



***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
- Assist drafting of “Fundamental Law”
- Build financial market structures
- Increase professionalism of TV staff

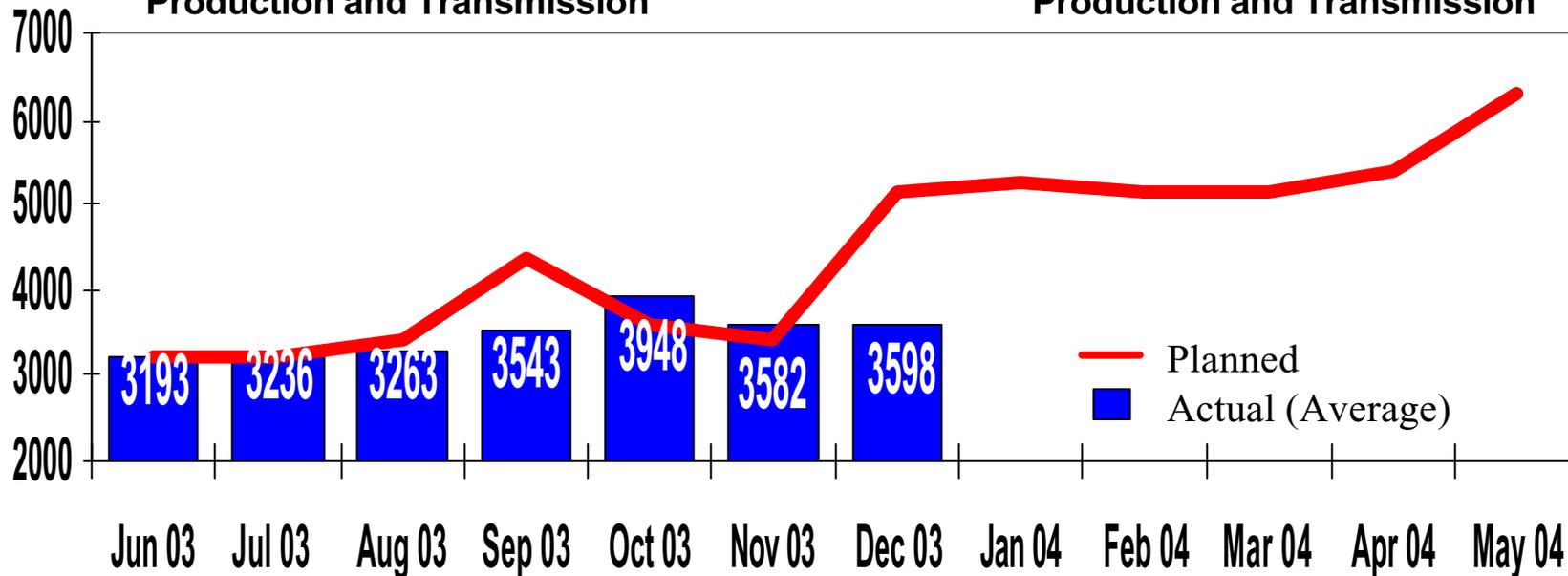
Weekly Highlights:

- Diesel production and imports for week were 70% of goal, Kerosene 68%, Gasoline/Benzene 74%, and LPG 52%
- Security at 20 electrical facilities transitioned to Iraqi security forces
- Attacks against Americans decrease while attacks against Iraqis increase
- Governing Council policy committee preparing for Hajj in Jan-Feb 04
- Results of Oxford Research International survey of Iraq released

Iraqi Electricity Overview

Goal 01 Oct : 4,400 MW
Production and Transmission

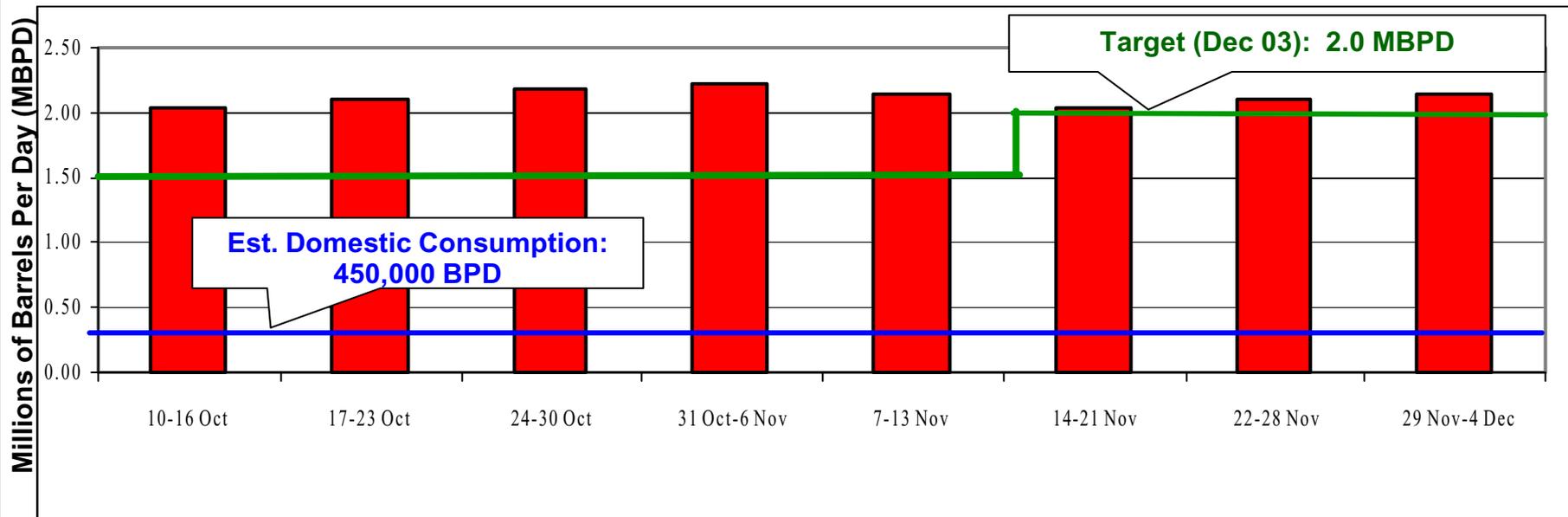
Goal 01 Jun 04: 6,000 MW
Production and Transmission



