Control no. [ ]

Civilian Assistance Questionnaire For N/A District

Talib Khadim Hassan — 23 AUG 03
FULL NAME OF REQUESTOR — DATE

all over Iraq, primarily Baghdad
DISTRICT SECTION STREET HOUSE NO. TELEPHONE

Mixed sector, manufacturing of appliances, seek to unfreeze assets or get loan.
SYNOPSIS OF REQUEST

DETAIL: Looting of ~~facilities, ba~~ and freezing of assets are both preventing this corporation from making revenue to pay employees. RE: conversation with (b)(6) may be able to get assets freed or assist with loan process (ISBC, etc)

SUGGESTED DISPOSITION:

TEAM/CELL/POC WITHIN OFFICE

- [ ] CMCC (422d CA Bn)
- [x] HACC-B (354th CA Bde) (b)(6)
- [ ] IAC (352d CA COM)
- [ ] OCPA
- [ ] BCT

RESPONSE/ACTION REQUESTED BY THIS DATE: _____

ACTION TAKEN:

DATE OF APP'T: _____ MEETING WITH: _____

ORGANIZATION PROVIDING ASSISTANCE

REQUEST RECEIVED/PROCESSED BY:

1. (b)(6) (initial request)
2. (subsequent action)
3.



Our demands are as follows:

1- Pay for us emergency Payments of 50$.
2- Pay for us salaries monthly according to the lists and dgrees of employees in eaeh company and according to the
Last instruction of Financing ministry.
3 -We ask for loan sufliant (specially the companies which have no balance) for the purposes of repairing mentenance and start up operating the production lines in our factories and buying raw materials to run off.

4- ~~Release The Frozen Funds into The International~~ Banks.

4- Release The Frozen Funds into The international Banks.

((In the Name of God, the compassionate, the Merciful))

Honorable Mr. Representative of (Orha) organization.

We the employees of the mixed industrial sector, which is joined to the ministry of industry and minerals, whose employees amount to ten thousand, forward to you our demands Requesting from your excellency to infrom those responsible to include us with all recent privilleges given to government employees, the same as the ministry of industry and minerals employees, and that all acts and Instruction concerning them would include us in the future.

We here by include a summary concerning the mixed sector corporations.

1) These corporations were established to specialize in producing household equipments such as refrigerators, aircoolers, air-conditions, televisions, radio, tape recorder.... Etc.

2) The Governmental sector has a share between (50_ 60%) of the total capital.

3) These corporations are runed by a board of directors consisting of nine members distributed as follows.

a) Three members are appointed by the ministry of industry and minerals.

b) Four members represent the private secotor selected by the private sector.

c) Two members are selected by the employees of the corporation through the labor union, which has been dissolved recently.

4) The government representatives in the board of directors have the greatest role in decision making, where they have the right of veto, where no decision could be passed if two government representatives don't agree.

5) All acts and decisions issuede by the ministry of Industry and minerals that concerns important issüse such as employment principles are mandatory to board of directors.

6) Most of the advanced technical and administrative personnel such as engineers, administrator, specialist, were employeed by the government through Ministry of planning, in the same procedure for other government employees.

The employees of these corporations are included with the government pension law.

7) It is worth to mention that the goods stored in these corporations were mostly looted due to the fact that they are government goods.

From what we have noted, it is clear that the government has a big role in the administration and supervision of these corporations.

Finally except our greatest thanks and respect.

Employees of the mixed industrial corporations sector.

Baghdad 28/5/2003

Foreign Language

354th Civil Affairs Brigade
Daily Request Pass

Name: Intisar Kadhim

Section/POC: HACC

Purpose: Meeting @ (b)(6)

Appt. Date: 17 Sept. 2007

Time: 1400

Authorized Signature:

Print Name: (b)(6)

NO VEHICLES AUTHORIZED!

(b)(6)

From: Hartley, Rodger E. Australia Ministry of Agriculture
Sent: Sunday, October 19, 2003 4:21 PM
To: (b)(6) CIV)
Cc: (b)(6) r.; McDonald, Anthony (AUS)
Subject: FW: Privatisation of Iraqi Seed Production Company

Dear (b)(6)

I am forwarding this series of emails and the attachment to you after a conversation with David Oliver on this matter. To say that I am amazed at how long it has taken to resolve this matter would be an understatement. I have been pushing for some resolution for nearly 5 months and am embarrassed and tired of making excuses to the people who work in this company (all 600 of them) for our system, which just does not seem capable of making decisions on this matter.

I look forward to you providing a solution to this issue.

Regards

Roger Hartley

-----Original Message-----
From: Hartley, Rodger E. Australia Ministry of Agriculture
Sent: Friday, October 10, 2003 6:29 PM
To (b)(6)
Cc ; McDonald, Anthony (AUS)
Subject: FW: Privatisation of Iraqi Seed Production Company

(b)(6)
For your info., in response to your email to Mr Foley on this matter.
Roger

-----Original Message-----
From: Hartley, Rodger E. Australia Ministry of Agriculture
Sent: Wednesday, October 08, 2003 5:32 PM
To: McDonald, Anthony (AUS)
Cc: Flugge, Trevor J. (AUS)
Subject: Privatisation of Iraqi Seed Production Company

Dear Tony

As discussed with Trevor, please find attached a letter to (b)(6) regarding the mixed company, Iraqi Seed Production Company, requesting his approval to cancel its debt with the Ministry of Finance and release its assets, currently frozen in accounts in the Rashid bank.

As explained , this company cannot repay funds borrowed to purchase inventory, which was subsequently looted. The letter confirms that the Iraqi Seeds Company will be cut loose from the government as a result of these measures.

This letter, as requested, is to be signed by the interim Minister of Agriculture, the Chief Executive of Iraqi Seeds and Ambassador Trevor Flugge.

In discussion with the Minister on this issue, he wished to be reassured that the way all assets (including buildings etc) would be handled in the full privatisation, would be consistent with how they will be dealt with by other ministries and that this would stand up

to questions from the Governing Council.

Regards

(b)(6)

Senior Policy Adviser
CPA Ministry of Agriculture

CONTACT REPORT

Date of Contact: 15 MAY 03

Organization: Al-Hilal Industries Company vic. MB51937837

POC: Adnan Ibrahim – Director General, Adham Thejeel – Security Director

Description of the Facility: Large industrial complex that produces air cooling and liquid cooling systems. Has experienced no looting. It is a mixed sector company, where the state owns 51% of the shares, and Iraqi citizens own the remaining 49%. There is a board of directors, comprised of the private share holders, and this board is under the leadership of a central board that regulates boards of directors. Thus the government had a great deal of control over the facility. The facility employs approximately 700 employees. Currently 220 men comprise the 24 hour guard shifts.

Issues:

1. Lack of industrial power
2. Back salaries

Requests: None

COALITION PROVISIONAL AUTHORITY

BAGHDAD

DRAFT

November 3, 2003

FOR: THE DIRECTOR GENERAL X OF AL RASHEED STATE BANK
Y OF AL RAFIDAIN STATE BANK
Z OF INDUSTRIAL BANK

FROM: ABC

SUBJECT: Frozen Private Company Bank Accounts: Al Hillal, Cartoon Co, Arab Federation for Paper, Printing & Packaging and Iraqi Seed Company

The July 12, 2003 Coalition Provisional Authority decree titled Mixed Company Bank Accounts treats Iraqi companies with any private ownership as Private companies. Private companies are permitted access to their pre-war bank accounts. Private companies that have shares owned by the State of Iraq have not had their bank accounts unfrozen in accordance to the July 12, 2003 decree.

The Director Generals of Al Rashed, Al Rafidain and Industrial Bank will complete the following by October 20, 2003:
a) Verify the bank accounts listed below are the correct bank accounts for the respective companies
b) Once the account information has been verified, the accounts will be unfrozen immediately
c) Report to the respective CPA bank advisor once the accounts have been unfrozen

1. Al Hilal Ind. Co.

10095	Al Rasheed- Zafarania
40007	Al Rafidain – AlcFirdos
193	Industrial Bank / Main
22	Industrial Bank/ Zafarania

2. The Cartoon Co.

36	Industrial Bank/ Zafarania

3. Arab Federation for Paper, Printing & Packaging Industry

1102	Al Rafidain Bank – USD – Offshore
7006	Al Rasheed – Khullani
25943	Al Rafidain Bank – East Gate

4. Iraqi Company for Seed Production

1	Al Rashid Bank - Abu Ghraib account name Albothoor
996	Same

Mixed Ownership CO.

	Name of company	Function	Notes
1.	Baghdad company for Alcohol industries	Beer & Alcohol liquors	Productive& profitable
2.	The national company for food industries	Beer, juice and soda	Productive& profitable
3.	Baghdad company for soft drinks	Soft drinks & plastic bottles	Productive& profitable
4.	Iraqi co.for Cartoon industry	Corrugated sheets and boxes	Productive & profitable
5.	Electric industries	domestic apparatus	non
6.	National co. for Plastic & chemicals	Sponge, plates and leather	non
7.	Modern paints industries	Paints	productive& profitable
8.	Electronic industries	TV, Radio	non
9.	Alhilal Co.	Air-conditioning	productive & profitable
10.	Meat industries National Co.	meat	productive & profitable
11.	Bicycles industries Co.	Bicycles	non
12.	Clothing Co.	Clothes	non
13.	Modern construction materials	Construction materials	non
14.	Iraqi meat co.	Poultry	productive & profitable
15.	Seeds Co.	Agricultural Seeds	productive & profitable
16.	Fishery	Fishing	non

[redacted]

354th Civil Affairs Brigade
Daily Request Pass

Name: Talib Khadim Hasan

Section/POC: Haas - B-1

Purpose: Meeting (b)(6)

Appt. Date: 17 Sept. 2003

Time: 14 (b)(6)

Authorized Signature:

Print Name:

NO VEHICLES AUTHORIZED!

