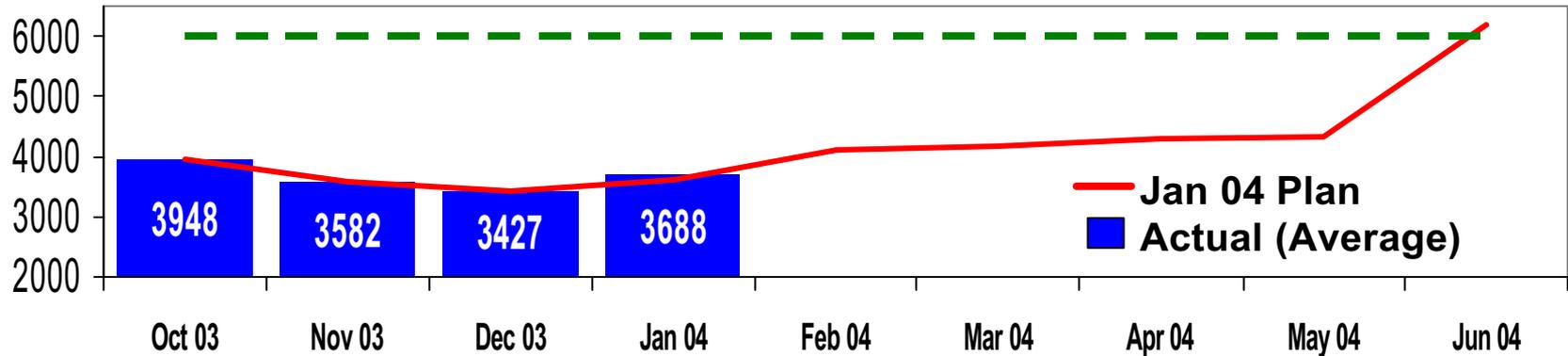
Weekly Highlights:

- **Ambassador Bremer approved a new electrical power increase plan on 14 Jan 04 to prevent current project delays from impacting the goal of 6,000 MW by 01 Jun 04**
- **Cell phones will be sold from 200 outlets beginning early Feb 04**
- **Ministry of Trade sending a delegation to February World Trade Organization General Council meeting to request observer status**
- **12 new Lucent Switches integrated with the 14 existing telephone switches. All fully operational telephones nationwide can now access the switch at Al Mamoun & the International Gateway**

Electricity Overview

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

**Goal June 04: 6,000 MW
Production and Transmission**



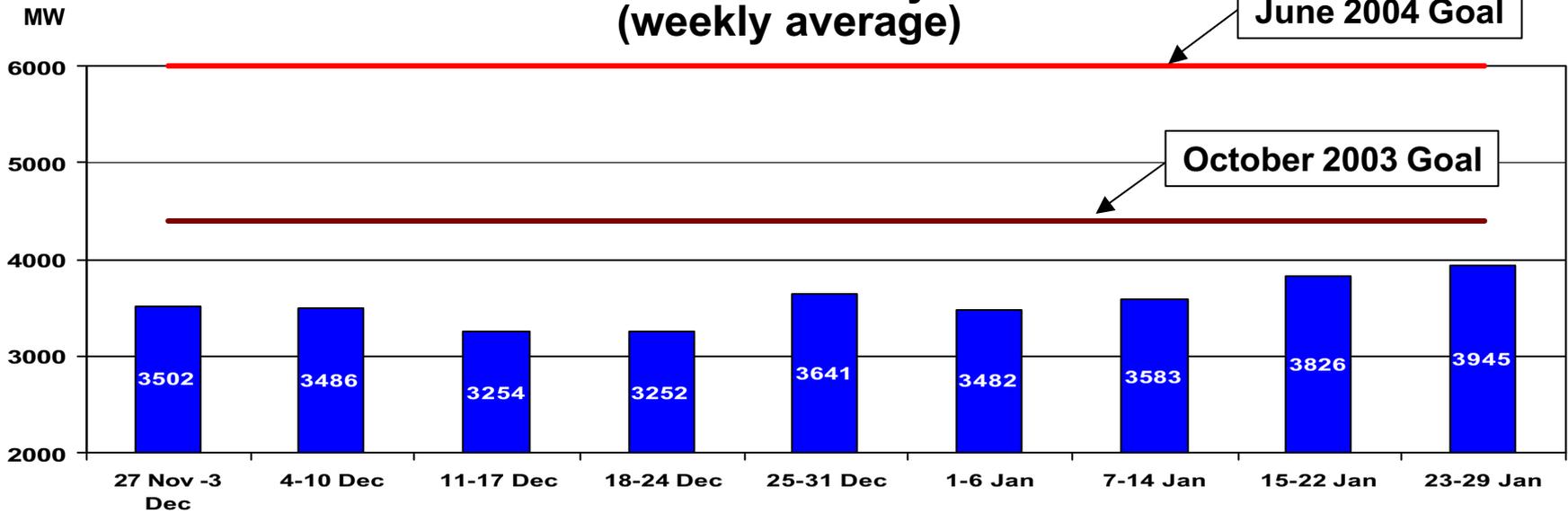
- **Ambassador Bremer approved a new increase plan on 14 Jan 04 to prevent current project delays from impacting the goal of 6,000 MW by 01 Jun 04**
- **CPA Autumn Maintenance Program began Oct 03 and continues with 854 MW currently in scheduled maintenance. Unscheduled generator maintenance continues with 798 MW out of service**