- Autumn / Spring Overhaul and Maintenance Program began 13 Oct and ends Mar 04. The planned power production is based on CPA overhaul / maintenance plan
- Coalition Forces transitioned security duties for 20 electrical facilities to the Ministry of Electricity (ME) security forces



Crude Oil Production



■ Average Daily Production by Week

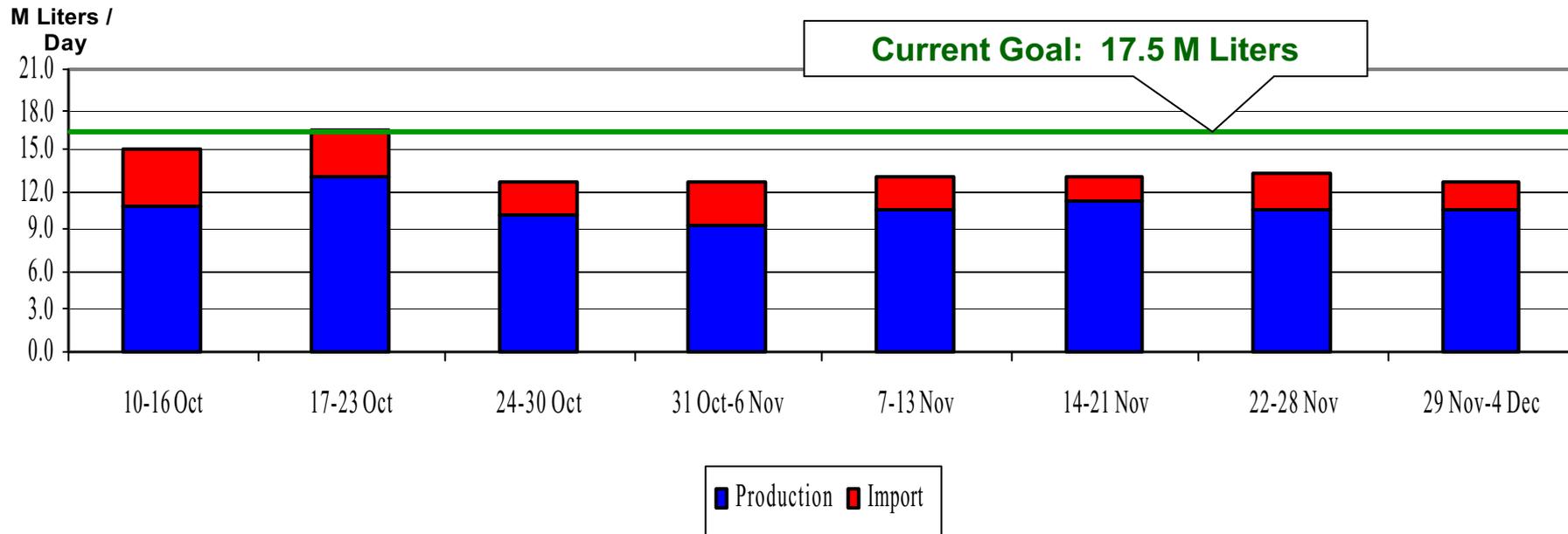
WEEKLY AVERAGE OF 2.15 MBPD EXCEEDS TARGET OF 2.0 MBPD

- Long Term Target (Dec 04): 2.8-3.0 MBPD (Pre-War Capacity)
- Pre-War Peak: 2.5 MBPD in Feb
- Post-war Peak: 2.255 MBPD on 02 Nov
- Weekly average of crude exports: 1.71 MBPD