24 SEP 03

The General company for food Industry / Constribution Industry Company: ministry of industry and minerals.

The Capitalsof the the company: 1100 millions I.D.

The Socialist union contributes in the capitals of the company in 25% represented by industry Bank and Ex. National command for Ba'th party in 36,9% of the capitalsof Company.

The employees of the company are 485 employee.

The company has three Factories: 1-

1- Beer Factory

2- 7UP, PEPSI, Cola, meranda, et Factory

3. Juice factory.

The employees of the company are submite to civil law and general retir law and also the employees are submit to Social ensurance law.

The employees of the company are graduated from different colleges who are hired by ministry of Planments.

The company produced high qualities of production and won high profits from (1987-1993)

The company contributed in the capitals of many contribution unionsand some of personal companies.

The company became under the control of Olympic board in 1994 by . Oday Saddam and his follower

They began to put all the production of the company und their control, the costs of needs of the company became too high so this leaded to corubt the budge of the company. aswellas the company sold its contributions with other compani

many things of the company are stolen and burned after the war which equaled around 1,5 Billions I.D aswell as many productions machine are stolen.

After war any one can import many things litre beer etc without custom fees and this is another reason who lead the losing in the company.

[redacted]

As well as the precent of the production became too low after the war, the production precent now is 20 - 30%.

As you the production of beer is now in warehouse and of Caurse after aperiod of time the beer will be expire and then another losing will be add to the Company to become the losing is 2 Billions I.D.

The Company no is in debts around 500 millions I.D, 375 millions I.D before the war and the rest is after the war. the debts used to re-pair some production machines and paied the salaries of employee from April and till now.

In additional to that the losing of the Company is 2,5 Billion I.D because of oday Saddam HUSSien and his followers.

The suggestions to make the situation of company worth are:

1- There must be equal or justice between the company's employ (4RS employees) and other companies employees, the employ's salary is 90 000 I.D which is not enough for the needs of employee.

2- Compensate the losing of the company which are 2,5 Billion I.D.

3- Giving a loans without benfil or loans for along time.

[redacted]

Serial No: 03-014

12 July 2003

Mixed Company Bank Accounts

Iraqi Companies with any private ownership are to be treated as Private companies with regard to their status in relation to banking (for example, they are permitted access to the bank accounts that existed prewar).

It is noted that Government Institutions have interests in these companies based on their financial investments in these companies and that profits are generated as a result and paid to Government institutions. In the short term, any profits generated and due to be paid to Government institutions will be paid to the Iraqi Finance Ministry and deposited in a special account, until such time as the Iraqi Government can effectively direct and administer these funds.

(b)(6)

CPA Senior Advisor to the Ministry of Finance

Copy to: LEN LAPIOLS
HAYDAR AL-UZRI
REX PENDELTON

DEPARTMENT OF THE ARMY
354TH CIVIL AFFAIRS BRIGADE
OPERATION IRAQI FREEDOM
BAGHDAD, IRAQ
APO, AE 09335

AOCP-CAC-B

11 September 2003

MEMORANDUM FOR (b)(6) Advisor, CPA Ministry of Finance
Rex Pendleton, Rasheed Bank
Haydar Al-Uzri, Rafidain Bank
Dean Wallace, State Owned Specialty Banks

SUBJECT: Bank Accounts Related to a Mixed Sector Company

1. This is the second written request (see attached letter dated 3 SEP 03) designed to resolve the issue with a mixed sector company and their bank accounts at the Rafidan, Rasheed (Al-Za'Franya Branch), and Industrial Banks.

2. I meet weekly (WED 1400) with a growing number of mixed sector companies struggling to exist in this post-conflict environment. Based on the attached letter from Mr. Nell, I would expect the banks to allow mixed sector companies access to their accounts. This appears not to be the case as this company attempted as recent as 9 SEP but were refused access.

3. I have instructed this company to continue to pursue this issue directly with the banks as I try to influence the decision makers at the CPA Ministry level. Based on the information I know, I do not understand why this company cannot access their bank accounts.

4. Your assistance in resolving this issue is needed. Please advise me of your position on this issue at your earliest convenience. I can be reached at (b)(6) (b)(6)

5. I have setup a follow-up meeting with the mixed sector companies on 17 SEP at 1400 at the HACC-B. In addition, I plan to visit their facilities on 14 SEP.

(b)(6)

MAJ, CA
Commerce Officer
354 CA BDE

UNITED STATES ARMY
USACAPOC
354th Civil Affairs Brigade
Baghdad, Iraq
APO AE 09335

AOAP-CAC-B 3 SEP 2003

MEMORANDUM FOR (b)(6) Advisor, CPA Ministry of Finance
Rex Pendleton, Rasheed Bank
Haydar Al-Uzri, Rafidain Bank
Dean Wallace, State Owned Specialty Banks

SUBJECT: Access to Bank Accounts

1. The purpose of this memorandum is to request your assistance in resolving a matter concerning a mixed-sector company's access to their bank accounts. The president of the company has indicated that he has accounts in the Rafidain, Rasheed, and Industrial Banks. With over 10,000 employees in 14 companies, access to company finances is essential to the company's survival.

2. This matter was brought to my attention in mid-August and forwarded to the Ministry of Finance for resolution shortly thereafter. In response, the attached letter was issued by (b)(6) According to this response, this company should have unfettered access to their accounts, however, to date, the company has been unsuccessful in obtaining access to their finances.

3. Once (b)(6) letter was received, the owner of this company could not access Mr. Pendleton or Mr. Uzri, or an appropriate official in their organization, in order to discuss the issue. I meet with this gentleman every Wednesday at 1400 at the HACC-B and would invite anyone from the Ministry of Finance, who can assist with this matter, to attend our next meeting.

4. Please respond to this memorandum so that I may continue to facilitate resolution of this issue.

5. Thank you, in advance, for your assistance.

(b)(6)

MAJ, CA
COMMERCE OFFICER

بسم الله الرحمن الرحيم

جمهورية العراق

وزارة المالية

« بجمل الرحمة تاج العدالة »

[redacted]

الدائرة المجاب
القسم المبلغ
العدد ١٦٢٥
التاريخ الهجري
التاريخ الميلادي ١٧/٨/٢٠٠٣

To: DIRECTOR GENERAL, RAFIDAIN BANK
DIRECTOR GENERAL, RASHEED BANK

This note is to confirm that existing CPA policy with respect to mixed ownership companies is that they are to have unfettered access to their accounts. Any account of a mixed ownership company that has been frozen should be unfrozen with immediate effect.

[redacted] (9)(q)

ADVISER
MINISTRY OF FINANCE
17/08/2003

MIXED OWNERSHIP CO

	Name of Company	Description of Company	Ministry	% State	No. of	Salary	Cash on	Present capability of operation
1	Baghdad Company for Alcohol Industries	Baghdad and Al Khalis Brewery	MIM		350	26,667	63	Baghdad may produce beer. Alkhalis factory estimated 90% looted
2	The National Co. for Food Industries	Beer, Juice & Soda	MIM		480	43,333	21,933	Looted. Need raw materials and electricity
3	Baghdad Company for Soft drinks	Zafarinijah factory for soft drinks and plastic bottles	MIM		1,191	85,333	3,301	Operational and not looted
4	Iraqi Co. for Carton Industry	Factory to produce carton plates and carton boxes	MIM		183	20,000	109,133	Can operate if there are orders
5	Electric Companies	Refrigerator, Freezers, Heaters & Cookers	MIM		680	30,000	155,933	Looting
6	The National Co. for Plastic and Chemical	Sponges, plates, potato chips and leather	MIM				464,000	Looted although some operations is possible
7	Company of Modern Paints Industries	Paints	MIM		303	17,333	381,867	Looted. Security and access to electricity is an issue
8	Company for Electronic Industries	TV, radio and other eletrical equipment	MIM		1,724	28,000	233,333	Looted. Need raw materials and electricity
9	Al Hilal Industrial Co.		MIM					
10	National Co. for Meat Industries		MIM					
11	Company for Bicycles Industry		MIM					
12	Clothing Co.		MIM					
13	Modern Construction Material		MIM					
14	Iraqi Meat Company	Poultry	Ag	51%	1,000	20,000	-	Assets are frozen. Company is shut down. Looted farms and offices
15	Seeds							
16	Fishery							
17	Agricultural Produce							
18	Arabian Bridge Co for Navigation	Manages navigation, water transport and tourism	MT	33%				Egypt, Iraq & Jordanian equal onwership
19	Iraqi-Jordanian Co for Land Transport	Cargo and oil transport from Oman & Egypt to Iraq	MT	50%				
20	Arabian Co. for Marine Navigation		MT	14%				Egypt largest shareholder 33.8%
21	United Arab Navigation	Deploys cargo ships	MT	19.75%				Various ME state ownership
22	Oman Co. for Commerce & Navigation	Shipping Company	MT	70%				Oman
23	Alia Co for Commerce & Transport	Land and Sea Trading Co. - transport	MT	49%				Jordan
24	Iraqi/Syrian Co for Land Transport	Trucking	MT	50%				Syria
25	Iraqi/Syrian Co for Marine Transport	Marine transport	MT	50%				Syria
26	Arabic Co for Communication	Builds and maintains communication components	MT	50%				Syria
27	Sharq Co for Transport/ Commerce and Tourism	Transport and Tourism	MT					With UAE
28	Al Badiya	JV with Individuals	MT					
29	Oil Transport	JV with Individuals	MT					
30	Al Ashar	JV with Individuals	MT					

