

06 April 2005



DEPARTMENT
OF
STATE

Iraq Weekly Status Report

UNCLASSIFIED



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Highlights

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1.0 Neutralize the Insurgents

- ï Iraqi Security Forces (ISF) continue operations to neutralize the insurgents.

2.0 Ensure the Continuation of Support for Iraqís Electoral Process through 2005

- ï In the fifth session of the Transitional National Assembly (TNA) on April 7, the Presidency Council was sworn into office and announced its nomination of Ibrahim al-Jaíafari for the position of Prime Minister.
- ï On April 6, in the fourth session of the TNA, the TNA elected Iraqís Presidency Council: President Jalal Talabani and Deputy Presidents Adil Abd-al Mahdi and Sheikh Ghazi al-Yawar.
- ï On April 3, outgoing Iraqi Minister of Industry and Minerals Hachim al-Hasani was elected Assembly speaker in the third session of the TNA.

3.0 Create Jobs and Provide Essential Services

- ï The World Food Programme field reports that March PDS distributions were over 90 percent complete in 11 of 18 governorates, and 70-88 percent complete in two others. The remaining governorates have not provided final reports.



Highlights

4.0 Establish Foundations for a Strong Economy

- ï Two pro-economic reform leaders were elected to the TNA this week. The elections of Speaker Hachim al-Hasani and VP Adel Abdel Mahdi are positive news, given the urgent reform agenda before the legislature.

5.0 Establish Good Governance, Rule of Law

- ï A two-day session in Baghdad was held for 48 women active within Iraq's political system in late March. Training focused on the basics of public speaking and political party advancement.

6.0 Maintain International Engagement and Support

- ï Fiji has announced the commitment of 90 security personnel to a Guard Unit responsible for providing close-in protection for the UN in Iraq.



[1.0] Neutralize the Insurgents ñ Iraqi Security Forces Update

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Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	55,862
HIGHWAY PATROL	
OTHER MOI FORCES	29,153
TOTAL	85,015*

Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	66,895
AIR FORCE	186
NAVY	521
TOTAL	67,602**

Total Trained & Equipped ISF:

152,617

* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

** Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers



[2.0] Ensure the Continuation of Support for Iraqís Electoral Process through 2005 ñ **Developments**

ITG Formation:

- ï In the fourth session of the TNA on April 6, elected the three-member Presidency Council: Patriotic Union of Kurdistan leader Jalal Talabani was elected President; (outgoing Iraqi Interim Government (IIG) Minister of Finance and UIA member) Adel Abdel Mahdi and (current IIG President) Sheikh Ghazi al-Yawar were elected Vice Presidents.
- ï The third session of the Transitional National Assembly (TNA) was held on April 3. During this meeting, five members nominated themselves for the posts of assembly speaker and deputies. Outgoing Iraqi Minister of Industry and Minerals and member of the ìIraqiyunî list, Hachim al-Hasani was elected Assembly speaker. United Iraqi Alliance (UIA) senior member Husayn al-Shahristani was elected deputy speaker and Arif Tayfur from the Kurdistan Coalition was elected second deputy.
- ï TNA members and political parties continue negotiations regarding the formation of the Iraqi Transitional Government (ITG).
 - ñ According to Article 24 (A) of the Transitional Administrative Law (TAL), the ITG will consist of the Presidency Council (a president and two vice presidents); the National Assembly; the Council of Ministers, including the Prime Minister; and the judicial authority.

[2.0] Ensure the Continuation of Support for Iraqís Electoral Process through 2005 ñ **Developments**



Transitional National Assembly (TNA):