Diesel Production

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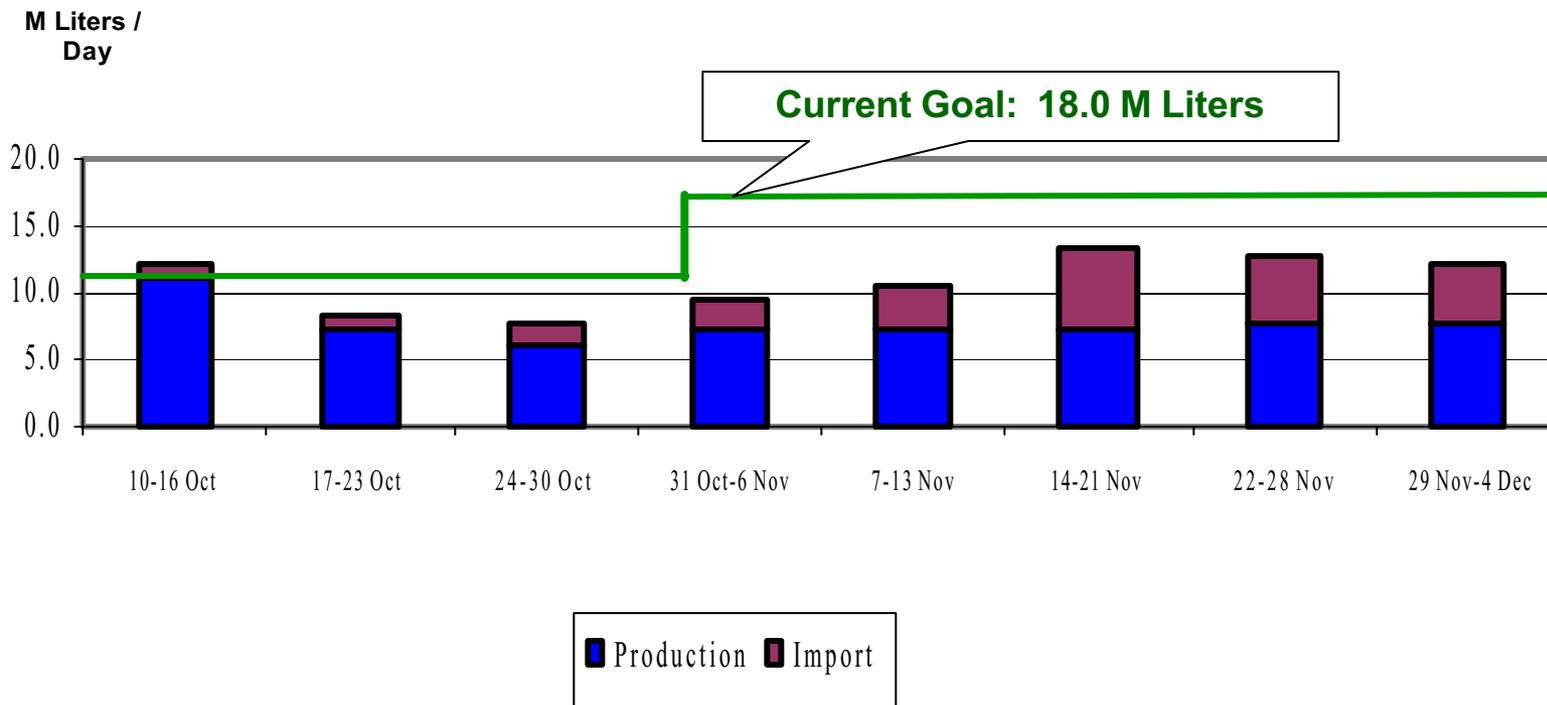