Housing, Water and Trade: None

Iraqi Company for Meat Production and Marketing

1- The Company is a mixed company, 51% of the shares belong to the Government and 49% to the private sector.
2- The board consists of 9 persons, 3 of which represent the Government, and 6 the private sector.
3- The central offices and poultry farms were almost completely looted, which means that the company is not functioning.
4- The number of employees exceed 1000, plus another 200 contract employees.
5- The salaries for these employees totals about 80-85 million ID / month.
6- For the above mentioned reasons the company was in no position to pay salaries, and was forced to take some measures to reduce costs.
   a- The company paid salaries (30000 ID/ month/person) up to August 1, 2003, and asked the employees to take leave of absence without payment until Oct . 1st.
   b- The company is trying to approach some investors to convince them to participate in renovating buildings and poultry houses and put the company on production again provided that they will share profits , a matter that could be agreed upon in a later stage .
7- The assets of the company are frozen. The salaries that were paid to the employees were generated from selling poultry feed the company had in storage.
8- This issue was discussed in one of the management committee meetings and it was decided that we are unable to pay their salaries .

Basil K. Dalaly

Dr. Basil K. Dalaly
Chairman , Management Committee
Aug., 24, 2003

COALITION PROVISIONAL AUTHORITY

BAGHDAD

DRAFT

November 3, 2003

FOR: THE DIRECTOR GENERAL X OF AL RASHEED STATE BANK
Y OF AL RAFIDAIN STATE BANK
Z OF INDUSTRIAL BANK

FROM: ABC

SUBJECT: Frozen Private Company Bank Accounts

The July 12, 2003 Coalition Provisional Authority (CPA) decree titled Mixed Company Bank Accounts treats Iraqi companies with any private ownership as Private companies. Private companies are permitted access to their pre-war bank accounts. Private companies that have shares owned by the State of Iraq have not had their bank accounts unfrozen in accordance to the July 12, 2003 decree.

The Director Generals of Al Rashed, Al Rafidain and Industrial Bank will complete the following by October 25, 2003

a) Identify all frozen private company bank accounts by branch. Bank accounts of State owned Enterprises (100% owned by the State of Iraq) are to be excluded from this list. The list of private company frozen bank accounts will be submitted to the respective CPA bank advisor for review

b) Determine, specifically, the bank account numbers for the following private companies:

1. Baghdad Co for Alcohol
2. National Food Co.
3. Baghdad Co. for Soft Drinks
4. Electric Company
5. National Co. for Plastic and Chemicals
6. Company of Modern Paint Industries
7. National Co. for Meat Industries
8. Company for Bicycle Industry
9. Clothing Company
10. Modern Construction Material
11. Iraqi Meat Company
12. Fishery Company
13. Agricultural Produce

New Iraqi Bank Note Exchange Sites

Rasheed (Jamelia Branch)	Thawra	vic MB 466 923	16	2LCR	n/a	n/a	n/a	n/a	This branch is CLOSED, servicing clients at 7 Nissan
Rafidain (Al-Qudus Branch) #309	Thawra	MB 46063 92810	21	2LCR	750 pound floor safe	1 cu. meter	10	Nabil Kamil Arif	requires more guards w/ weapons. Additional safe/vaults required. Will require fuel support for the generator.
Rafidain (Al-Andalus Branch) #199	Thawra	MB 48074 94524	21	2LCR	3 vaults in all. No measurements or comments recorded.		3	Yousif Hussein Athya	water is off to building. Requires major plumbing repairs.
Rafidain (Al-Toakdim Branch)	Thawra	MB 50583 95547	21	2LCR	4x5x4	80 cu. meters	9	Abdul Kadham Hamed Kareem	requires more guards w/ weapons. Electricity intermittant, will require a generator for consistant power. Very low water pressure to building.
Economic Bank (Jamelia Branch)	Thawra	see remarks	21	2LCR		26cu. Meters	1	Ali Aziz Khalif	Bank is located in the Jamelia neighborhood of Tharwa off of Jamilea Street near the traffic circle. Assessment team did not find the site. They spoke with the manager to gather the information. They will pay a visit to the location to confirm the location and feasability of the bank for ICE support. Manager states he can support the ICE.
Basrah Bank (Al-Mustauiria Branch)	Thawra	MB 467 921	21	2LCR	1 5x1.5x4	9 cu. meters	6	Badie A. Fikry	will require fuel suppoet for generator
Rasheed (7 Nissan Branch)	Saba-Nissan	MB 52318 89633	9	2LCR	6.6x4.3x2.5	71 cu. Meters	16	Jasin Mohamed	This location houses a total of three branches: 7Nissan, Al-habiyah, & Jamelia. Requires extensive plumbing work.
Rafidain (Al-Rustamiyah Branch) #125	Saba Nissan	MB 5471 8148	11W	2LCR	see remarks				CURRENTLY UNDER RECONSTRUCTION estimated reopening date 10 SEP 2003
Rafidain (Al-Mujama Al-Naftee Branch) #294	Saba-Nissan	MB 47285 89374	12	2LCR	5x4x4	80 cu. meters	3	Aswag Abd Kareem	Branch is located inside the Min. of Oil Building.
Rafidain (Al-Kansa'a Branch) #327	Saba-Nissan	MB 54219 90590	24	2LCR	see remarks				BCT found burned out building at this location. The Rafidain Management is reporting the branch is open and capable of supporting the ICE. We have a location discrepency. Working w/ MoF to resolve. Plan on using this bank as an exchange location
Rasheed (Hay Sommer Branch)	Saba-Nissan	vic MB 518864	14	2LCR	4x3x2	24 cu. meters	3	Nathria Mati	requires a replacement generator to be operational. Branch does not have office furniture or money counting machine. Vaults in need of repair work
Rafidain (Dour Al-Dubad Branch) #69	Saba-Nissan	MB 48839 87343	14	2LCR	see remarks		4	Waleed Yakoub Ibraheim	The asst. manager declined to allow U.S. forces into the branch. manager operating single walk up window open, he can expand to 4 interior teller stations if he has security. The management states the vaults are in good working condition. Capacity was not specified. Require 8 full time FPS security guards.
Rafidain (Al Mashtel Branch)	Saba-Nissan	MB 5210 8675	30	2LCR	"large vault on premisis" not measured		29	Abu Khalden	site recommended by BCT
Rasheed (Al-Shykh Maarouf Branch)									
Rasheed (Al-Salihya Branch)	Karkh	vic MB 4330 8788	1	2ND BCT	total of 3 vaults: all are 3x3x2	54 cu. Meters	3	Ilham Abdel Wahab	will require fuel support for generator