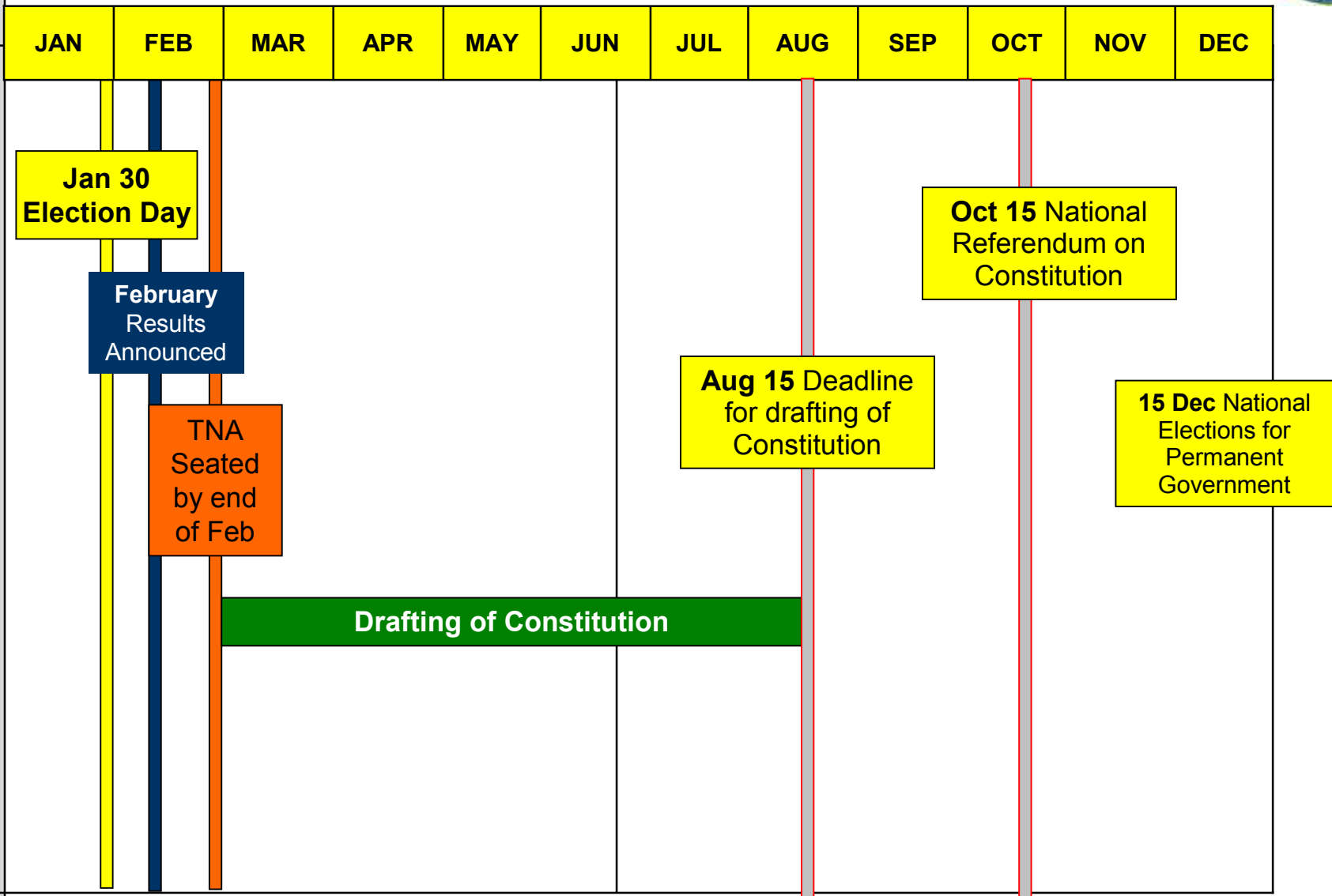
ï Continuing TNA responsibilities:

- Serve as Iraq's national legislature until the election of a new government under a permanent constitution.
- Put to a vote of confidence the Prime Minister and Council of Ministers nominees; nominees must be approved in the TNA by a simple majority.
- According to the Transitional Administrative Law, the TNA is to draft Iraq's new Constitution by August 15, 2005; this will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.
- If it is approved, an election for a permanent Iraqi government under that new Constitution will occur by the end of 2005.



[2.0] Ensure the Continuation of Support for Iraqís Electoral Process through 2005 ñ Electoral Process Timeline

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[3.0] Create Jobs and Provide Essential Services ñ **Economy**

Oil Update:

- i Crude oil prices in world markets for the week ending April 1 closed with Kirkuk Crude at \$44.86/barrel, Basra Light at \$45.76/barrel, and the OPEC basket at \$49.80/barrel.

Employment Update:

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

Employing Organization	Iraqis Last Week	Iraqis This Week	% Change on Week
PCO (Project and Contracting Office)	24,519	24,604	0.3%
USAID	77,192	83,146	7.7%
AIRP (Accelerated Iraqi Reconstruction Program)	4,500	2,500	-44.4%
MILCON (Military Construction)	562	479	-14.8%
*CERP (Commanders' Emergency Response Program)	23,706	23,706	0.0%
*MNSTC-I	12,339	10,568	-14.4%
IRRF NON-CONSTRUCTION	10,679	10,679	0.0%
GRAND TOTAL	153,497	155,682	1.4%

*CERP numbers are from the latest GRD SitRep



[3.0] Create Jobs and Provide Essential Services ñ Health Care and Food Security

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Health Care:

- ï Construction is underway on 112 new primary health care (PHC) facilities across Iraq. Under the Accelerated Iraq Reconstruction Program (AIRP), an additional two PHCs are under construction; seven have been completed.
- ï With the support of the European Commission/United Nations Development Program (EC/UNDP) Thematic Trust Fund, 25 Iraqi food inspectors completed a National Food Safety Training Course, conducted by the World Health Organization in partnership with the Jordanian Food and Drug Administration.
 - ñ The third workshop for the Ministry of Health concluded with several field visits, including tours of food processing facilities, canning plants, bottled water and soft drink production plants in Amman, and food control systems used in the port of Aqaba. The fourth and final training course is planned for March 21.

Public Distribution System (PDS):

- ï The World Food Programme field reports that March PDS distributions were over 90 percent complete in 11 of 18 governorates, and 70-88 percent complete in two others. The remaining governorates have not provided final reports.
 - ñ A complete distribution does not imply that citizens have received the full ration, but that the distribution of available PDS items was finished for the month.
 - ñ Wheat stocks appear sufficient for full ration in April. Iraq will be entirely dependent on new imports for May and June. Rice imports increased, but still fell short of needs in February and March.