- This week's production is 70% of goal



Kerosene Production

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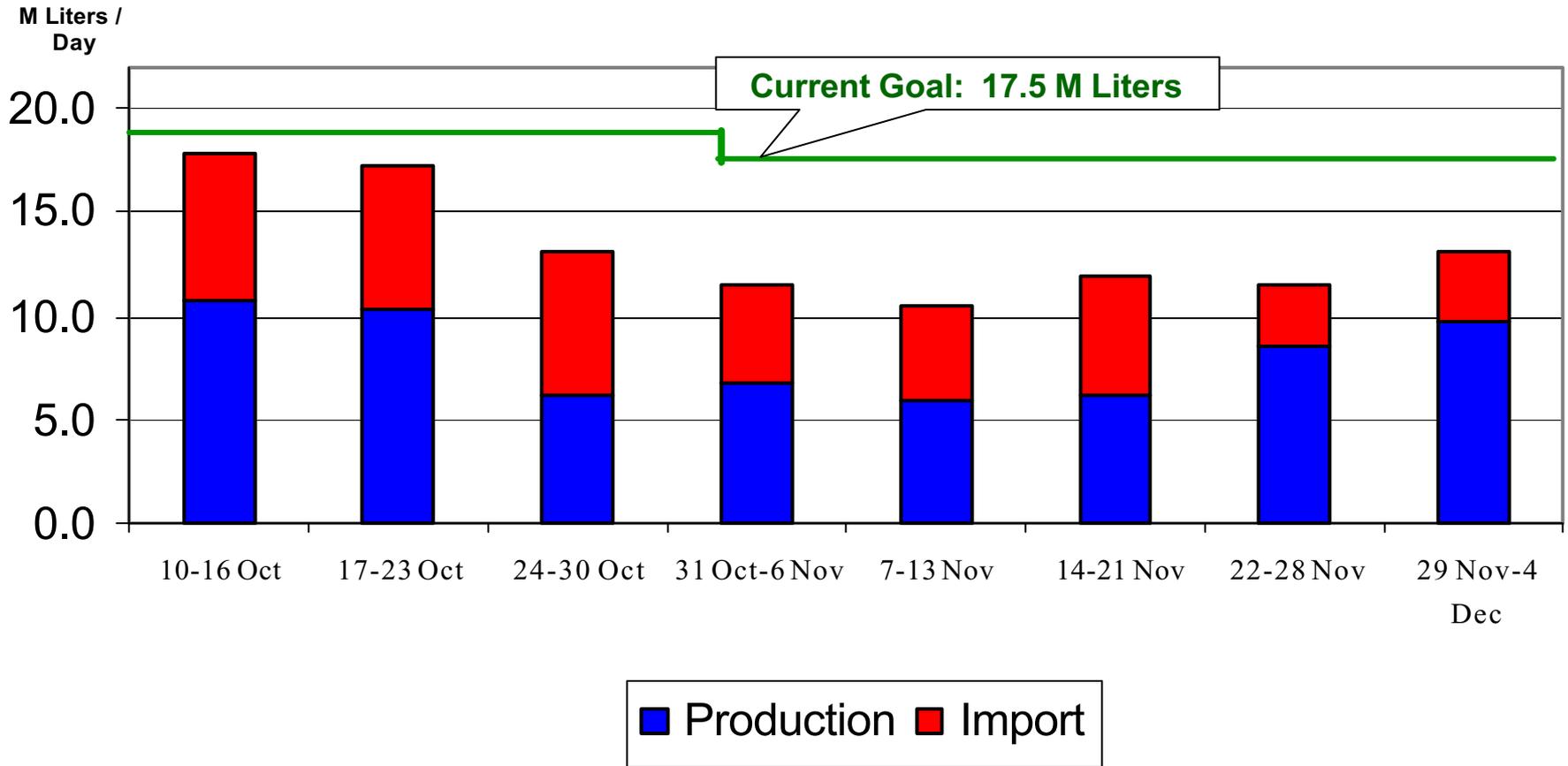


• This week's production is 68% of goal



Gasoline / Benzene Production

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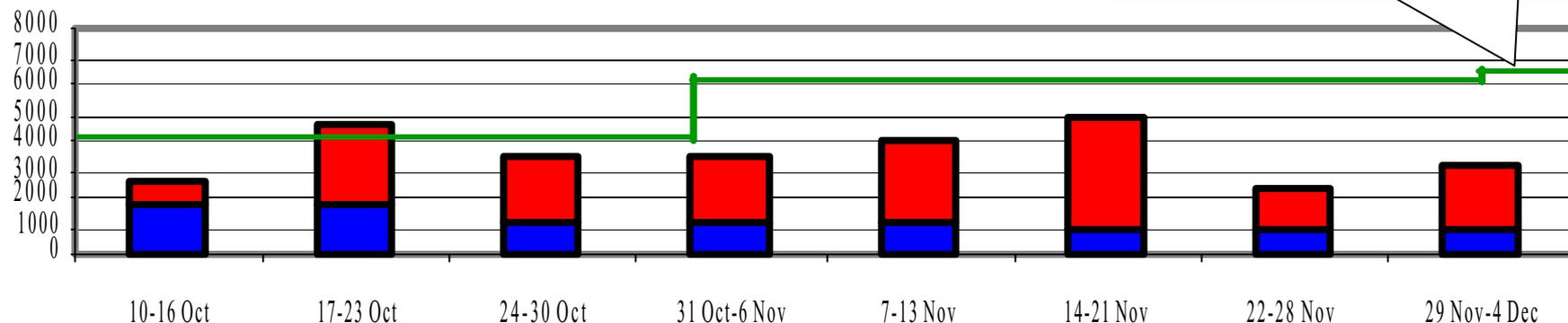


• This week's production is 74% of goal



Liquefied Petroleum Gas (LPG) Production

Tons / Day



Current Goal: 6,500 Tons

■ Production ■ Import

- Southern LPG plant ready to start up, will begin processing once natural gas liquids delivery starts, initial test run on 04 Dec was successful
- This week's production and imports are 52% of goal

Essential Services - Education



Milestones:

- 72 million new textbooks will be distributed before end of school year
- 64,000 or more secondary teachers and 5,000 school principals and administrators will be trained in modern teaching methods

Current Activities:

- Institute of Teacher Training and Development established committees to plan training for primary school teachers and administrators during June-September school holiday
- 5 American Universities received grants worth \$28M to create partnerships with Iraqi Universities
 - Consortia led by: SUNY/Stony Brook, University of Hawaii, DePaul University, Jackson State University, and University of Oklahoma
- 298 grants worth \$4.246M awarded for school rehabilitation, 1,774 completed
- 100% of allotted student desks and chalkboards have been distributed