Rasheed (Al Saydya Branch)	Al-Rashid	MB 36810 80582	37	2-82ND	3x2x2	18 cu. meters	6	Haider Nori Fatalla	This branch is currently CLOSED due to no cash being distributed to the branch by Rasheed operations. Needs all office machines to be able to operate. BCT recommends this site as an exchange location
Rasheed (Baya'a Branch)	Al-Rashid	MB 39422 82426	37	2-82ND	3x2x2	18 cu. meters	10	Kamal Shamoon	NO eclectric power to site. Requires a generator
Rafidain (Al-Resala Branch) #317	Al-Rashid	MB 36998 81815	41	2-82ND	2x2x2	8 cu. meters	6	Abd Al Kadam Hussayn	site recommended by BCT
Rafidain (Al-Masafee Branch) #318	Al-Rashid	MB 42245 79790	25	2-82ND	4.5x3x3	40.5 cu. meters	8	Thomas Abas Hassan	requires minor repair work
Rafidain (Al-Ma'refa Branch) #355	Al-Rashid	MB 40200 79210	41	2-82ND	4x3x3	36 cu. meters	7	Ahmed Hassan	generator insufficient to support exchange operations. A second or a new new generator is required.
Agriculture Bank (Al-Najah Branch)	Al-Rashid	MB 415 755	26	2-82ND	4x5x3	60 cu. meters	2	Hatem Umran Hussein	
Credit Bank of Iraq (Al-Baya'a Branch)	Al-Rashid	MB 4380 8750	37S	2-82ND		59 cu. meters	8	Fuad Al Hassani	
Rafidain (Al-Adameya Branch) #32	Adhimiyah	MB 40484 92725	18	1ST BCT	5x6x3	90 cu. meters	7	Saad Mohammed Al Kubety	requesting professional evaluation of vault doors and generator.
Rasheed (Raghyba Khatoon)	Adhamiyah	MB 42092 93429	19	1ST BCT	9.3x5x3	139.5 cu meters	4	Abud Hussain Abud	electrical power is sporadic
Rasheed (Al-Sarefiya Branch)	Adhamiyah	MB 42092 90755	17	1ST BCT	6x4x3	72 cu. meters	4	Lamia Ali Al-Mousewy	
Rasheed (Al-Rebat Branch)	Adhamiyah	MB 41899 91494	17	1ST BCT	4x4x3	48 cu. meters	7	Milad Radi Sood	The Rasheed AlShorja branch is also operating out of this location
Rafidain (Hai Al-Sha'ab Branch) #215	Adhimiyah	MB 45492 98037	50	1ST BCT	3x3x2.5	22.5 cu. Meters	9	Hassain Ali Abdul Abbas	site recommended by BCT as excellent ICE site
Agriculture Bank (Al-Tajizat Branch)	Adhimiyah	MB 425 916	18	1ST BCT	2x2x3	12 cu. meters	2	Ibraheem Muhamed Ali	
Agriculture Bank (Farmer's Branch)	Adhimiyah	MB 455 935	20	1ST BCT	4x6x6	72 cu. meters	1	Abbas Fadhil Umar	
Commercial Bank of Iraq (Adimiyah Branch)	Adhimiyah	MB 41270 92510	18	1ST BCT		40 cu. meters	4	Fadee Tito	
Commercial Bank of Iraq (Uknown Branch)	Adhimiyah	MB 412295 92526	18	1ST BCT	2x3x2.3	13.8 cu meters	6 max		require more guards w/ weapons and FPS training
Rasheed (Al Murtadha Branch)	Kadhimyah	MB 38528 93481	27	3RD BCT	3x3x3	27 cu. meters	10	Riad Ameen Khadum	site is difficult to find. Located in very congested area of town. Will require fuel support for generator for consistant electric power.
Rafidain (Al-Muheet Street Branch) #223	Kadhimyah	MB 36383 93942	28	3RD BCT	6x5x2.5	75 cu. meters	4	Yousef Mohamed Mehdi	recommend additional security guards w/ weapons. Manager requesting FPS training for guards.
Rafidain (Al-Kademeya Branch) #22	Kadhimyah	MB 38434 93395	27	3RD BCT	total of 3 vaults, each: 2.5x2.5x2.5	46.8 cu. meters	6	Hussain Ali Heshem Al Musawiy	requires FPS training for guards. Additional security requested.
Rafidain (Al-Hureya Branch) #81	Kadhimyah	MB 37375 90824	28	3RD BCT	4x5x2	40 cu. meters	8	Abdul Jaber Khalaf	recommend additional security guards w/ weapons

Rasheed (Al-Jawdain Branch)	Kadhimyah	vic MB 3914 9378	27	3RD BCT	4x3x2.5	30 cu. meters	6	Mohammed Fadil Humadi	requires additional guards w/ weapons and generator for consistant electric power.
Rafidain (Sahat Hamad Shehab Square Branch) #267	Kadhimyah	MB 40761 90429	8	3RD BCT	10x6x2.5	150 cu.meters	7	Rafida Ahmed Alsamarai	requires additional guards . Minor vault repairs requested.
Agriculture Bank (Al-Tarmiya Branch)	Kadhimyah	MB 395 935	7	3RD BCT	1.5x2x3	9 cu. meters	2	Muhamed Farej Inseif	
Agriculture Bank (Ibin-Al-Haitham Branch)	Kadhimyah	MB 400 915	27	3RD BCT	4x6x3	72 cu. meters	2	Wissal Ahmed Muhamed	
Agriculture Bank (Baghdad Al-Uteifiyya Branch)	Kadhimyah	MB 402 913	8N	3RD BCT	4x6x3	72 cu. meters	1	Falah Hussan	
Commercial Bank of Iraq (Kadimiyah Branch)	Kadhimyah	MB 38780 92970	27	3RD BCT		50 cu. meters	5	Azoz Abadi	
Rasheed (Al Yarmook Branch)	Al-Mansor	MB 38736 85259	37	3RD BCT	3x3x3	27 cu. meters	12	Ali Naef Al-Janabi	request plumbing repairs and need generator for consistant electric power supply
Rafidain (Hai Al-Arabi Branch)	Al-Mansor	MB 39455 87465	55	3RD BCT	smallest vault: 3x2.5x2.5	18.75 cu. meters	12	Hamdeya Mahmod Aljaf	needs additional guards and weapons, in need of significant plumbing work, needs generator for consistent electric power supply
Rasheed (Al-Mahmou 'Dya Branch)	Al-Mansor	vic MB 38148 85287	55	3RD BCT	10x6x2.3	138 cu. meters	4	Intisar Alanee	powered via generator, request fuel support
Rafidain (Al-Mansour Branch) #57	Al-Mansor	MB 39251 86690	55	3RD BCT	8x3.3x10	264 cu. meters	3	Muhamad Al-Kaiyse	requires plumbing repairs, power situation o.k.
Rasheed Bank (Abu Ghreib Branch)	Al-Mansor	MB 2340 8520	34	3RD BCT	3x2.5x2.5	18.75 cu. meters	7	Sabar Hadi Salih	need three additional weapons for guards. Minor repairs work requested.
Rafidain (Al Rafe'e Branch) #326	Al-Mansor	MB 34699 84574	5	3RD BCT	5 3x3.3x3	52.5 cu. meters	7	Nawzad Kamil Amin	requires generator for consistant electric power
Rafidain (Al Kadra'a Branch) #177	Al-Mansor	MB 36834 86339	55W	3RD BCT	2 vaults each: 4x3x2.5	60 cu. meters	6	Mahasin Hamad	generator too small to support prolonged exchange activities
Socialist Bank (Al Mansour Branch)	Al-Mansor	MB 38686 87698	38W	3RD BCT		5.66 cu. meters	2	Abd Al-Muriam	
Rafidain (Al-Zuwia Branch) #174	Karadah	MB 45000 84040	13	2ND BCT	total of 3 vaults. largest 10x4.6x2.5	115 cu. meters	6	Maan Hussein Ali	requires a new generator or repair to have consistant electric power.
Rafidain (Hai Al-Wahida Branch) #167	Karadah	MB 47847 86222	14	2ND BCT	see remarks		6	Ali Hussein Salih	the vaults are locked. The manager does not have the keys. The locks need to be re-keyed ASAP. The manager states that the vaults are of a good size.
Rasheed (Irrketa Branch)	Karadah	MB 46320 85127	13	2ND BCT	5x4x4	80 cu. meters	4	Rafeet Al-Seedey	recommened by BCT as exchange site
Rasheed (Arast Al-Hindya Branch)	Karadah	MB 47276 84539	13	2ND BCT	3x3x2.5	22.5 cu. meters	8	Munir Yacomb Yousif	requires replacement generator to support ICE
Rasheed (Al Masbah Branch)	Karadah	MB 47513 84097	13	2ND BCT	5.7x4.2x2.5	60 cu. meters	3	Aydad Ahmed	requires a new generator to have consistant electric power. Requires more FPS guards w/ weapons
Rasheed (Al-Technologia Branch)									
Rasheed (Al-Jadiriya Branch)	Karadah	MB 431 826	10	2ND BCT	10x10x4	400 cu. Meters	5	not obtained	requires fuel support for generator

Rasheed (Al-Za'Franya Branch)									
Industrial Bank (Baghdad Branch)	Karadah	MB 571 769	31	2ND BCT		36 cu. Meters	2	Khawala Mohammad	
Socilaist Bank (Kharada Branch)	Karadah	MB 445 837	13S	2ND BCT		5.66 cu. meters	2	Reshid Awad	
Real Eestate Bank (Computer Center)	Karadah	MB 46998 84395	13S	2ND BCT	5x5x3	75 cu. meters	4	Faten Yusef Maki	
United Bank of Investment (Main Branch)	Karadah	MB 47521 86134	14W	2ND BCT	vault #1: 5.6x6.3x2.5 vault #2: 5.3x5x2.5	154.5 cu. meters	10 max.	Naser Mahdi Daoud	site recommended by 354 CA BDE
Middle East Investment Bank (Main Branch)	Karadah	MB 48177 85115	14	2ND BCT	2 vaults each: 4.6x4.6.2.8 vault#3: 4x4x2.5	145.8 cu. meters	7		site recommended by 354 CA BDE
Middle East Investment Bank (Al Zaher Branch)	Karadah	MB 47550 85400	14W	2ND BCT	4.3x3.6x3.6	55.7 cu. meters	6		guards request FPS training. Site recommended by 354 CA BDE
Investment Bank of Iraq (Main Branch)	Karadah	MB 467 859	13	2ND BCT	8.6x8.6x3	221.9 cu. meters	10 max.		
Credit Bank of Iraq (Main Branch)	Karadah	MB 467 860	13N	2ND BCT	total of 2 vaults	38 cu. meters 59 cu. meters	4	Fuad Al Hassani	require more weapons and FPS training
Commercial Bank of Iraq (Rashhed Camp Branch)	Karadah	MB 48550 84370	14W	2ND BCT		42 cu. meters	6	Munassif Jassin	require FPS training for the guardsand weapons support
Commercial Bank of Iraq (Main Branch)	Karadah	MB 46934 85738	13	2ND BCT		27 cu. meters		Sadoun Kubba	will require additional security guards w/ weapons
Bank of Baghdad (Main Branch)	Karadah	MB 472 848	14E	2LCR		31 cu. meters	6	Mawafaq Mahmood	will require additional security guards w/ weapons and FPS training
Al Bakara Bank for Investment and Finance (Main Br.)	Karadah	MB 46492 85801	13S	2ND BCT		68 cu. meters	5	Munther Fattal	require more weapons and FPS training
Warka Investment Bank (Main Branch)	Karadah	MB 47333 86001	13	2ND BCT		45 cu. meters	5	Saad Al-Bunnia	
Warka Investment Bank (Al-Rabi Branch)	Karadah	vic MB 79 52	49	2ND BCT		45 cu. meters	5	Ali Kaif Maryond	exact grid to be verified by 354 CA BDE
Rasheed (State Co. for Batteries Branch)	Rusafa	MB 456 890	16	1ST BCT	4x4x4	64 cu. meters	7	Adbdul Hussain	
Rasheed (Electricity Office Branch)	Rusafa	MB 443 895	15	1ST BCT	4x4x4	64 cu. meters	7	Soher Abd Alazez	
Rasheed (Al-Mutanby Branch)									
Rafidain (Sahat Al-Nasar Branch) #108	Rusafa	MB 45426 87441	12	1ST BCT	4x4x4	64 cu. meters	10	not obtained	
Rafidain (Al-Mada'en Branch) #308	Rusafa	MB 42867 89639	15	1ST BCT	4x4x2.5	40 cu. meters	5	Majeed Dafar Marbet	
Rafidain (Palestine Street Branch) #176	Rusafa	MB 45238 90958	16	1ST BCT	8x5x2.5	75 cu. meters	6	Muhamad Hussein Al-Hashimi	
Rafidein (Sheikh Omar Al-Jadeed Branch) #41	Rusafa	MB 44028 90024	17	1ST BCT	4x4x4	64 cu. meters	10	not obtained	
Rasheed (Saddam Medical City Office Branch)									