[3.0] Create Jobs and Provide Essential Services ñ Education

School Renovations:

- ï PCO has completed 302 schools renovations to date and 373 more are under construction. Under the AIRP, an additional 24 school renovations have been completed and 12 are underway.
 - ñ 840 schools are scheduled for completion by mid-2005.
- ï UNICEF is continuing a comprehensive rehabilitation of 73 schools. The rehabilitation of 11 schools is complete, benefiting approximately 47,000 boys and 38,450 girls.
 - ñ The work includes rehabilitation of buildings, improvement of play yards and repair of water and sanitation facilities of schools in Diyala, Salah al-Din, Tameem, Rasafa 1 (Baghdad), Missan, Qadissiya, Muthanna, Anbar and Babylon governorates.
- ï UNICEF started the rehabilitation of water and sanitation facilities in 800 schools, 11 of which are complete. Work is ongoing at 19 schools in Dohuk and Missan.

[3.0] Create Jobs and Provide Essential Services ñ **Water and Sanitation & Telecommunications**



Water and Sanitation:

- ï PCO has started construction on a \$28 million new wastewater treatment plant in Fallujah, which will provide clean water to more than 80,000 Iraqi citizens.
 - PCO has 49 water treatment projects underway and has completed three to date. Under the AIRP, an additional 13 water treatment projects are under construction; 35 have been completed.
- ï There are currently 90 water treatment projects underway; 44 out of 189 have been completed to date. Eight of 40 sewer projects have been completed, with 17 more underway.

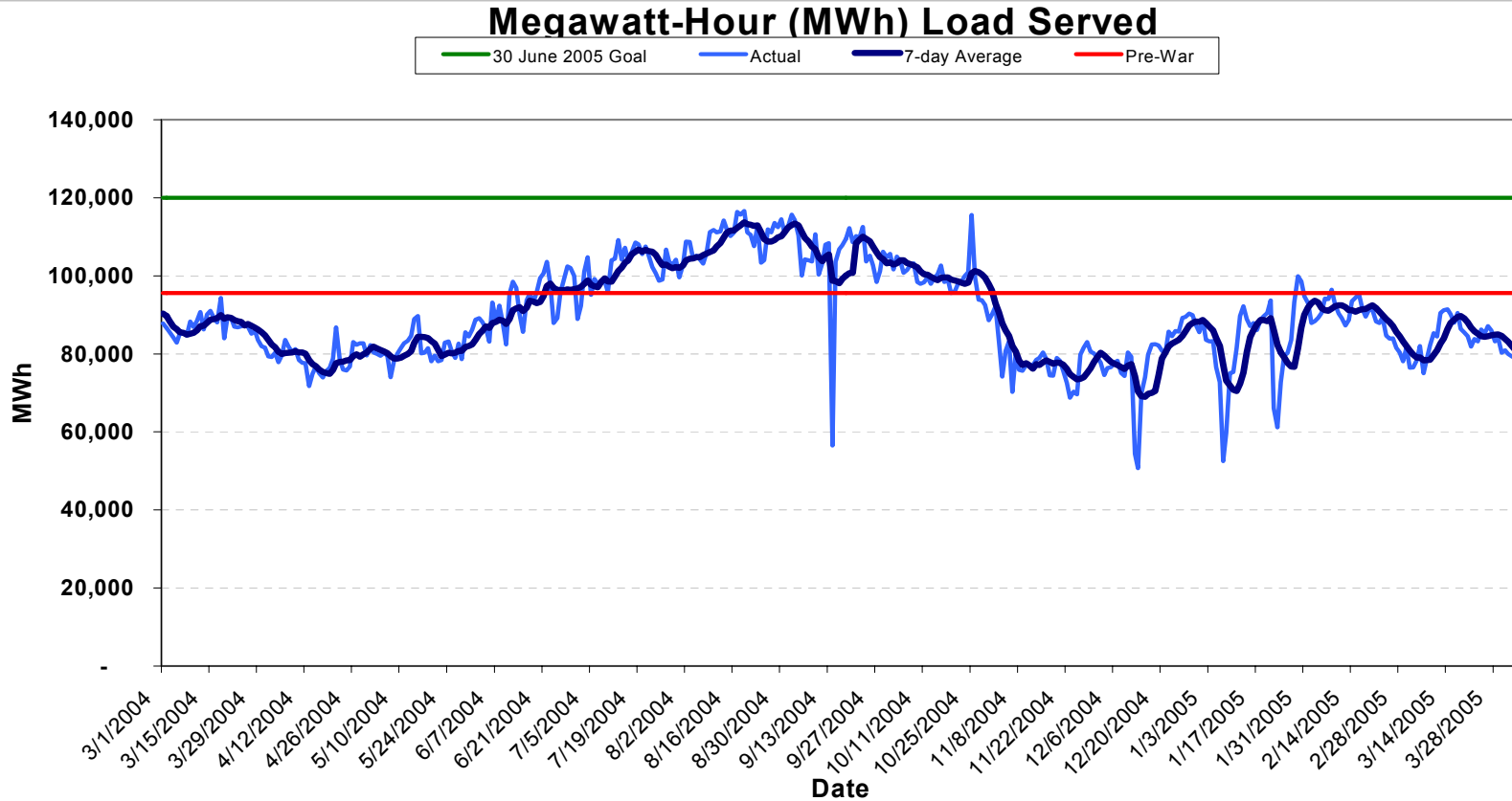
Telecommunications:

- ï The number of telephone landline subscribers throughout Iraq is 992,416, and the number of cell phone subscribers is 2,048,193, a 14 percent increase over the prior month. This combined total of 3,040,609 is 365 percent greater than the number of active landline subscribers before the war. Internet subscriptions have risen to 147,076 over a 100 percent increase over since July 2004.