Compared to life under Saddam's rule:

- 25 Students (400 applied) were chosen for Fulbright Scholarships beginning in Jan 04 (first time in 14 years) to study public health, law, accounting, public administration, environmental science, journalism, and English in the US
- Teachers are now earning 12 to 25 times their former salaries



Essential Services - Healthcare

Milestones:

- Dec 03: Ministry of Health (MOH) assumes all pharmaceutical procurement activities
- Apr 04: Electronic health surveillance program initiated
- Jun 04: Model health care clinics established emphasizing prevention and disease management
- End 04: 90% of all children receive routine immunizations
- End 04: Infant mortality rate reduced by half to 50/1000

Current Activities:

- Hygiene workshops being conducted in public schools
- Iraqi health educators visited schools to provide personal health and sanitation presentations
- Second group of Iraqi physicians completed a course in specialized emergency room and trauma care sponsored by MOH

Compared to life under Saddam's rule:

- Public health spending has increased 26 times
- Doctors' 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**
 - **90% of Iraqis with access to potable water by Apr 05**
 - **11% of Iraqis with sewerage service by Mar 05**
 - **Reduce water loss during transport from 60% to 40% by Mar 04**
- **Estimate 50% of the population has access to potable water**
- **All Baghdad sewage treatment plants will be running at full capacity by Oct 04, serving 3.5 million residents**
- **Supplemental budget provides \$2.8B for some 300 water projects and \$675M for sewerage projects, all to be completed within three years**

Essential Services - Telecommunications



- Orascom expects wireless service in central region by mid-Dec
- Reconstruction of Baghdad telephone infrastructure behind schedule
 - Now scheduled for completion mid-Mar 04
 - Security and Ramadan work hours caused some schedule slippage
- Due to security situation, negotiating with Jordanian government temporary international mail exchange in Jordan
- Iraqi postage stamps being printed

Milestone:

- Dec 03: Begin cell phone service

Baghdad Switch Projections

Switch Site	# Lines	Est. Complete
Al Mamoun	30,000	24 Jan 04
Sinak	36,000	14 Feb 04
BAB-Almaudham	23,000	7 Feb 04
Kadamiya	27,000	24 Jan 04
Alwiya	29,000	27 Dec 03
Salihya	16,000	10 Jan 04
Baya	23,000	13 Dec 03
Adamiya	23,000	3 Jan 04
Abu-Ghraib**	9,000	10 Jan 04
Zafaraniya**	11,000	17 Jan 04
Mahmoudiya**	9,000	24 Jan 04
Samara**	9,000	17 Jan 04

Notes:

- # of working lines may be substantially less than total # of lines available
- Dates subject to change based upon security & delays in Iraq Telecommunications and Posts Company work
- ** Indicates enemy activity in these areas

Essential Services - Transportation



- **Governing Council (GC) policy committee preparing for Hajj in Jan - Feb 04**
- **Final turnover of Umm Qasr port facilities to Iraqi authorities expected to occur at end of Jan 04 after installation of truck scales**
- **Number of cars in Baghdad has tripled since end of war to 1.5 million**
- **Investigation into 22 Nov attack on DHL aircraft near BIAP is ongoing and official report is pending**
 - **DHL and Royal Jordanian Air are having difficulty securing insurance for flights into Iraq**
 - **CPA is working to address concerns of the insurance industry to keep rates at a reasonable level**
- **Iraqi Republic Railway (IRR) runs an average of 20 trains per day, including 6 passenger trains, 2 fuel trains, and 12 military trains**
 - **25 acts of sabotage reported in first half of Nov**
 - **CPA and CJTF-7 are developing strategy to address the situation**
 - **Inaugural international passenger train (Mosul-to-Aleppo, Syria) began on 22 Nov**