Rafidain (Al-Kutafa'a Branch) #90	Rusafa	MB 43205 89652	15	1ST BCT	4x4x4	64 cu. meters	10	not obtained	
Commercial Bank of Iraq (Shorsa Branch)	Rusafa	MB 44676 88235	15	1ST BCT		48 cu. Meters	8	Adnan Daroech	
Socialist Bank (Mustansirya Branch)	Rusafa	MB 446 915	16	1ST BCT		5.66 cu. Meters	2	Inman Jalal	
Babylon Bank (Main Branch)	Rusafa	MB 46355 86550	13N	1ST BCT	total of three vaults	#1: 72 cu. meters #2 141 cu. meters #3: 65 cu. meters	4	Jawad Salib Hassin	354th CA BCE *recommends this site*
Summer Commercial Bank (Nidal Branch)	Rusafa	MB 441 884	15	1ST BCT	large floor safe: 1x1x2	2 cu. meters	2	Mohommed Ali Hijazh	
Summer Commercial Bank (Main Branch)	Rusafa	MB 488 853	12	1ST BCT					not assessed
National Bank of Iraq (Ra'thami-al Branch)	Rusafa	MB 46250 87056	12	1ST BCT		70 cu. meters	6	Hassan Kamal Jamel	
Mosul Bank (Main Branch)	Rusafa	MB 45877 87567	12W	1ST BCT		32 cu. meters	4	H. Al-Deghistani	
Gulf Commercial Bank (Main Branch)	Rusafa	MB 45594 86852	13N	1ST BCT		53 cu. meters	7	Fadhil Al Shakir	
Dar es Salam Bank (Main Branch)	Rusafa	MB 45704 44875	13	1ST BCT	total of two vaults	#1: 60 cu. meters #2: 139 cu. meters	5	Fardose M. Ali Hassain	
Commercial Bank of Iraq (Palestine Branch)	Rusafa	MB 44550 92410	16	1ST BCT		38 cu. meters	5	Jabbar Altaee	
Commercial Bank of Iraq (Khullny Branch #2)	Rusafa	MB 44670 88240	14	1ST BCT	see remarks				access to the bank was denied to preserve the scene of a murder that had happened there earlier that day. Manager states the bank is capable of supporting the ICE and has adequate vault and work space
Islamic Bank of Iraq (Admin. & Main Office)	Rusafa	MB 43038 89765	15	1ST BCT		40 cu. meters	3	Hayder Mohamad Maham	
Industrial Bank (Main Office)	Rusafa	MB 445 879	15	1ST BCT		45 cu. meters	2	Nabila Jul	

REVOLUTONARY COMMAND COUNCOL

ORDER No. / 194

DATE ISSUED 2/10/1982

DUE TO ARTICLE (A) PARAGRAPH 42 OF THE TEMPRORY LAW:

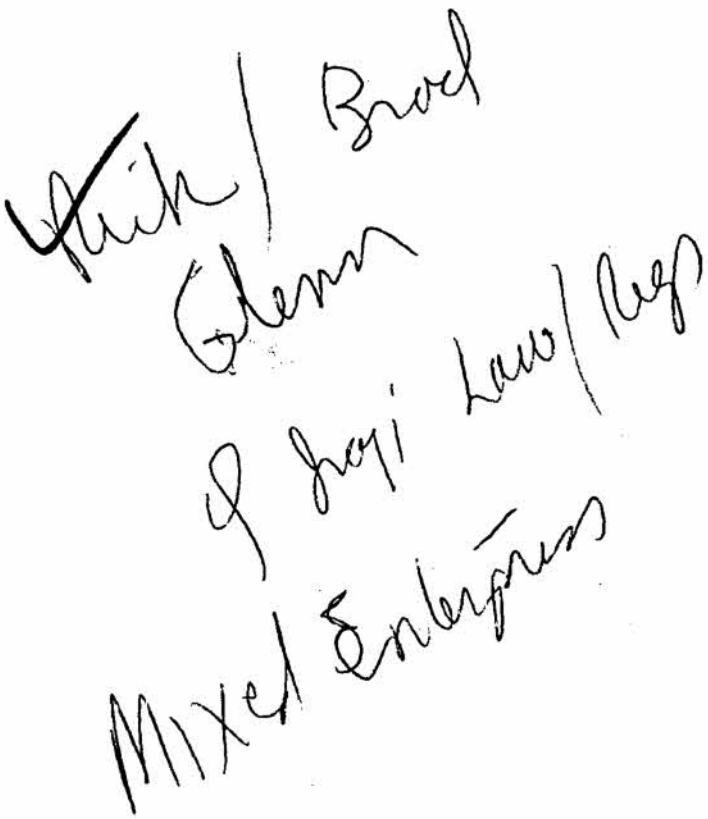
1 ALL THE CEVLANS SERVICES RULES. WHICH APPLIED TO PUBLIC SECTOR ARE APPLIED AS WELL TO THE MIXED INDUSTRIAL SECTOR WHICH MINSTRY OF INDUSTRY RESPONCIBLE FOR IT

2. THE WAGES & SALARIES HAVE ALL EMPLOIES REMINE AS IT IS

3. FOR SALARY ASSESMENT, THE SERVECE PERIOD OF THE EMPLOY IN THE MIXED SECTOR SHOULD CONCIDERED

4. THE PUBLIC PENSIONS LOW No. 33 DATED 1966 SHOULD BE CONCEDERD TO THE EMPLOYIS OF THE MIXED SECTOR.

5. MINSTRY OF INDUSTRY AND MINERLS SHOULD ISSUE AN INSTRUCTION TO FACILATE THIS ORDER.



MINISTRY OF INDUSTRY & MINRALS

HEARWITH ATTACED ALETTER FROM MINSTRY OF FINENCE No. 801/58/13

DATED 26/7/1995 AND No.801/58/14 WHICH HAVE THE INSTRUCTION FOR APPLLIING THE ORDER OF THE PRESDENT OF REPABLIC TO INCREASE THE SALARIES EMLOIES IN STATE (CIVILIEN & MILITARY), TO TAKE ACTION FOR APPLY IT & MODIFY THE TABLE OF SALARISES ACCORDING TO THE ATTACHED TABLE STARTING FROM 1/8/1995

NOTE

ABOVE ORDER APPROVED BY ALL BOARD OF DIRECTORS OF THE MIXED INDUSTRIAL SECTOR COMPANIES

ORDER BY THE PRESEDENT

According to the revelutionary command counsel order NO 293 Dated / 3/11 / 1992

1- The presedent order increase the salaries of all employees by 200 I. D - monthly .

2- ALL the families of above employess awarded 50 I . D monthly for each .

NOTE /

Above mentioned order approved by all board of divectors of mixed industrial sector companies .

Name of the company	State share %	Alkiada alkaumia share %	No. of emploies	Main product
Baghdad co. for soft Drink pepsi	34	10 ⊛	1191	Carbonated drink
National company for Food Ind.	25	36	474	Beer Juse 7up
Baghdad co. for alcoholic Ind.	25	0	350	All Kind of alchol (indutrial , pure , medical) beer alcholic drinks (jin , arak)
Al Hilal Ind.com.	53	0	678	Air cooler Weldding sikls Air conditionier units Cooling towers Bottele closers
Bicycles and metal pipes Ind.co.				
Furniture co. in mosul			214	
Garments Ind.				
IRAQ Co. for Cartone Man.	25.6	40	183	Corrugated Cartone Boxes

⊛ Above stocks Percent belongs to Audi Saddam Husain Personly

Name of the company	State share%	Alkiada alkaumia share%	No. of emploise	Main Products
Light In dusters co.	38	13	670	Refirgrators Deep freez Gas cooker Kerosene heaters
National chemical &plastic industries co.	58	0.02	364	polyurthane foam polystyren sheet polyethren lilm&bags p.v.c granualls d.o.p (As plasticizer) high density poly ethylene grstes injection moulding technical plastic articles
Electronic Ind.com.	51.6	0	774	Televisons , radio Telephons , invertors Electronic cards Computers software Computers.
Modern paint industries Co.	58	8	303	Production of paints

Name of company	State share %	Alkiada alkaumia share %	No. of emploies	Main products
Meat co.				
State company of Engineering industries				
Al – kindi comp.				
Al – tamim comp.				
Al – faluja comp.				
Al – garma co.				
Al – khazer comp.				