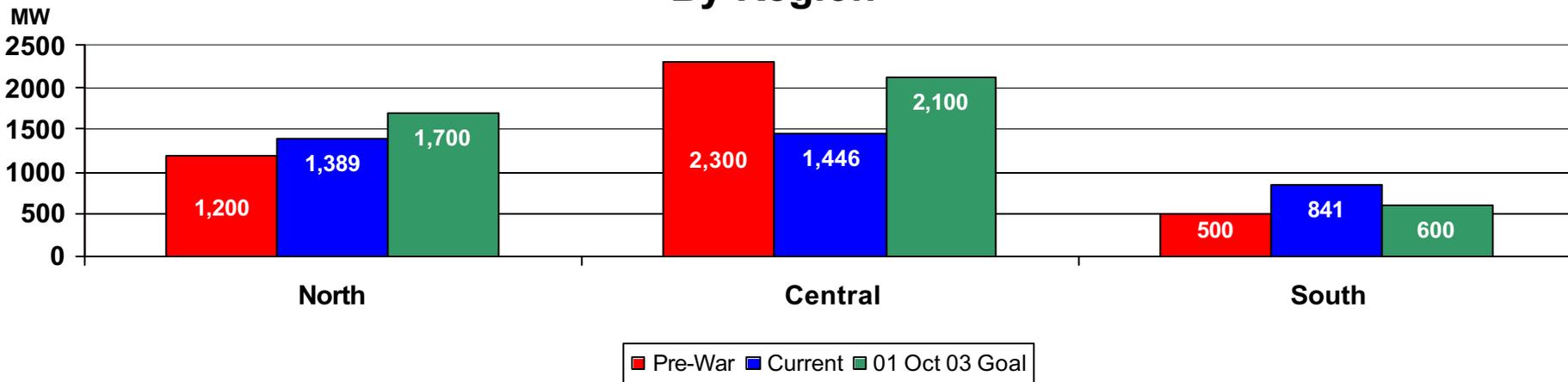
Power Production

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Total Country (weekly average)



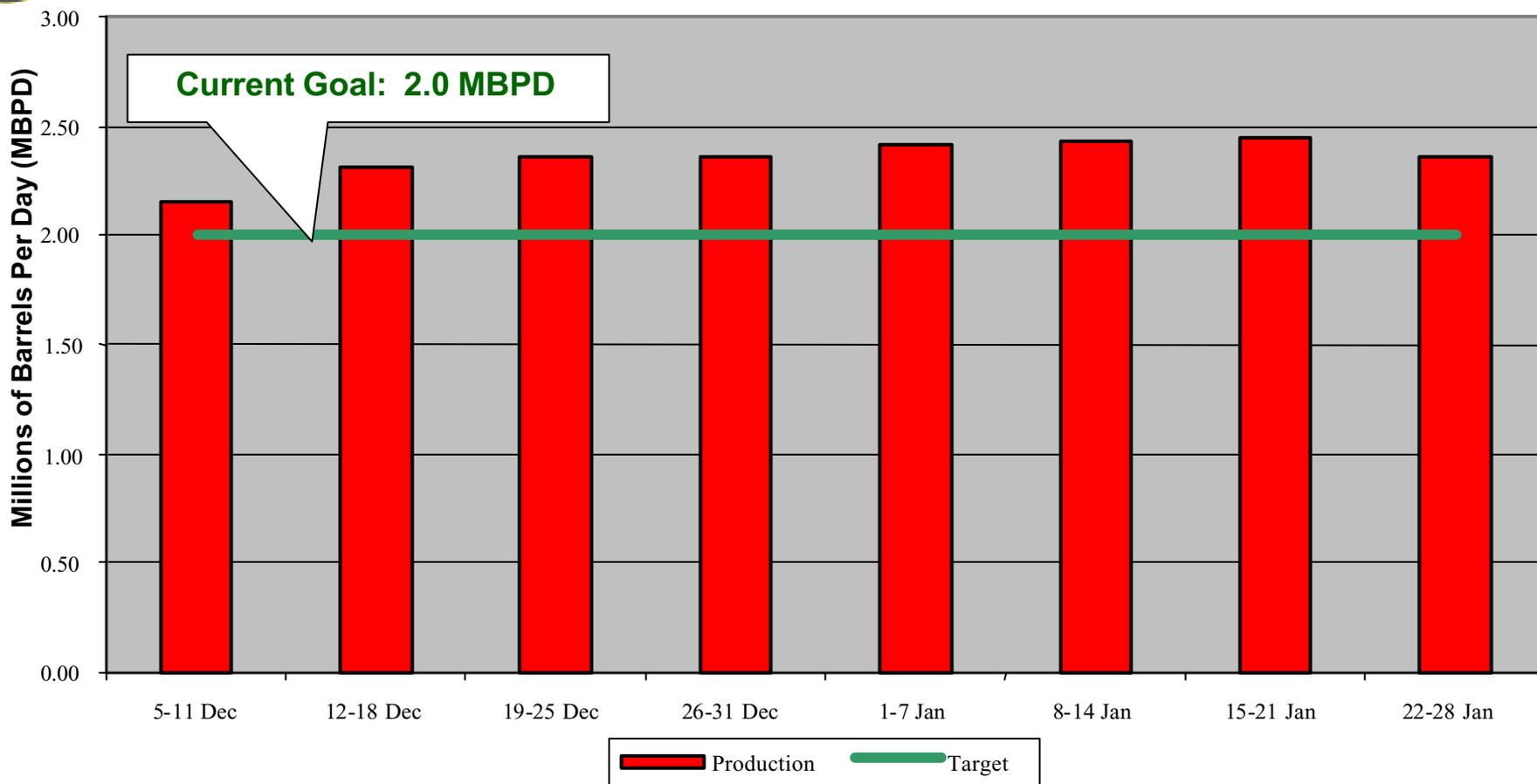
By Region





Crude Oil Production

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Weekly Average of 2.358 MBPD Exceeds Target of 2.0 MBPD