Total Security Forces in Iraq

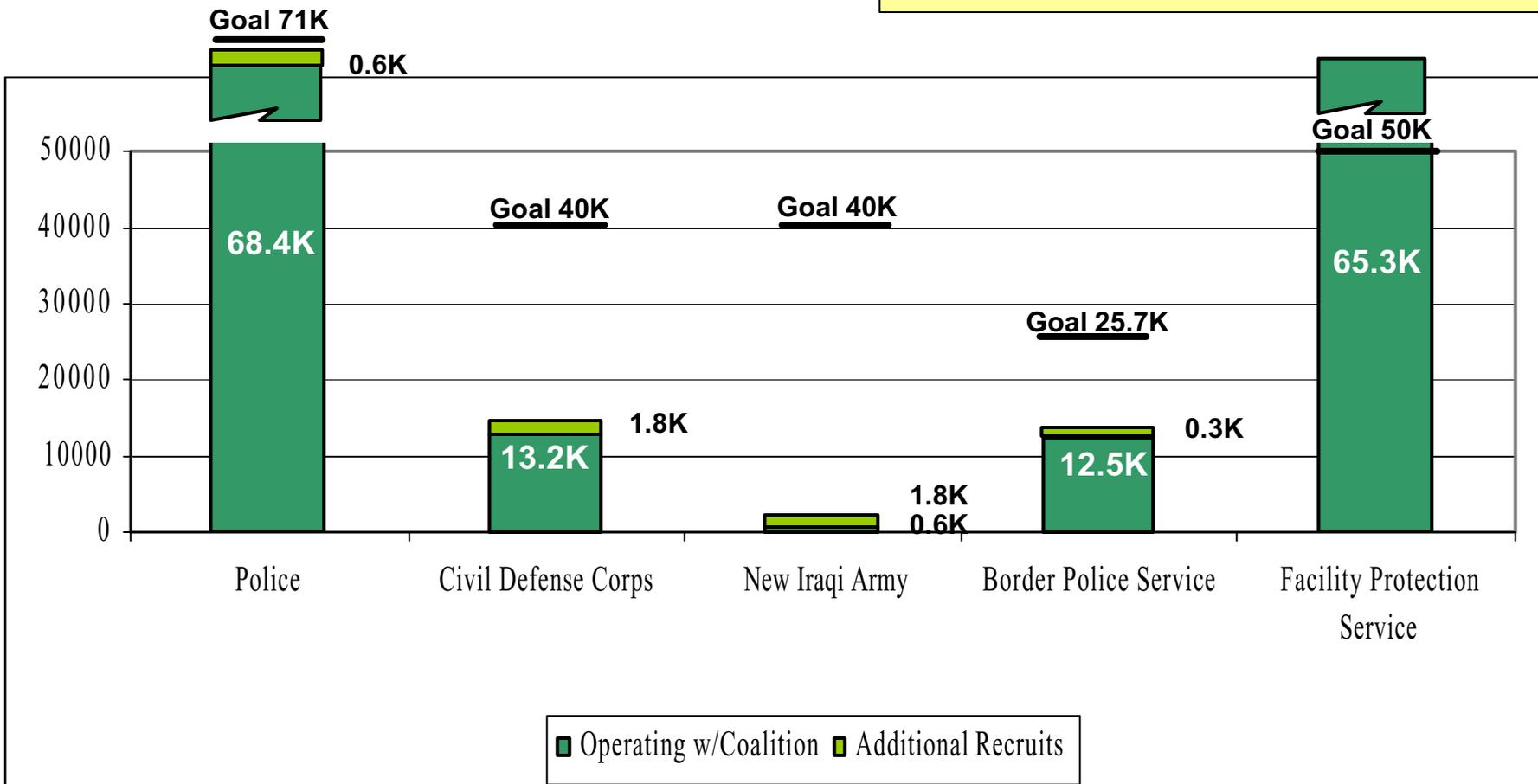
Security Forces (x1000)	17-Oct	24-Oct	31-Oct	7-Nov	14-Nov	20-Nov	27-Nov	4-Dec
Additional Iraqi Recruits *	11.5	11.3	6.4	6.9	6.5	5.4	2.8	4.5
Other Coalition	24	24	25	25	25	25.2	23.9	24.2
Iraqi Coalition Forces	86	93	116	131	134	145.5	147.2	159.9
US	133	132	131	128	127	126	123	123
Total	243	249	272	284	286	297	294	307

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



Iraqi Security Forces

Currently Operating: 159.9K
Currently in Training: 4.5K
Current Total: 164.4K
Goal: 226.7K



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N/P

Ammo / Explosives / Weapons Captured (Weekly)

Captured Ammo & Explosives

	07-13 Nov	14-20 Nov	21-27 Nov	28 Nov- 04 Dec
Assembled IEDs	61	107	75	45
RPG rounds, Grenades	170	541	1,267	320
MANPAD rounds	24	19	0	36
Mortar, Artillery, Rocket Rounds	11,562	1,685	1,319	2,038
Mines	104	10	5	215
Pounds of Explosives	233	1,991	699	373
Rounds < 30 mm	19,030	210,201	85,574	9,028

Captured Weapons

RPG Launchers	150	114	337	33
MANPAD Launchers	0	17	1	23
Small Arms	226	355	216	355
Crew Served Weapons	12	39	27	10

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Stability Contributors

Countries with forces in Iraq

32

TOTAL ~24,000

- 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

12

TOTAL TBD

44 Countries
Potentially Supporting
Iraqi
Stability and
Humanitarian Relief



Governance - National

MILESTONES

- **14 Jul: Governing Council (GC) established**
- **01 Sep: Highly qualified interim cabinet ministers appointed**
- **10 Sep: Governor of Central Bank named**
- **19 Sep: Council of Judges established to supervise judicial and prosecutorial systems - provides independent judiciary**
- **15 Nov: New agreement between CPA and GC on transition process**
 - **28 Feb 04: Transitional Administrative Law approved**
 - **31 Mar 04: Bilateral security agreements complete**
 - **31 May 04: Selections to Transitional National Assembly complete**
- **01 Jul 04: Transitional Assembly selects executive and assumes full sovereign powers for governing Iraq; CPA and GC dissolve**
- **15 Mar 05: Elections to the constitutional convention complete**
- **31 Dec 05: Constitutional ratification and national elections complete; new government assumes power**