Foreign Language

Foreign Language

Foreign Language

[redacted]

354th Civil Affairs Brigade
Daily Request Pass

Name: Muhamed Japher

Section/POC: [redacted]

Purpose: Meeting

Appt. Date: 17 Sept. 2005

Time: 1400

Authorized Signature: [redacted]

Print Name: [redacted]

(b)(6)

NO VEHICLES AUTHORIZED!



Our demands are as follows:

1- Pay for us emergency Payments of 50$.
2- Pay for us salaries monthly according to the lists and digrees of employees in each company and according to the Last instruction of Financing ministry.
3- We ask for loan sufficient (specially the companies which have no balance) for the purposes of repairing mentenance and start up operating the production lines in our factories and buying raw materials to run off.

4- Release The Frozen Funds into The International Banks.

((In the Name of God, the compassionate, the Merciful))

Honorable Mr. Representative of (Orha) organization.

We the employees of the mixed industrial sector, which is joined to the ministry of industry and minerals, whose employees amount to ten thousand, forward to you our demands Requesting from your excellency to infrom those responsible to include us with all recent privilleges given to government employees, the same as the ministry of industry and minerals employees, and that all acts and instruction concerning them would include us in the future.

We here by include a summary concerning the mixed sector corporations.

1) These corporations were established to specialize in producing household equipments such as refrigerators, aircoolers, air-conditions, televisions, radio, tape recorder.... Etc.

2) The Governmental sector has a share between (50_ 60%) of the total capital.

3) These corporations are runed by a board of directors consisting of nine members distributed as follows.

a) Three members are appointed by the ministry of industry and minerals.

b) Four members represent the private secotor selected by the private sector.

c) Two members are selected by the employees of the corporation through the labor union, which has been dissolved recently.

4) The government representatives in the board of directors have the greatest role in decision making, where they have the right of veto, where no decision could be passed if two government representatives don't agree.

5) All acts and decisions issuede by the ministry of Industry and minerals that concerns important issuse such as employment principles are mandatory to board of directors.

6) Most of the advanced technical and administrative personnel such as engineers, administrator, specialist, were employeed by the government through Minisicy of planning, in the same procedure for other government employees.

The employees of these corporations are included with the government pension law.

7) It is worth to mention that the goods stored in these corporations were mostly looted due to the fact that they are government goods.

From what we have noted, it is clear that the government has a big role in the administration and supervision of these corporations.

Finally except our greatest thanks and respect.

Employees of the mixed industrial corporations sector.

Baghdad 28/5/2003

Foreign Language

Control no. [ ]

Civilian Assistance Questionnaire For N/A District

Talib Khadim Hassam 23AUG03
FULL NAME OF REQUESTOR DATE

all over Iraq primarily Baghdad
DISTRICT SECTION STREET HOUSE NO. TELEPHONE

Mixed sector, manufacturing of appliances seek
SYNOPSIS OF REQUEST: to unfreeze assets or get loan,

DETAIL: Looting of factories fire and freezing of assets are both preventing this corporation from making revenue to pay employees. RE: conversation with LTC Ratcliffe, "MAJ Talib" may be able to get assets freed or assist with loan process (ISBC, etc)

SUGGESTED DISPOSITION:

TEAM/CELL/POC WITHIN OFFICE

- [ ] CMCC (422d CA Bn)
- [x] HACC-B (354th CA Bde) (b)(6)
- [ ] IAC (352d CA COM)
- [ ] OCPA
- [ ] BCT

RESPONSE/ACTION REQUESTED BY THIS DATE: _____

ACTION TAKEN:

DATE OF APP'T: _____ MEETING WITH: _____

ORGANIZATION PROVIDING ASSISTANCE

RE (b)(6)
1. (initial request)
2. (subsequent action)
3.

422 FORM CAO-2 422D CIVIL AFFAIRS BATTALION, BCT

Pass Request

Date: 25 August 2003

Name: Talib Khadim Hassan

Purpose: To visit HACCB Econ/Comm

team. (b)(6) if possible.

See C.A.Q for details

Requestor: (b)(6)

Khaik CMOC

(b)(6)

From: Aljanabi, Musadak (DNK IRDC)
Sent: Wednesday, October 15, 2003 8:06 AM
To: Condurovici, Marce T. (ROM)
Cc: (b)(6)
Subject: Local companies

,ocal Companies contributing MIC with shares (Still Working)

Company	Location	Activity	MIC Shares
1.Sanhareeb	Baghdad	Contracting	24%
2.AlBuraq	Baghdad	Design & Consultant	24%
3.Dar Alsalam	Baghdad	Machine maintenance	24%
4.AlQudra	Baghdad	Air conditioning services	15%
5.Asad Babil	Baghdad	Computers	24%
6.Asia	Baghdad	Thermal units	24%
7.AlRaya	Baghdad	Constructions	24%
8.Uur	Baghdad	Moulds	24%
9.AlRafidain	Baghdad	Lifts maintenance	24%
10. AlZawra	Baghdad	Printing machines services	6%
11. AlWadhah	Mousil	Heaters production	24%
12. AlSahaab	Baghdad	Spray irrigation	24%

mixed ownership
MIM, Companies

MIX

MIXED OWNERSHIP CO

	Name of Company	Description of Company	Ministry	% State	No. of	Salary	Cash on	Present capability of operation
1	Baghdad Company for Alcohol Industries	Baghdad and Al Khalis Brewery	MIM		350	26,667	63	Baghdad may produce beer. Alkhalis factory estimated 90% looted
2	The National Co. for Food Industries	Beer, Juice & Soda	MIM		480	43,333	21,933	Looted. Need raw materials and electricity
3	Baghdad Company for Soft drinks	Zafarinijah factory for soft drinks and plastic bottles	MIM		1,191	85,333	3,301	Operational and not looted
4	Iraqi Co. for Carton Industry	Factory to produce carton plates and carton boxes	MIM		183	20,000	109,133	Can operate if there are orders
5	Electric Companies	Refrigerator, Freezers, Heaters & Cookers	MIM		680	30,000	155,933	Looting
6	The National Co. for Plastic and Chemical	Sponges, plates, potato chips and leather	MIM				464,000	Looted although some operations is possible
7	Company of Modern Paints Industries	Paints	MIM		303	17,333	381,867	Looted. Security and access to electricity is an issue
8	Company for Electronic Industries	TV, radio and other eletrical equipment	MIM		1,724	28,000	233,333	Looted. Need raw materials and electricity
9	Al Hillal Industrial Co.		MIM					
10	National Co. for Meat Industries		MIM					
11	Company for Bicycles Industry		MIM					
12	Clothing Co.		MIM					
13	Modern Construction Material		MIM					
14	Iraqi Meat Company	Poultry	Ag	51%	1,000	20,000	-	Assets are frozen. Company is shut down. Looted farms and offices
15	Seeds							
16	Fishery							
17	Agricultural Produce							
18	Arabian Bridge Co for Navigation	Manages navigation, water transport and tourism	MT	33%				Egypt, Iraq & Jordanian equal onwership
19	Iraqi-Jordanian Co for Land Transport	Cargo and oil transport from Oman & Egypt to Iraq	MT	50%				
20	Arabian Co. for Marine Navigation		MT	14%				Egypt largest shareholder 33.8%
21	United Arab Navigation	Deploys cargo ships	MT	19.75%				Various ME state ownership
22	Oman Co. for Commerce & Navigation	Shipping Company	MT	70%				Oman
23	Alia Co for Commerce & Transport	Land and Sea Trading Co. - transport	MT	49%				Jordan
24	Iraqi/Syrian Co for Land Transport	Trucking	MT	50%				Syria
25	Iraqi/Syrian Co for Marine Transport	Marine transport	MT	50%				Syria
26	Arabic Co for Communication	Builds and maintains communication components	MT	50%				Syria
27	Sharq Co for Transport/ Commerce and Tourism	Transport and Tourism	MT					With UAE
28	Al Badiya	JV with Individuals	MT					
29	Oil Transport	JV with Individuals	MT					
30	Al Ashar	JV with Individuals	MT					

Housing, Water and Trade: None

(b)(6) **CIV Ministry of Ind/Minerals**

From: (b)(6)
Sent: Saturday, August 30, 2003 7:41 AM
To: (b)(6) CIV Ministry of Ind/Minerals
Subject: FW: Monday 7:30 a.m. Ministries Meeting

-----Original Message-----
(b)(6)
Sent: Friday, August 29, 2003 9:09 PM
To: (b)(6)
Subject: FW: Monday 7:30 a.m. Ministries Meeting

FYI

-----Original Message-----
From: (b)(6)
Sent: Friday, August 29, 2003 8:24 PM
To: (b)(6)
Cc: MOF
Subject: RE: Monday 7:30 a.m. Ministries Meeting

This will advise that accounts of mixed companies were frozen in the past. Now the accounts have been unfrozen.