[3.0] Create Jobs and Provide Essential Services ñ Electricity Overview

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- ï Electricity load served in the last week (March 28 ñ April 3) was 80,932 MWh.
- ï Hours of available power averaged 11.3 in Baghdad.
- ï Scheduled and unscheduled outages were 1,360 MW and 514 MW, respectively.



[4.0] Establish Foundations for a Strong Economy

New Iraqi Dinar Exchange Rate:

- ï The foreign exchange market in Iraq is dominated by the Central Bank of Iraqís (CBI) currency auction, which trades about \$25 million a day on average. In late March, the CBI instituted a limit on the amount of foreign exchange trading local banks could perform on their own account as a percentage of their capital. Local traders appear to have interpreted the move as a hint that the CBI was short on foreign exchange and began aggressively bidding for dollars, driving the CBIís selling rate from 1460 ID/\$1 on March 24 to 1470 ID/\$1 on March 31.
- ï The CBI will begin handling its foreign exchange auctions differently in several respects:
 - ñ Auction bids will be settled by checks rather than cash;
 - ñ The amounts banks can purchase on their own accounts will be geared to their capital; and
 - ñ Banks will have to report the identities of individual customers that use them to make large purchases (a step to help discourage money laundering and other abuses).



[4.0] Establish Foundations for a Strong Economy

Iraq Currency Exchange:

- i At the New Iraqi Dinar (NID) auction on April 4, the settlement price was 1,470 dinars per \$1 with a total of 20 banks trading. The following table shows the purchase value of the top five banks:

Bank Name	Qty Sold (in thousands of USD)	Percentage of Total Auction
Al-Rasheed Bank	\$6,370	24.19%
United Bank	\$2,700	10.25%
Al-Warkaa Bank	\$2,500	9.49%
Islamic Bank	\$2,020	7.67%
Iraq Bank	\$2,000	7.60%
Total	\$15,590	59.21%

Iraqi Securities Exchange:

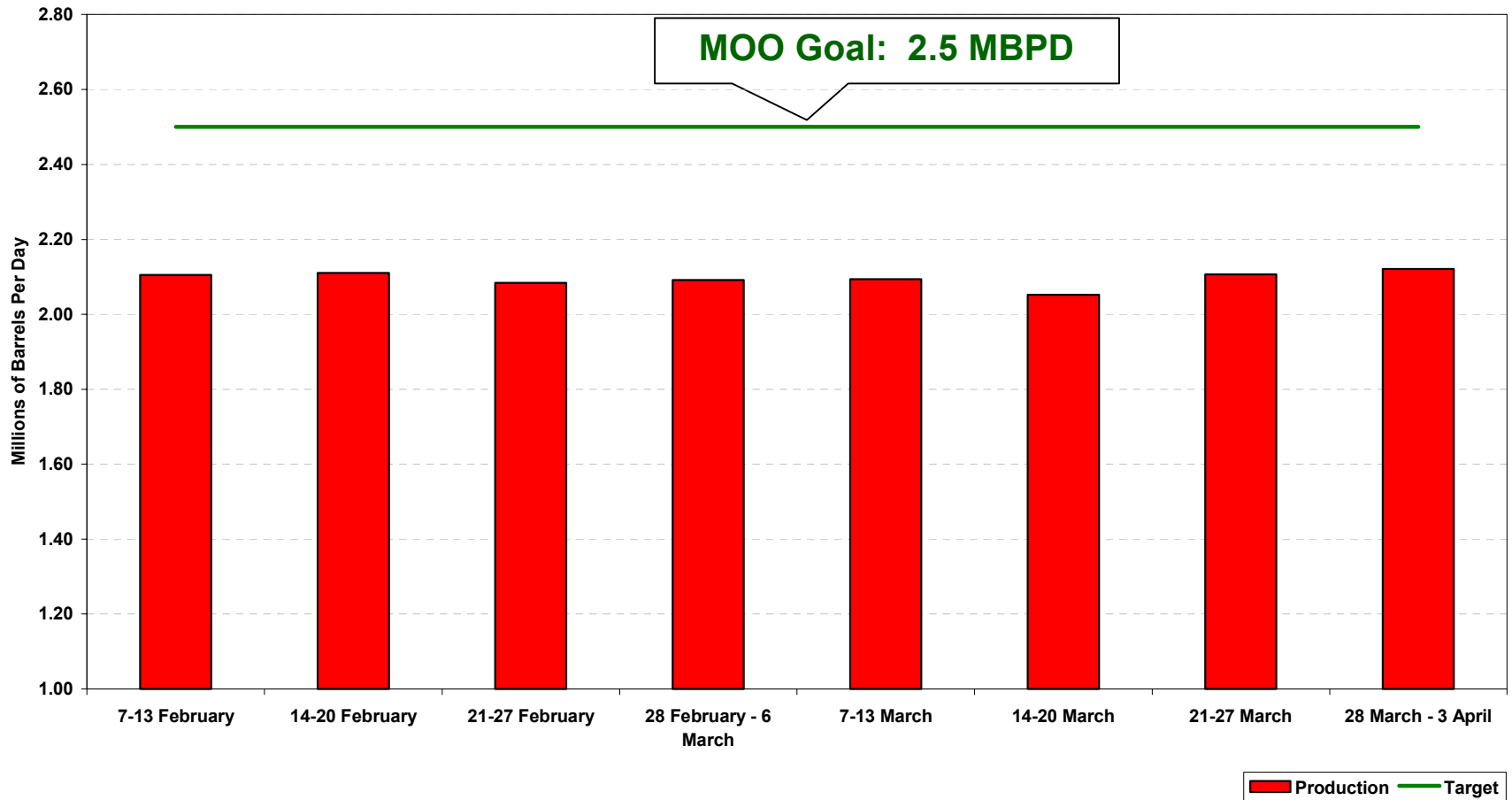
- i The Ministry of Finance auctioned ID 200 billion (about \$137 million) in T-Bills on April 4; the settlement yield was 3.0 percent with five banks offering winning bids. The following shows the results of the previous six auctions:

No. of Auction	Date of Auction	Amount of issue	Term of Security (in days)	Maturity Date	Number Competitive Bidders	Winning Bidders	Total valid Competitive Bids	Total Competitive Awarded	Cover Ratio %	Bid Range yields	cut off yield
14	1/16/2005	100.030	91	4/18/2005	11	9	127.000	97.530	130.22	3.00% - 6.80%	5.50%
15	2/6/2005	100.040	91	5/9/2005	11	7	137.400	96.940	141.74	3.00%-7.00%	5.00%
16	2/20/2005	150.020	91	5/23/2005	10	4	253.000	145.520	173.86	3.00 %- 7.00%	3.00%
17	3/6/2005	200.040	91	6/6/2005	8	6	399.500	197.040	202.75	2.00%- 6.90%	3.00%
18	3/20/2005	200.040	91	6/20/2005	8	6	424.000	197.040	215.18	2.00% - 6.50%	3.00%
19	4/3/2005	200.020	91	7/4/2005	6	5	396.000	197.020	200.99	3.00% - 6.50%	3.00%



[4.0] Establish Foundations for a Strong Economy ñ Crude Oil Production

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ï Weekly Average (March 28 ñ April 3) of 2.12 MBPD

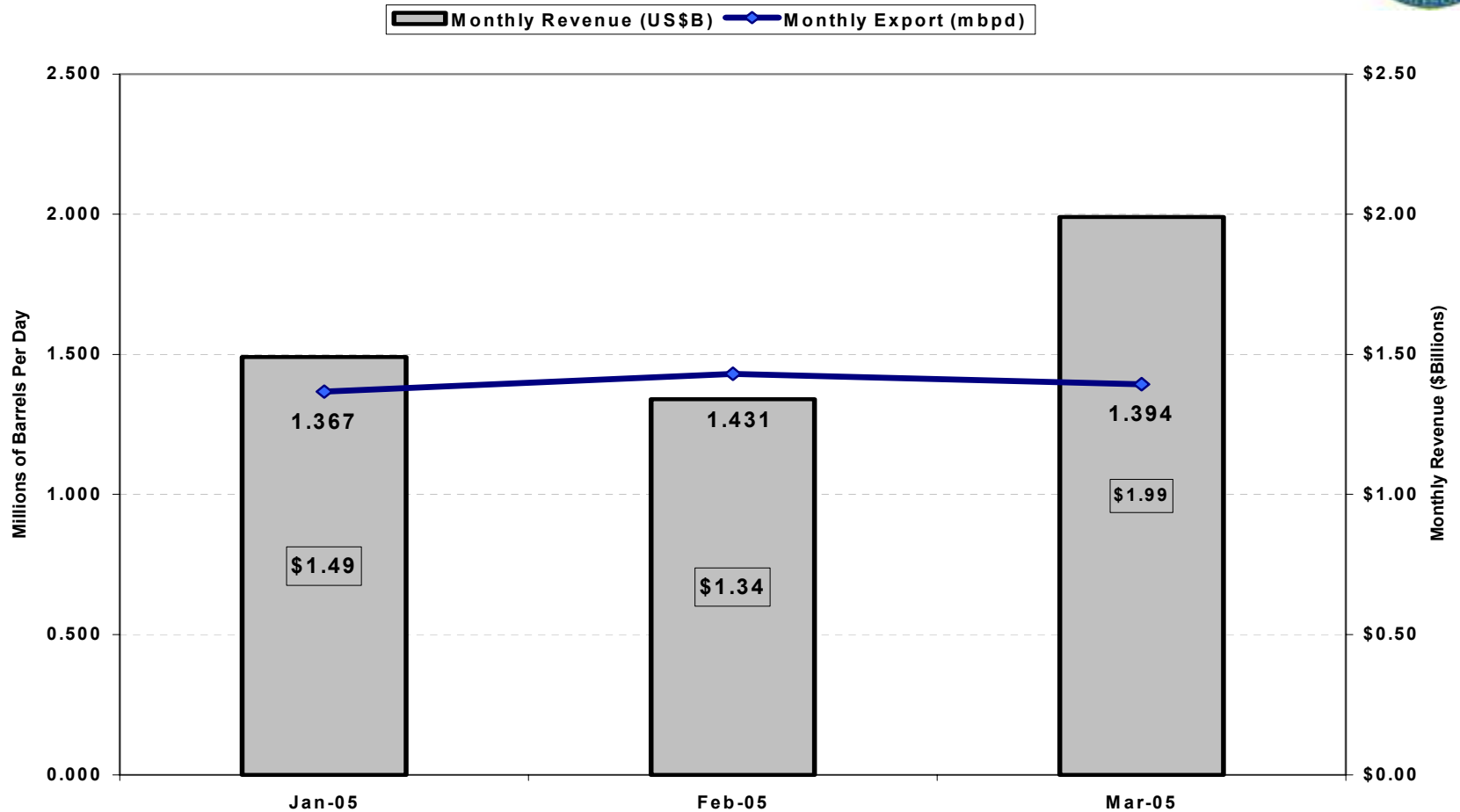
ï Pre-War Peak: 2.5 MBPD in Mar 2003

ï Post-War Peak: 2.67 MBPD



[4.0] Establish Foundations for a Strong Economy ñ Crude Oil Export

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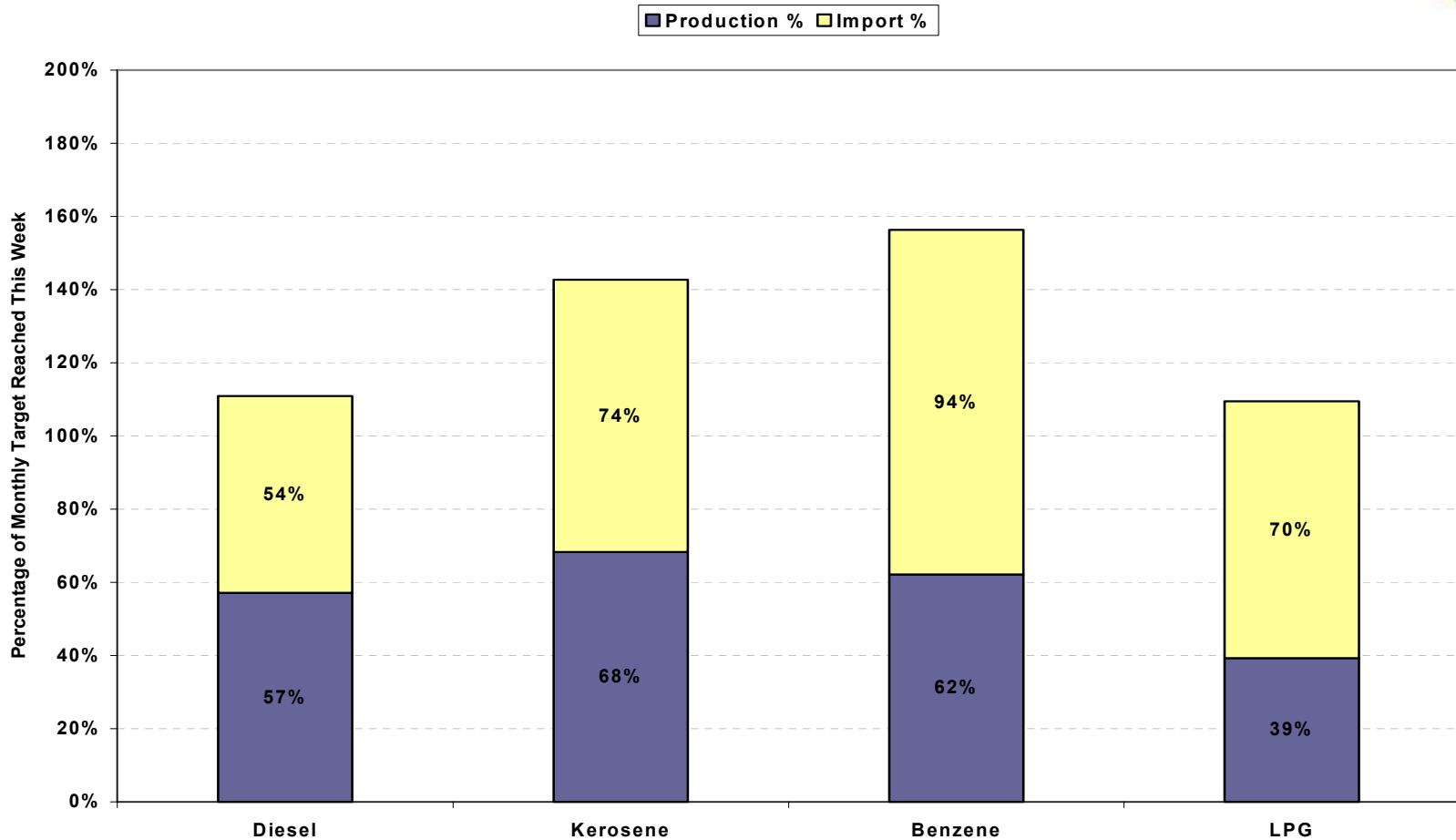