Governance - International Recognition

MILESTONES

- **Sep 03:**
 - Arab League grants seat to Governing Council (GC)
 - GC members seated at UN session
 - GC-Ministerial delegation attends World Bank (WB) / International Monetary Fund (IMF) meetings
 - Iraqi delegation attends OPEC meeting
 - GC members attend UN sessions
 - Minister of Displacement and Migration Al-Otbee addresses UN High Commission for Refugees (UNHCR) Executive Committee meeting in Geneva
- **Oct 03:**
 - GC President Chalabi addresses UN General Assembly
 - GC reps attend Organization of the Islamic Conference (OIC) Kuala Lumpur meeting
 - UN Security Council approves resolution inviting GC to submit timetable for drafting constitution and holding democratic elections
 - Transportation Minister participates in high-level talks with Jordanian and Syrian governmental leaders
- **Nov 03:**
 - GC appoints Rend Rahim Francke as ambassador to United States, officially restoring diplomatic ties after 13 years



Governance - Local

Progress Indicators:

- To date, Iraqis have committed \$3.6 Million (18% of total funding) to projects in their communities
- Baghdad Advisory Councils have worked with city officials to implement an \$11 million program to put 75,000 people back to work improving public services
- Baghdad City Council has revised the Baghdad Council Handbook



Justice – Courts

- **Anecdotal evidence indicates court cases slowed as a result of attacks on Iraqi justices**
- **Central Criminal Court of Iraq (CCCI) held its first hearing in new courtroom in renovated Clock Tower Building**
 - **CCCI is scheduled to fully occupy the courthouse on 19 December**
 - **Court room is completed and in use for hearings**
 - **Located outside Green Zone allowing better access by Iraqi people and media**
- **03 Dec: Retrial of first case heard by CCCI of defendants captured with RPGs in a Red Crescent truck**
 - **Original Sep 03 sentence was only 6 months due to misunderstanding of applicable law**
 - **Appeal by Prosecutor to Court of Cassation (Iraq's highest court) resulted in ordering retrial on charge of theft of state property**
 - **Defendants were convicted at retrial and sentenced to 6 years**



Economics - Financial Market Structures

- CPA expanded the Small & Medium Enterprise loan program to \$250,000 for up to five years
- Banking: 83% of Bank Branches operating pre-war are now open for business
- Trade bank of Iraq currently has \$2 billion in confirmed lines for loans and guarantees
- Currency exchange is proceeding well
 - USAID facilitated new currency deliveries to five banks and collected 173 tons of old currency from 26 banks
 - 3 trillion (69%) of 4.36 trillion new Iraqi Dinars (ID) that are expected to be exchanged are in circulation
 - The auction exchange rate remains 1,955 ID/\$1 US



Economics - Other Developments

- **50,000 public works jobs have been created under the National Employment Program**
- **The current balance in Development Fund for Iraq (DFI) is \$6.41 billion**
 - **DFI has earned \$3.8 million since DFI investment program established at Federal Reserve Bank of New York**
- **Accounting software for inter-ministerial transfers, a prerequisite to eventual International Monetary Fund assistance, is being developed**