However, some branches are still not certain about some companies. Anyone who has a problem should advise the Board of Directors in the Central Bank compound and we will correct any problem.

Rex

-----Original Message-----
From: (b)(6)
Sent: Wednesday, August 27, 2003 7:43 PM
To: (b)(6)
Cc: MOF
Subject: RE: Monday 7:30 a.m. Ministries Meeting

According to (b)(6) it is a case by case basis. Initially, the accounts were frozen. Later, the accounts were unfrozen. However, he is unsure of individual cases. I have seen many cases where the accounts remain frozen.

(b)(6)

-----Original Message-----
From: (b)(6)
Sent: Wednesday, August 27, 2003 4:47 PM
To: (b)(6)
Cc: MOF
Subject: FW: Monday 7:30 a.m. Ministries Meeting

Are the banks freezing mixed companies?

[redacted]

-----Original Message-----
From: McDonald, Anthony Australia Treasury
Sent: Wednesday, August 27, 2003 7:25 AM
To: (b)(6) Oliver, Linda B. (SES); (b)(6) (GS-15 Ministry of Finance); (b)(6)
Cc: MOF
Subject: RE: Monday 7:30 a.m. Ministries Meeting

(b)(6) - We are working on the assumption that mixed companies have access to their accounts - I am worried that may not be the case. If so, we need to get them access ASAP otherwise another solution will be forced on us. Tony

-----Original Message-----
From: (b)(6)
Sent: Wednesday, August 27, 2003 6:57 AM
To: (b)(6) Oliver, Linda B. (SES); (b)(6) (GS-15 Ministry of Finance); (b)(6)
Cc: MOF
Subject: FW: Monday 7:30 a.m. Ministries Meeting

(b)(6) and Linda I assume you are in on the guards.

(b)(6) – will you discuss Budget Execution at the Thursday 0730 meeting?

(b)(6) Tony and (b)(6) – I think private companies are private and we should not pay severance. They did not have their bank accounts frozen and no reason to start a precedence of bailing them out. Anyone disagree.

-----Original Message-----
From: Foote, Christopher L. Civ Ministry France
Sent: Sunday, August 24, 2003 11:29 PM
To: MOF
Cc: (b)(6)
Subject: Monday 7:30 a.m. Ministries Meeting

1. Bremer left for the United States last night and will return Sept 3rd or 4th.
2. The FPS pay scale received some discussion. Some FPS guards are being paid much more than other workers with comparable skills ($125-$180 per month). A committee is looking into the situation. Most of the problem appears to center on guards who were hired at high wages in the early days of the program and have continued to work there.
3. Thuriya (sp?) telephone service has been out across CPA for several days, apparently because a contract expired. CPA is trying to get service restored.
4. There was some discussion about problems with budget execution in a specific governorate (Kut). (b)(6) will probably be asked to discuss progress on budget execution when he returns from the North.
5. The agriculture ministry pointed out problems faced by workers in "mixed" companies where the government is a minority shareholder. Workers at these companies (some of which have been destroyed) have not been paid. Some are demonstrating. The Ag ministry suggested that

we might want to give these workers a severance payment, as we plan to do with SOE workers who will become unemployed.

6. There will be a meeting on the 300,000 Jobs Program today or tomorrow, to be chaired by Amb. McManaway.
7. The Ministry of Trade will announce the food ration for September today. Some portions will be increased, others reduced. Of some concern is the halving of the infant formula from last month. An MoT official said that the formula ration will be probably restored in October.

[redacted]

Private + Mixed FOR MARK HUANG

Joint Arabic companies.

Version 1.0	Created on 28th May 03	Jowan Masum
Version 2.0	Modified on 4th June 03	Add notes on whether the company is governmental or private.

List of companies.

1. Arabian Bridge company for navigation; *Governmental & Profitable. High priority.*
2. Iraqi-Jordanian Company for land transportation; *Governmental & non profitable hence low priority*
3. Arabian company for marine navigation; *Governmental & profitable*
4. United Arab navigation company; ~~Private~~ *company and profitable. High priority* GOV. — 7 GULF STATES OWN IT
5. P → Aman company for commerce & navigation; – PRIVATE
6. P Alia company for commerce and Transport; *Private company & profitable. High priority*

NEW !!

7. Iraqi/Syrian company for land transportation; *Governmental company & new. No profits yet* established in 2003 before war.
8. Iraqi/Syrian company for marine navigation; *Governmental company & new. No profits yet*
9. Arabic company for communication; *Governmental company & new. No profits yet*
10. P → Sharq (Eastern) company for transport, commerce & tourism. *Private company & new. No profits yet*

Summary:
The monies from the above listed company were deposited in an account dedicated to external funds and distributed according to Ministry of finance discretion; hence none of the profit was given directly to Ministry of Telecomm & Trans.

Detailed info on each company:

1. Arabian Bridge company for navigation.

- Formed on 26th November 1985 between Republic of Egypt, Jordanian kingdom and Republic of Iraq
- Headquarter is based in A'qaba and it has offices in Baghdad, Cairo, Oman & Nouybi'
- Company capitol is $12million USD
- Percentage share: 33.3% Perpublic of Iraq, 33.3% Republic of Egypt & 33.3% Jordanian Kingdom
- Price per share is $100 USD
- Payments given by Iraq is $2 million USD

- Profits and losses made by the company up until 31st Dec 2001 is $26,621,156 USD. Profits of 2002 were not received.
- The company deals with all aspects of navigation, water transportation for passengers and cargo. As well as promote local and international tourism.
- GD of company changes every two years alternating between the joint countries
- Present GD is Iraqi — Ahmad Hashim
  Director for passenger transport section : Yaroub Hussain Karim.
  Assistant director for implementation of transport and communication projects: Emad Mousa

2. Iraqi-Jordanian Company for land transportation

- Formed in 1980
- Headquarters is based in Oman –Jordon and has offices in Baghdad
- Company capitol is $50 million USD
- Percentage share: 50% Iraq & 50% Jordon
- Payments given by Iraq $25 million USD
- The company did not make any profits since 1999. Requires drastic changes in the management layer to make it profitable.
- The company deals with cargo transport as well as oil product transport from Oman & Egypt to Iraq.
- Directors are from the ministry of transport from both countries.
- Current Director for the railway section: Thabit Mahmoud Khareeb
  Assistant director: Sami Masoud
  GD assistant : A'lla Hussain Al'anie

3. Arabian company for marine navigation

- Formed in 1963
- Headquarters is based in Alexandria - Egypt
- Company capitol is $18,341 million USD
- Percentage share: 14% Iraq, 33.8% Egypt, 10% Syria, 14.7% Libya, 17% Kuwait, 8% Sudan and 2.5% Jordon.
- No info on company has been supplied since 1990.
- GD : Dr Shakir Abid Al aziz

4. United Arab navigation company

- Formed in 1976
- Headquarters is based in UAE, and has offices in Iraq
- Company capitol is $991,200 million USD
- Percentage share: 19.75% Iraq, 19.75% Kuwait, 19.75% UAE, 19.75% Saudi Arabia, 19.75% Qatar & 12.15% Al Bahrain.
- The company made profits of which Iraq's estimated share since 1990 comes to the value of $41,282 million USD. This amount was not received by Iraq due to imposed sanctions on the country

- The company deals with deployment of ships for cargo between the Arabic and foreign companies.
- GD _Old ministry: Jamiel Ibrahim Ali

5. Oman company for commerce & navigation

- Formed on 7th October 1990
- Headquarters is based in Jordon, and has offices in Basarah & Baghdad
- Company capitol is 410 thousand Jordanian Dn
- Percentage share: 70% Iraq & 30% Jordon.
- The company made profits from 1990 to 31st Dec 2001 comes to the value of 792,879 Jordanian Dn. Profits from 1996 which equates to 191,616 Jordanian Dn & 2001 profits of 90,163 Jordanian Dn were not received by Iraq.
- There is an outstanding case against a company called Sairous. The case is against a ship called Samar and equates to $1.3million USD
- The company deals with commerce and sea transport.
- Monies paid by Iraq is 287,000 Jordanian Dn
- Monies paid by Jordon is 123,000
- GD of the private transport section: Abid Lailo khaleef
- Administrative assistant: Saad Hamid Kamihis

6. Alia company for commerce and Transport

- Formed on 21st August 1994
- Headquarters is based in Jordon, and has offices in Baghdad
- Company capitol is 820 thousand Jordanian Dn
- Percentage share: 49% Iraq & 51% Jordon.
- The company made profits since formation to 2001 equal to 365,382 Jordanian Dn. Non of 2002 profits has been paid to Iraq.
- The company deals with General cargo transportation (land & Sea), General commerce and Import & export business
- Monies paid by Jordon is 410 thousand Jordanian Dn. Iraq did not pay its share towards the company formation, but Iraq's profit were used to pay for buying equipments.
- GD of the Iraqi airline: Mamoun Mohie Al Din
- Assistance GD of company of telecommunication & post Abid Al latif Mahdie Latif.