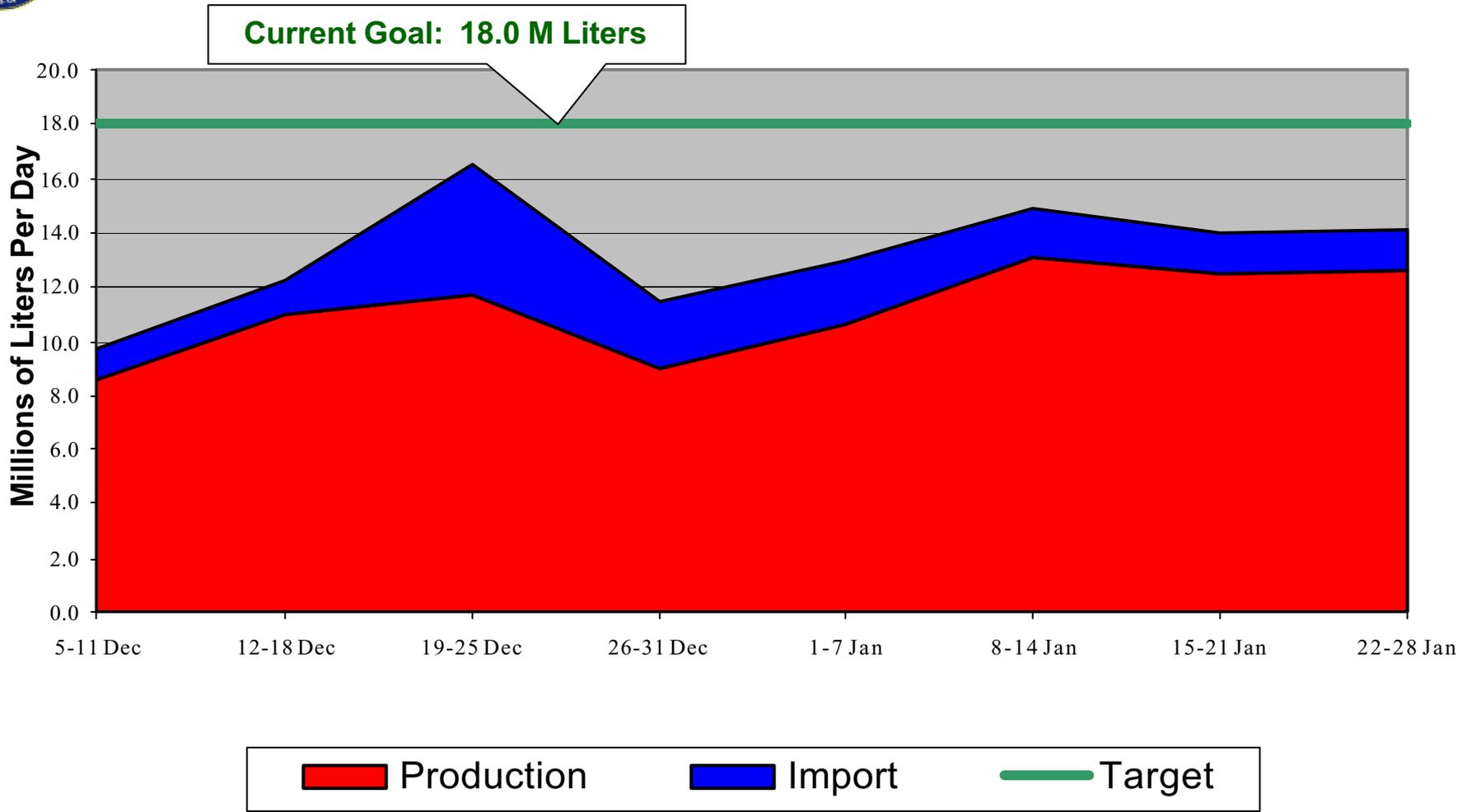
- Long Term Target (Dec 04): 2.8-3.0 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Mar 03
- Post-war Peak: 2.484 MBPD on 6 Jan 04
- Weekly average of crude exports: 1.6 MBPD