- ï 2003 Revenue: \$5,076.6 M
- ï 2004 Revenue: \$17,012.3 M
- ï 2005 Revenue: \$4,820.0 M (cumulative for 2005)



[4.0] Establish Foundations for a Strong Economy ñ Refined Products

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Note: This chart represents the average percentage of daily target reached for the week of March 28 ñ April 3

ï Diesel: 20.0 ML of 18 ML

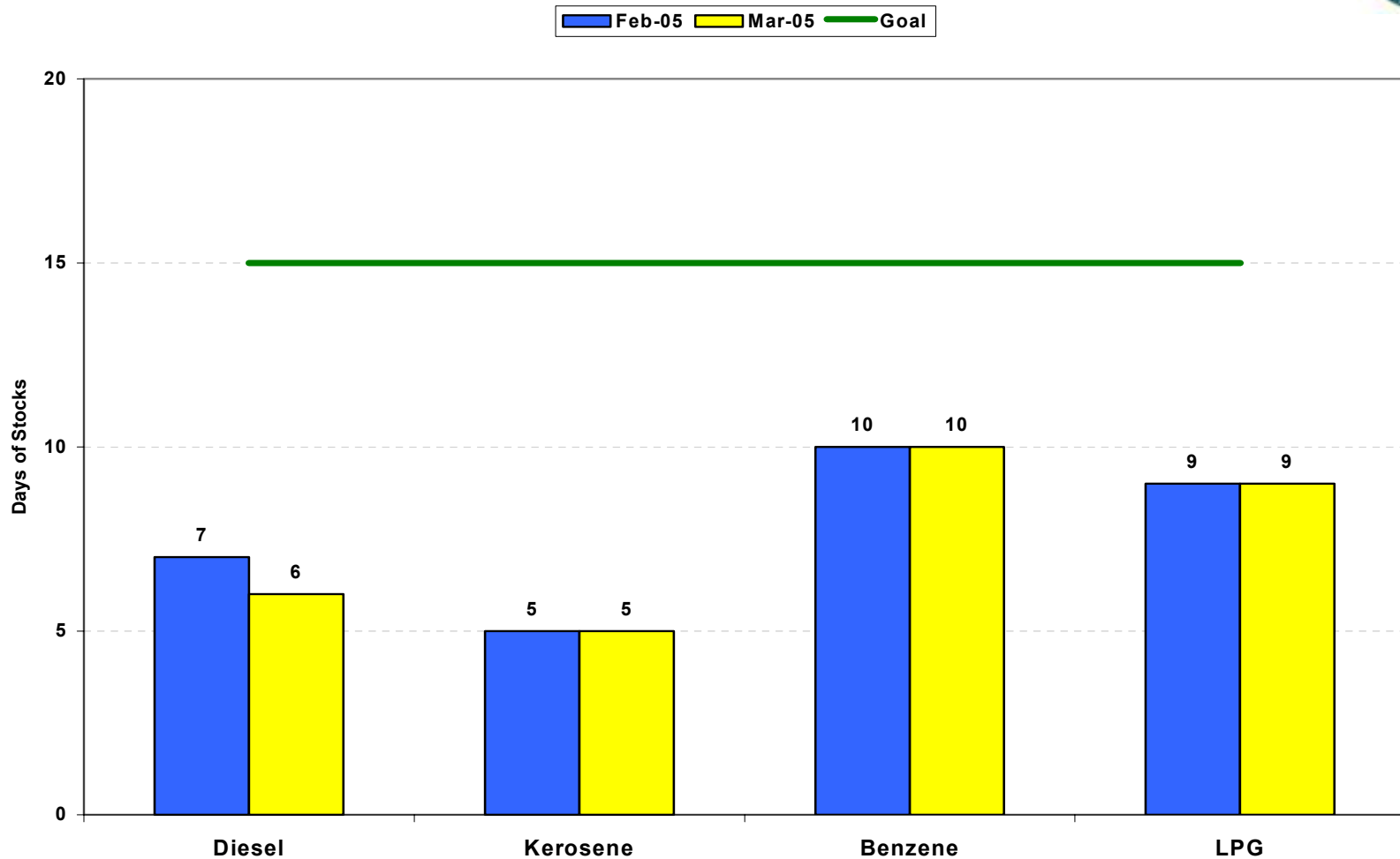
ï Benzene: 28.1 ML of 18 ML

ï Kerosene: 9.7 ML of 6.8 ML

ï LPG: 4,706 tons of 4,300 tons



[4.0] Establish Foundations for a Strong Economy ñ National Stock Levels



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

[4.0] Establish Foundations for a Strong Economy ñ IRRF I & II Financials



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Financial Status-IRRF I & II			Committed		Obligated		Disbursed	
Sector	2207 Report	Apportion	Last Week	Current	Last Week	Current	Last Week	Current
Security and Law Enforcement	5,045	5,045	4,585	4,623	3,822	3,870	1,742	1,790
Electricity Sector	4,369	4,078	3,902	3,949	2,803	2,905	936	943
Oil Infrastructure	1,701	1,701	1,562	1,562	1,005	1,010	221	222
Justice, Public Safety, and Civil Society	1,120	1,120	971	968	767	768	197	202
Democracy	832	832	754	754	668	668	309	315
Education, Refugees, Human Rights, Governance	379	379	283	283	251	270	67	72
Roads, Bridges, and Construction	359	355	340	341	186	187	58	58
Health Care	786	786	759	760	451	453	54	54
Transportation and Communications	513	513	485	484	321	320	61	62
Water Resources and Sanitation	2,279	1,770	1,753	1,754	973	981	97	100
Private Sector Development	843	835	777	778	762	763	438	439
Admin Expense	213	29	29	29	29	29	29	29
IRRF II SUBTOTAL	18,439	17,443	16,200	16,285	12,038	12,224	4,209	4,286
IRRF II CONSTRUCTION	11,306	10,378	10,067	10,135	6,932	7,067	1,951	1,970
IRRF II NON-CONSTRUCTION	6,301	6,232	5,380	5,396	4,436	4,489	1,949	2,001
IRRF II DEMOCRACY	832	832	753	754	668	668	309	315
IRRF I SUBTOTAL	2,475	2,475	2,475	2,475	2,475	2,475	2,150	2,150
GRAND TOTAL IRRF I & II	20,914	19,918	18,675	18,760	14,513	14,699	6,359	6,436

[5.0] Establish Good Governance, Rule of Law ñ Refugees, Democracy and Human Rights



Women Receive Training on Leadership within Political Parties:

- ï In late March, a two-day session in Baghdad was held for 48 women active within Iraqís political system. Training focused on the basics of public speaking and political party advancement. The participants came from a variety of backgrounds: some wanted to become more involved within their own political parties while others were TNA members seeking greater leadership roles.

Workshops Raise Awareness for Human Rights:

- ï USAIDís Iraq Civil Society and Media Support Program (ICSP), with USAIDís Community Action Program (CAP) partner in southern Iraq, organized a two-day workshop on human rights in Basra for 30 participants. Topics included human rights activism theories, developing collaborative action plans with other organizations, an overview of international human rights agreements and decelerations signed by the Iraqi people, and human rights violations in Iraq and other parts of the world.

[5.0] Establish Good Governance, Rule of Law ñ Refugees, Democracy and Human Rights



Home Rehabilitations Shelter War Torn Families:

- ï As part of the War Victims Assistance Program, USAID allocated funds to repair the homes of families whose property was damaged as a result of combat in and around Baghdad. Currently, this funding has assisted 65 families; there are plans to rehabilitate a total of 100 homes.

Request for Proposals:

- ï The Department of State's Bureau of Democracy, Human Rights and Labor (DRL/PHD) announced a competition for assistance awards to support programs that promote democracy and human rights in Iraq. Up to \$8,000,000 may be available for projects funded through the U.S. Department of State's Iraq Relief and Reconstruction Fund (IRRF). These programs will support and strengthen democratic institutions, promote human rights, and build civil society.

[5.0] Establish Good Governance, Rule of Law ñ Refugees, Democracy and Human Rights



Iraqi Law Students Set Record at the Jessup International Moot Court Competition:

- ï Iraq placed 42nd in the Jessup International Moot Court Competition among more than 100 teams from 84 countries; this was the best placement ever by a first-year team in the 46 year history of the tournament. USAIDís Higher Education and Development (HEAD) program, DePaul University, and the US State Department supported the students in attending this conference. The four team members from As Sulaymaniyah governorate, including three women, were chosen from the law schoolís top 25 students. They have been preparing for months, studying international law, preparing briefs, and practicing in moot court classrooms. This project emphasizes practical knowledge, courtroom experience, and ethical practices, so that students leave college prepared to help rebuild Iraqís legal system.

Judicial Reform:

- ï USAIDís Iraq Economic Governance II (IEG II) has reached a formal understanding with the Chief Justice of Iraqís Higher Judicial Council on technical assistance to support judicial training in matters of commercial law, developing options for dedicated commercial courts, IT assessment and development, and the assessment of infrastructure rehabilitation needs. The Ministry of Justice and the courts play a key role in regulating business and adjudicating commercial issues.



[6.0] Maintain Int'l Engagement & Support ñ **Developments**

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International Support:

- ï Fiji has announced the commitment of 90 security personnel to a Guard Unit responsible for providing close-in protection for the UN in Iraq. The Guard Unit is employed by and serves under the leadership of the UN. Currently, 134 Fiji soldiers are in Iraq serving with the UN.



[6.0] Maintain Int'l Engagement & Support ñ Stability Contributors

27 MNF-I Contributors (in addition to US)

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

TOTAL ~ 22,000 Forces

*Note: Fiji participating as a part of the UN mission in Iraq. NTM-I forces in country total over 130 additional personnel from 17 countries, including the US.

28 Countries and NATO
(including US)
Support Iraqi Stability Operations



Iraq Weekly Status ñ General Information

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- ï This brief draws from multiple sources. References are cited on the respective pages in the ìNotes Pageî section (View → Notes Page).
- ï Please forward all questions and/or comments to (unclassified) NEA-I-IPOG-DL@state.gov or (classified) NEA-I-IPOG-DL@state.sgov.gov