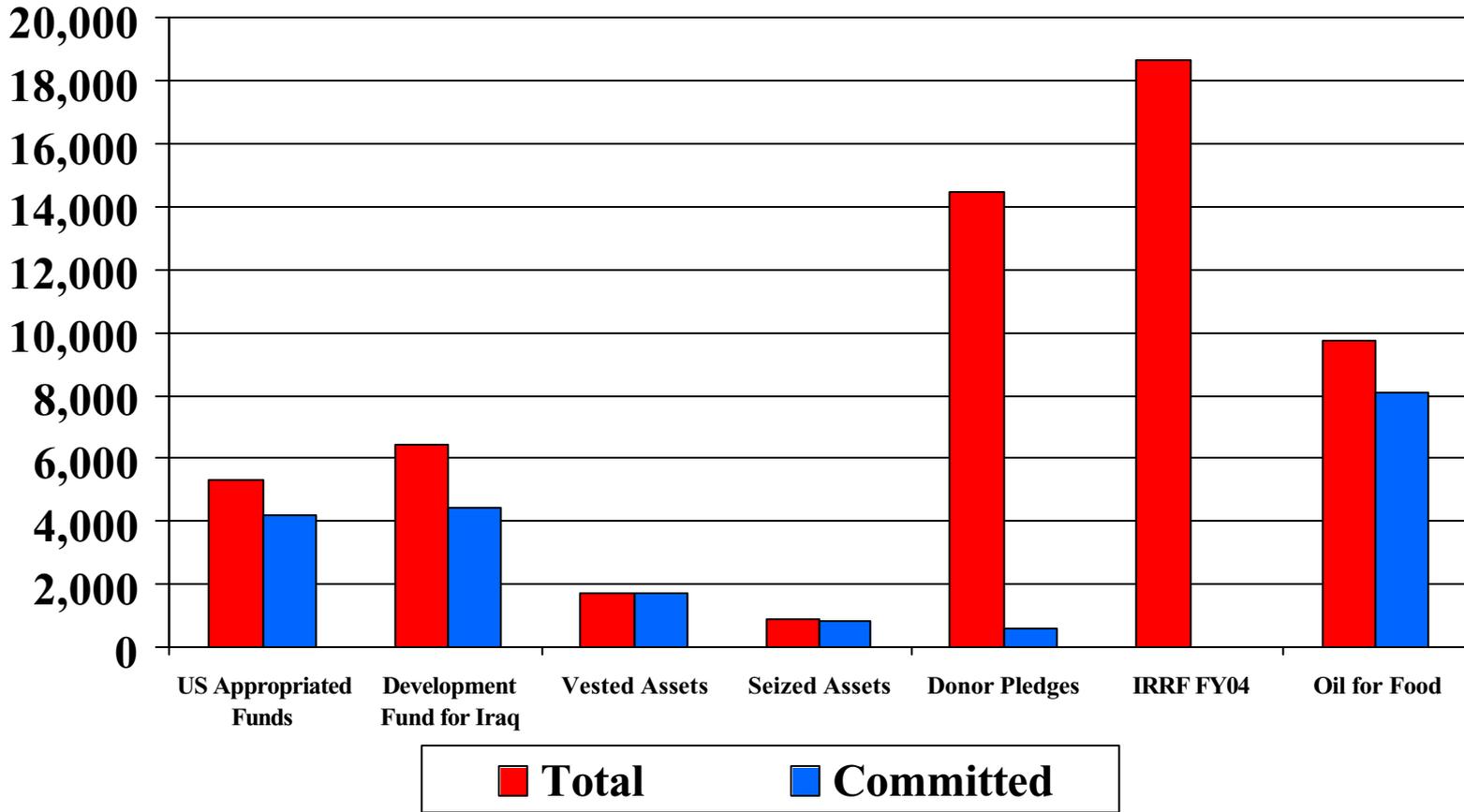
Economics - Oil for Food Program Transition

- CPA assumed full control of the Oil For Food Program on 21 Nov, and the transition went smoothly
- 85% of the contracts in the Oil for Food Program's humanitarian pipeline were prioritized for delivery
 - 868 approved and funded contracts, valued at \$1.36 billion, remain for consideration
- CPA will continue prioritization process for approved and funded contracts beyond 21 Nov
 - CPA will determine basis of needs with Iraqi authorities



Iraq Funds Status (\$ Millions)

Total Available: \$57,272
Total Committed: \$19,917



DEPARTMENT OF DEFENSE



CPA – Program Management Office

- Major Focus Areas

- Resources

- Staffing

- Joint Manning Document for military staff submitted to CJCS J-1

- Funding

- Funding request submitted

- Information Technology

- Web site established www.rebuilding-iraq.net

- Funding request for next phase of development submitted

- Project Identification and Prioritization

- Contracting for Program Management support and construction contracts



CPA – Program Management Office

- **Refining break-out of construction and non-construction requirements**
 - **Construction – assembling project information from Ministries in preparation for 05 Jan 04 Congressional report required by HR 3289**
 - **Assisted CPA in identification of urgent requirements that need to be procured (construction and non-construction) before 05 Jan 04 report to Congress**
 - **Legislation allows up to 20% to be apportioned before 05 Jan 04 report to Congress**
 - **Identifying procurement strategies for non-construction requirements**



CPA – Program Management Office

- **Acquisition Timeline - Construction Contracts**
 - **Finalized Request for Proposal (RFP) postponed until 09 Dec**
 - **Quality control and review in progress to minimize modifications and amendments**
 - **Revised timeline:**
 - **21 Nov 03 Synopsis Posted (www.Fedbizopps.gov)**
 - **26 Nov 03 Draft RFPs Released**
 - **09 Dec 03 RFP Release**
 - **09 Jan 04 Final Proposals Due**
 - **O/A 7 Feb 04 Award Construction Contracts**



Strategic Communication

- **Al-Iraqiyah (formerly Iraqi Media Network)**
 - **23 Nov: Arab satellite channel, al-Arabiya, banned by GC from using satellite uplink facilities to transmit news from its Baghdad bureau**
 - **Action result of al-Arabiya broadcasting message from Saddam Hussein calling for violence against GC and CPA**
 - **Mar 04: Anticipate al-Iraqiyah staff integrated and active in 15 largest Iraqi cities**
- **Polling:**
 - **Dec 03: Oxford Research International survey indicates Iraqis have higher level of trust in al-Iraqiyah (50%) than in:**
 - **Iraqi Governing Council and ministries (49%)**
 - **United Nations (35%)**
 - **CPA (27%)**
 - **CJTF-7 (22%)**