Data as of 30 Jan



Diesel Production

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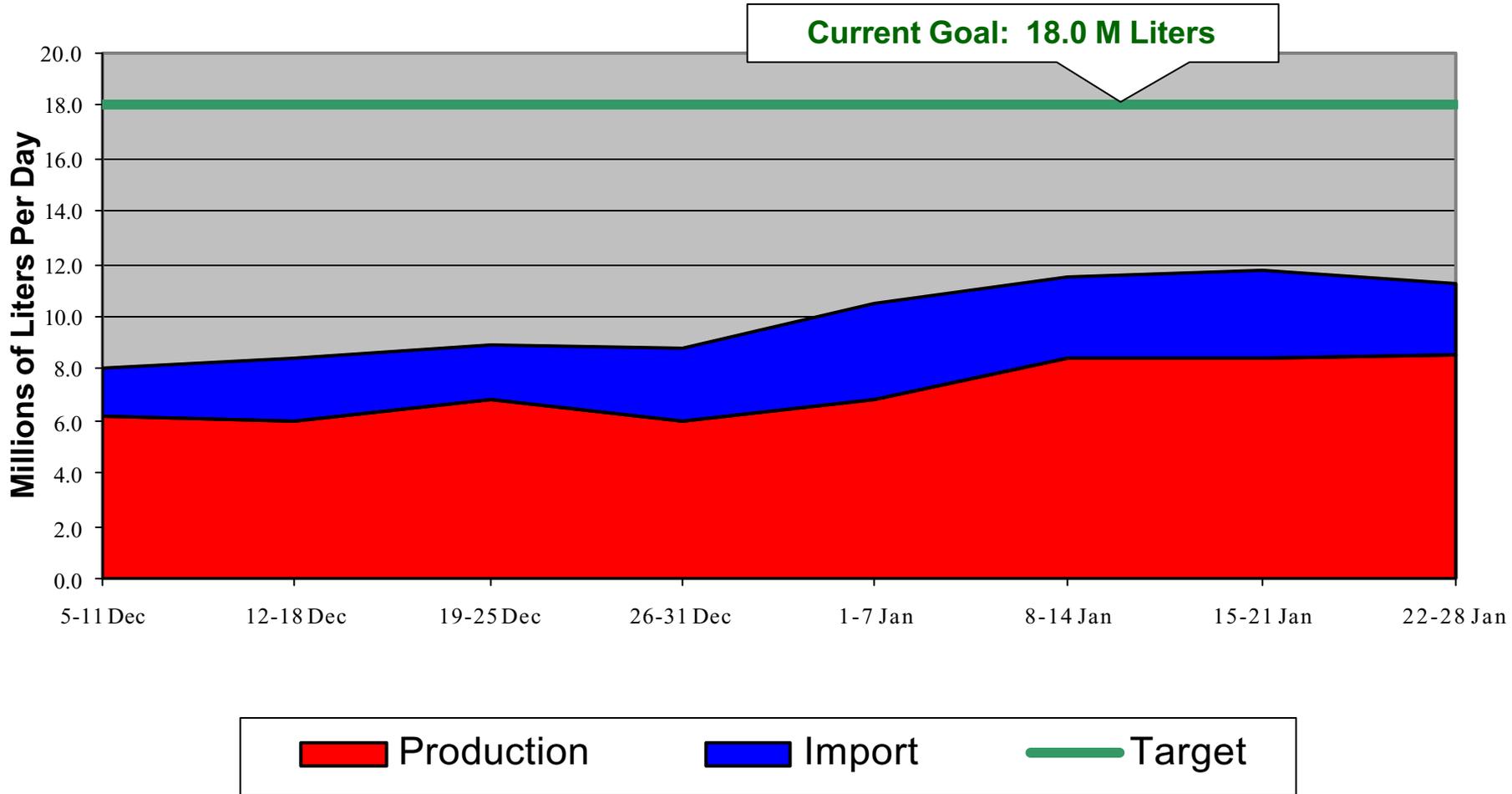


• This week's average production and imports are 78% of goal



Kerosene Production

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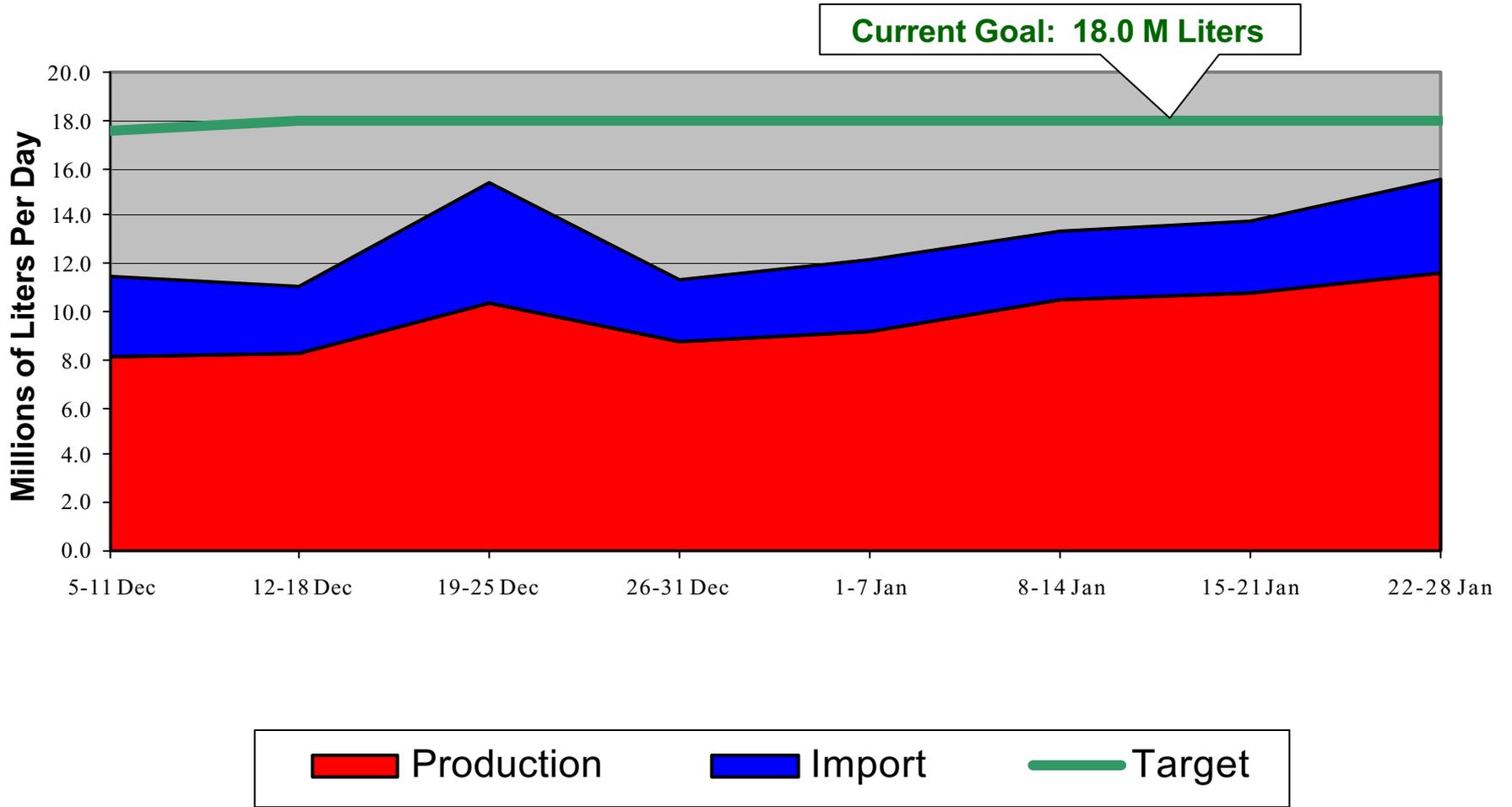


• This week's average production and imports are 62% of goal



Gasoline / Benzene Production

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• This week's average production and imports are 87% of goal

Essential Services - Education



- **Mid-term examinations ended 27 Jan**
 - Accelerated Learning Program students finished week-long mid-year examinations with high attendance rates (97% across Iraq)
 - Provides out-of-school children a second chance for education
 - Children who pass year-end exams will be integrated into main schools
- **Ministry of Education engineers surveying more than 1,000 schools to be rehabilitated with supplemental funds**
- **Foreign Scholarship Board approved 25 Iraqi Fulbright grantees**
 - Grantees will pursue graduate studies in public health, journalism, law, public administration, environmental science, business-accounting, and English
- **More than 1,500 secondary students applied for a student-exchange program sponsored by State Department's YES Program**
 - 12 students will attend high school and live with a US family
- **University of Baghdad and a consortium of US universities are cooperating to improve the University's Archaeology program and facilities**
 - Iraqi scholars will attend 4th International Congress on the Archaeology of the Ancient Near East at the Free University, Berlin 19 Mar – 03 Apr 04

Essential Services - Healthcare

- **Minister of Health (MoH) recently approved Iraqi National Drug Formulary for roll-out in mid-February**
 - Over 1,300 line items are included in the formulary
 - All drugs for will be purchased off the formulary
- **Iraqi Medical Society Forum is preparing for a February conference to establish medical specialty societies throughout Iraq to exchange knowledge, and raise level of hospital care to international standards**
- **Some hospitals are breeding ground for secondary infections caught while undergoing in-patient treatment**
 - Hospital statistics put secondary infection rate at 80% for patients entering hospital for treatment for another illness
- **MoH reports current doctor / patient ratio in Iraq is 1 / 10,000**
 - Compares to US ratio of 1 / 3,000 - 4,000

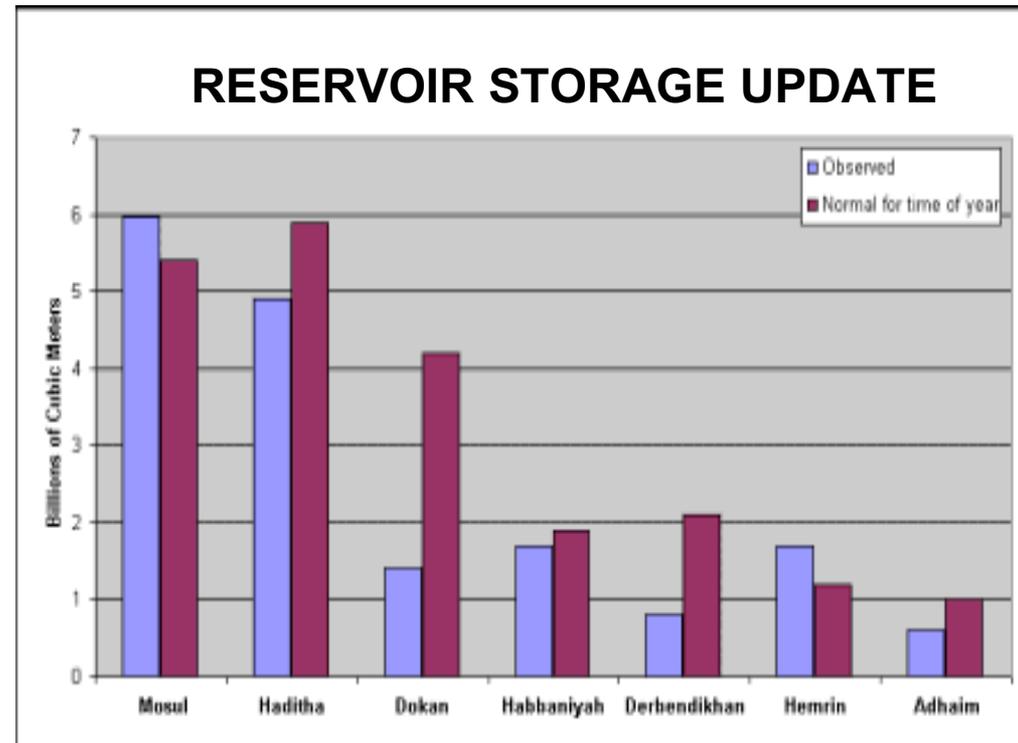
Healthcare Milestones

- **Apr 04: Electronic health surveillance program initiated**
- **Jun 04: Model health care clinics established**
- **End 04: 90% of all children receive routine immunizations**
- **End 05: Infant mortality rate reduced by half to 50 / 1,000**

Essential Services - Water



- Basra's water supply restored to pre-war levels
 - Over 1.6 million people now have access to water
- By May 04, Sharkh Dijlah water treatment plant will boost potable water production 40%
 - Extra 2.25 million liters / day benefits 640,000 in Baghdad
- In Najaf & Karbala 48 compact water treatment plants have been rehabilitated
 - Potable water for 100,000
- Sewage treatment plants being restored in Central Iraq
 - Al Hillah: 85% complete (53,000)
 - Ad Diwaniyah: 80% complete (80,000)
 - An Najaf: 65% complete (141,000)



- Mosul reservoir higher than normal due to power transmission lines being down
- Debendikhan and Dukan reservoirs low due to excessive turbine releases for power generation
- Hemrin reservoir higher than normal due to Debendikhan releases upstream
- Other reservoirs at or near normal operating levels for this time of year

Essential Services - Telecommunications



- **Public Switched Network:** Bechtel and Lucent have completed the integration of the 12 new Lucent Switches with the 14 existing switches. All fully operational telephones nationwide now can access the switch at Al Mamoun and the International Gateway
- **Lucent continues to train switch operation and maintenance personnel and Network Operations Center managers. Formal start of Lucent operation & maintenance program for switches was 01 Feb**
- **Security:** US Army removed their security forces from all switch sites except Al Mamoun and Kadamiya; they will keep security at these two sites for the indefinite future (probably 6 months). Difficulties persist with Facility Protection Service civilian guards who have responsibility for security at all switch sites. Guards do not have sufficient numbers of weapons and are not paid in a timely manner. Iraq Telecommunications and Postal Commission (ITPC) has a chronic problem in obtaining and distributing monies
- **Cell phones currently available for businesses**
 - Phones will be sold to private citizens from 200 outlets, beginning in early Feb 04
 - Black market cell phones being sold for up to \$700 / phone

Essential Services – Housing and Construction

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- **Minister of Housing and Construction attended the Iraqi Rebuilding Fair in Kuwait**
 - **Over 1,450 construction industry firm, contractors, and suppliers attended**
 - **Minister also met with Kuwaiti Prime Minister, Minister of Housing, and Minister of Trade and Industry to convey the enormous need for housing in Iraq**
 - **A Kuwaiti businessman donated 200 housing units to Iraq**
- **Deputy Minister of Housing and Construction led a delegation to meet with World Bank personnel in Amman**
- **Delegation discussed World Bank financing programs, including a trust fund for pilot projects to test mechanisms for achieving longer term goals**

Total Security Forces in Iraq



Security Forces (x1,000)	18 Dec	25 Dec	01 Jan	09 Jan	16 Jan	23 Jan	30 Jan
Additional Iraqi Recruits *	4.8	5.4	5.9	7.1	7.5	7.1	6.7
Other Coalition	24.5	24.5	24	24.5	25.5	25.6	25.6
Iraqi Coalition Forces	161.6	165.3	198.3	203.4	202.9	206.6	206.3
US	122	122	122	125	124	122	109**
Total	308	312	344	353	353	354	341

***Iraqi Recruits not included in total due to their training status**

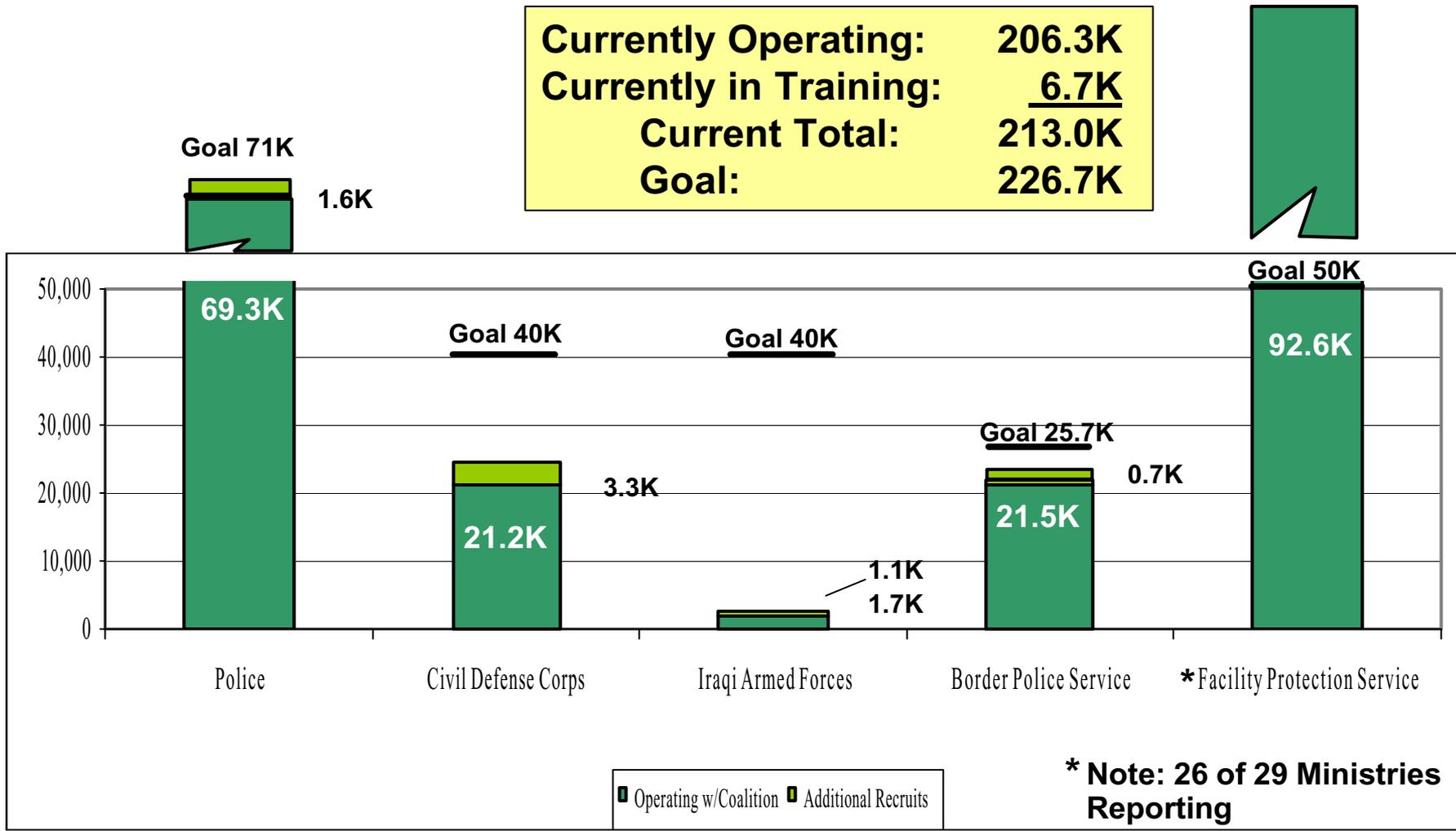
****US temporary reduction due to troop rotation**



Security Forces

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Currently Operating:	206.3K
Currently in Training:	<u>6.7K</u>
Current Total:	213.0K
Goal:	226.7K





AMMO / Explosives / Weapons Captured (Monthly)

<u>Captured AMMO & Explosives</u>	Sep	Oct	Nov	Dec	Jan
Assembled IED	87	180	317	248	221
RPG rounds, Grenades	776	1,204	2,330	2,120	5,661
MANPAD rounds	25	11	63	53	66
Mortar, Artillery, Rocket Rounds	4,338	7,254	17,689	11,452	17,164
Mines	1,001	4,792	124	1,154	396
Pounds of Explosives	0	7,093	3,200	2,902	3,393
Rounds < 30mm	25,885	9,931	347,875	93,936	210,270
<u>Captured Weapons</u>					
RPG Launchers	39	92	629	441	820
MANPAD Launchers	25	12	21	23	73
Small Arms	184	333	946	1,698	2,389
Crew Served Weapons	0	39	84	110	40



Stability Contributors

Countries with forces in Iraq

34

TOTAL ~25.6K

Albania
 Australia
 Azerbaijan
 Bulgaria
 Czech Rep
 Denmark
 Dom Rep
 El Salvador
 Estonia
 Georgia
 Honduras
 Hungary
 Italy
 Japan
 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

10

Total Troop contributions: to be determined

44 Countries

Potentially Supporting Iraqi Stability and Humanitarian Relief

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Governance – Democracy Building



- In Tamim, the successful inauguration of a refreshed and more representative Kirkuk Provincial Council will allow CPA to shift to preparation for the caucuses and the Iraq Property Claims Council (IPCC)
- Local Governance Program (LGP) is building capacity of Mosul civil society organizations to initiate community improvements
- LGP is working to create a flourishing civic society by helping organizations to better advocate on behalf of their interests through reconstruction grants and training workshops



Governance – National Transition

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2003

Nov 15

New agreement between CPA and GC on transition process

Feb 28

Drafting and approval of Transitional Administrative Law

Mar 31

Bilateral security agreements

2004

May 31

Selections to Transitional National Assembly

Jul 1

Transitional National Assembly selects executive and assumes full sovereign powers for governing Iraq → CPA and GC dissolve

2005

Mar 15

Elections to constitutional convention

Dec 31

Constitutional ratification and national elections

New Government Assumes Power



Justice

- **New Senior Advisor in place – Edward Schmults, former Deputy Attorney General, Department of Justice**
- **Central Criminal Court of Iraq (CCCI)**
 - **Al Jazeera photographer convicted of aiding others in planning attacks against Coalition forces / failing to report plans for such attacks, sentenced to 5 years imprisonment**
 - **Sheik Moyed, leader of Al Hawza in Baghdad, acquitted of kidnapping charges after 2 victims recanted their earlier testimony; still pending trial on charges for theft of government property and weapons**
 - **Suspect in case referred to CCCI (who had confessed to attempted ambush of US patrol with an RPG) escaped from US detention facility**



Justice – Courts

Central Criminal Court of Iraq (CCCI)

- **Four new cases referred for investigation**
 - **First case alleges theft by Iraqi Ambassador to Greece of \$90,000 from Athens embassy in May 03**
 - **Second case alleges misappropriation of \$150,000 and 60,000 Jordanian dinar of Ministry funds by former Iraqi Minister of Foreign Affairs**
 - **Third case alleges bribery and abuse of office by former high level Iraqi prison official**
 - **Fourth case alleges a local Council Member has received bribes from propane gas dealers, engaged in black market activities, and forged and destroyed government property to conceal his actions**

Economics - Financial Market Structures



- **CPA commercial bank strengthening team began advisory services to Rafidain and Rasheed banks (two largest state-owned banks in Iraq)**
- **Baghdad stock exchange installed a communication system at its temporary location**
 - **Includes a high-speed internet satellite connection**
 - **Stock market will open in late February**
- **CPA's Financial Management Information System (FMIS) team continued preparation for system implementation in Mar 04**
 - **Received approval from World Bank on the system capability**
- **CPA continues to work with Minister of Finance to finalize changes to the 2004 Iraqi budget**
 - **In addition, CPA is meeting with representatives from around the country to address their budget issues**
- **February World Trade Organization General Council meeting will consider Iraq's request for WTO observer status**
 - **Ministry of Trade is sending a delegation to Geneva to present this request**



Economics - Currency & Banking

- As of 20 Jan, 982 loans totaling \$1,970,300 have been disbursed to micro and small sized businesses in Iraq
 - Average loan size is \$2,126 for an average term of twelve months
 - About 17% of current clients are female
- Currency exchange completed
 - Settlement price for new Iraqi dinar is 1,365 per dollar – the same as the street price
 - Central Bank bought \$2.4 million, all of which was offered by banks on behalf of their customers, rather than for their own accounts

Banking Sector Metrics

- Proportion of Iraqi bank branches whose bankers have been certified by our programs by Mar 05
- Number of Iraqi firms that bid on reconstruction subcontracts, and the number that win, as a proportion of all bidders
- Change in number of commercial loans issued by Iraqi banks in 2004 versus 2003
- Number of jobs created by non-State Owned Enterprises in 2004

Economics - Other Developments

- **Limited Consumer Price Survey of 9 food items and 4 fuel items undertaken by CPA and CJTF-7 is in its fourth week**
 - **Survey draws from 19 cities throughout Iraq and aims to determine price trends within the country**
 - **Includes state store prices and ‘market’ prices for fuel, which are both significantly greater than the nationally mandated prices**
- **The National Employment Program has created over 76,000 jobs**
- **Joint Task Force 7 (CJTF-7) Civil Affairs units estimate that CPA has directly created approximately 393,950 jobs for Iraqi Citizens (46.3 percent complete, based on a target of 850,000)**
 - **Security / National Defense: 207,200 Iraqis**
 - **National Employment Program: 76,629 Iraqi employees**
 - **Iraqi Correctional Facilities: 2,000 (out of 14,000 possible)**
 - **CJTF-7: 55,121 Iraqi employees**
 - **Civilian contractors working under CPA contracts: 53,000 Iraqis**



Program Management Office (PMO)

- **\$5.0B in Construction Requests For Proposals Released**
 - **Successful Bidders conference held 21 Jan - Dulles Marriott - over 600 people attended**
 - **Construction Proposals due 05 Feb**
 - **Target for award in Mar**
- **DepSecDef assigned responsibility for acquisition and program management support to SecArmy**
- **PMO back office has completed move from leased space in Rosslyn to the Pentagon**
- **PMO Web-site Portal operational: www.rebuilding-iraq.net**



Strategic Communication

- **Al-Iraqiyah (formely known as Iraqi Media Network)**
 - Harris Corporation awarded 12 month, \$96M contract to operate Iraqi national newspaper and broadcast network
 - Contract includes two potential six-month extensions
 - Two Middle Eastern media companies will advise Harris Corp. in developing network
 - Objective is to establish a locally-staffed network, with oversight from a board of governors
 - Content will include local news and entertainment
 - Total network will ultimately include 30 TV and radio transmitters, 3 broadcast studios, and 12 bureaus in Iraq
- **Al-Hurra (Arabic for “The Free One”), an Arabic-language US satellite television effort, will begin broadcasting soon**
 - Signal will originate from studios in Washington, DC and bureaus in the Middle East
 - Al-Hurra will employ approximately 200
 - Network will resemble a cable news network, though will also include other informational, lifestyle and sports programming
 - Network will be available to everyone with a satellite dish in the region