7. Iraqi/Syrian company for land transportation

- Formed January 2002
- Headquarters is based in Syria, and has offices in Baghdad
- Company capitol is $10 million USD.
- Percentage share: 50% Iraq & 50% Syria.
- Iraq's share is 1.5 million Euro. The money was transferred through oil for food protocol with Syria. Account # 12/Syrian commerce section/425/307354.
- Finalised purchase of 90 lorries for transportation between Iraq & Syria
- Ministry representative: Sabrie Kati'a abid

- GD of land transportation: Yihia Al A'Anie
- GD : Ghassan Al A'Anie.

8. Iraqi/Syrian company for marine navigation.

- Formed January 2002
- Headquarters is based in Syria, and has offices in Baghdad
- Company capitol is 25 million Euro.
- Percentage share: 50% Iraq & 50% Syria.
- Iraq's share 25 million Euro. The money was transferred through oil for food protocol with Syria. Account # 2/Tartous/447/307354.
- GD of Water Transport section: Jasim Al Mashadanie
- GD of Water Transport commerce: Taufik Al Mani

9. Arabic company for communication.

- Formed on 19th September 2001
- Headquarters is based in Syria, and has offices in Baghdad
- Company capitol is 20 million Euro.
- Percentage share: 50% Iraq & 50% Syria.
- Iraq's paid 10 million Euro. The money was transferred through oil for food protocol with Syria. Syria's share is paid through the profits made by the company. As well as participating with national and international communication companies.
- The company deals with manufacturing, shipping & maintaining communication system components.
- GD of communication & post company: Dr Hassan Falih Al Ma'ainie
- Assistance GD: Sadim Majeed Mohammad.

10. Sharq (Eastern) company for transport, commerce & tourism.

- Formed on 18th June 2001
- Headquarters is based in UAE, and has offices in Baghdad
- Company capitol is $3 million USD.
- Iraq's was paid $70 thousand USD toward employees in the Iraqi branches
- The company deals with Transport & Tourism.
- GD of passenger transport section: Nagi Mohammad Salih AlMashadanie
- Legal advisor: Adnan Abrahim Abid
- GD: Rafi Khalid Al Samaraie.

Joint Venture Companies

whose Iraqi shares are held by the Ministry of Transport and communications

Company	Incorporated in	Capital mill US$	Iraqi share
JVs with other Governments			
Arabian Bridge Company for Navigation	Aqaba, Jordan	12	33%
Iraqi-Jordanian Co. for Land Transport	Amman, Jordan	50	50%
Arabian Co. for Marine Navigation	Alexandia, Egypt	18	14%
United Arab Navigation Co.	UAE	991	20%
Amman Co. for Commerce and Navigation	Amman, Jordan	0.6	70%
Alia Co. for Commerce and Transport	Jordan	1.1	49%
Iraqi-Syrian Co. for Land Transport	Syria	10	50%
Iraqi-Syrian Co. for Marine Navigation	Syria	20	50%
Arabic Co. for Navigation	Syria	20	50%
Sharq Co. for Transport, Commerce & Tourism	UAE	3	

JVs between the State of Iraq and Private legal persons

Al Badiya
Oil Transport Co.
Al Ashar

N.B. The Saddam Hussein regime had many state companies registered in the personal name of trusted individuals. The Secretary General of MTC, Dr. Shakir Abdalla has repeatedly confirmed that he has the relevant information.

8/28/03 mtg w/ Mixed Sector Rep

- how many Co- operating?
  10 of 10

T

Al Hilal Co. (3) problem getting L/C. =
at bank; electricity;

Mod. Fun. Mond (J5)

Honorable Mr. Representative of (Orha) organization.

We the employees of the mixed industrial sector, which is joined to the ministry of industry and minerals, whose employees amount to ten thousand, forward to you our demands Requesting from your excellency to infrom those responsible to include us with all recent privilleges given to government employees, the same as the ministry of industry and minerals employees, and that all acts and Instruction concerning them would include us in' the future.

We here by include a summary concerning the mixed sector corporations.

1) These corporations were established to specialize in producing household equipments such as refrigerators, aircoolers, air-conditions, televisions, radio, tape recorder.... Etc.

2) The Governmental sector has a share between (50_ 60%) of the total capital.

3) These corporations are runed by a board of directors consisting of nine members distributed as follows.

a) Three members are appointed by the ministry of industry and minerals.

b) Four members represent the private secotor elected by the share holderof the private sector.

c) Two members are selected by the employees of the corporation through the labor union, which has been dissolved recently.

4) The government representatives in the board of directors have the greatest role in decision making, where they have the right of veto, where no decision could be passed if two government representatives don't agree.

5) All acts and decisions issuede by the ministry of Industry and minerals that concerns important issuse such as employment principles are mandatory to board of directors.

6) Most of the advanced technical and administrative personnel such as engineers, administrator, specialist, were employeed by the government through Ministry of planning, in the same procedure for other government employees. The employees of these corporations are included with the government pension law.

7) It is worth to mention that the goods stored in these corporations were mostly looted due to the fact that they are government goods.
From what we have noted, it is clear that the government has a big role in the administration and supervision of these corporations.
Finally except our greatest thanks and respect.

Employees of the mixed industrial corporations sector.

Baghdad 28/5/2003

Foreign Language

Foreign Language

Foreign Language

Foreign Language

Foreign Language

Foley, Thomas C. (CIV)

From: (b)(6)
Sent: Thursday, August 28, 2003 7:21 PM
To: Foley, Thomas C. (CIV); (b)(6)
(b)(6)
Subject: conference call on Monday 1st September, 9am-11am (GMT)

Dear all

Please find below the details for the conference call on Monday 1st September, 9am-11am (GMT)

Dial in number: (b)(6)
Participant: 424787
Moderator: 4605559 (Kito)

Thanks

Shervin

+----------+
This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message. Thank you for your cooperation.
+----------+

Foreign Language

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Ministry

Name of Company	Description of Company	No. of Employees
Baghdad Company for Alcohol Industries	1. Baghdad Brewery 2. Al Khalis Brewery	350
The National Co. for Food Industries	1. Beer Brewery 2. Juice Factory 3. Soda Factory	480
Baghdad Company for Soft drinks	1. Zaifarinujah Factory to produce soft drinks 2. Baghdad Co. to produce plastic bottles for Soft drinks	1191
Iraqi Co. for Carton Industry	1. Factory to produce carton plates and carton boxes	183
Electric Companies	1. Refrigerator Factory 2. Freezer Factory 3. Factory for heaters & Cookers	680
The National Co. for Plastic and chemical industries	1. Sponge Factory 2. Plates and Potato Chip Factory 3. Leather Factory 4. Sacks and Cover Factory 5. Factory of Technical goods 6. Plates Factory 7. Plastic	
Company of Modern Paints Industries		303
Company for Electronic Industries	1. Television Factory 2. Radio Factory 3. Tape Record Factory 4. Calculator Factory 5. Operator and telephone Factory 6. Factory of Production of metal components 7. Factory for production of electronic plates and transmission	1724
Al Hillal Industrial Co.		
National Co. for meat Industries		
Company for Bicycles Industry		
Clothing Co.		
Iraqi Co. for Meat Production and Marketing	1. Poultry Farm	1200
Arabian Bridge Co. for Navigation	1. Bridge between Republic of Egypt, Jordanian Kingdom, & Republic of Iraq 2. The Co. deals with all aspects of Navigation	
Iraqi-Jordanian Co. for Land Transportation	1. Transport Cargo as well as oil products. 2. Transports through Oman & Egypt to Iraq.	

Arabian Co. for Marine Navigation		
United Arab Navigation Co.	1. Deployment of ships for cargo between the Arabic and foreign companies	
Oman Co. for Commerce & Navigation	1. Commerce and Sea Transport	
Alia Co. for Commerce & Transport	1. Transporting General Cargo (land & sea), General commerce & import & export business	
Iraqi/Syrian Co. for Land Transportation		
Iraqi/Syrian Co. for Marine Navigation		
Arabic Co. for Communication	1. Manufacturing, shipping, & maintaing communication system components.	
Sharq (Eastern) Co. for transport, commerce, & tourism	1. Transport 2. Tourism	

Salary per Month $	Cash Co. has in bank	% State Ownership	Comments
26,667	63		1. It is possible to operate Baghdad Factory to produce Beer, but marketing will be difficult 2. Alkhalis Factory experienced stealing and looting, estimated damage is 90%
43,333	21,933.33		Operation is not possible due to lack of raw materials, co. experienced stealing and looting. Also, electricity is unavailable
85,333	3301		The Factory has been operating since the war ended, and has not been damaged
20,000	109,133.33		There is possibility for operation/waiting on orders
30,000	155,933.33		The Co. has experienced acts of stealing and looting
	464,000.00		The Co. has experienced stealing and looting. There is possibility to operate some of the factories.
17,333	381,866.67		The Co. has experienced acts of stealing and looting. There is the possibility to operate with the security of have electricity and banking service.
28,000	233,333.33		The Company has experienced stealing and looting. There is possibility of operation when raw materials and electricity are provided.
56,667			
	12,000,000	33%	
	50,000,000	50%	The Co. has not make any profit since 1999. Requires drastic changes in the Management layer to make it profitable

o return sonable ations	Criteria: Est. 2004 Cash Shortfall/Surplus		Status of Facilities: Looted: (%) Operational: (%)	Industry Attractiveness High / Low	Operating obstacles to be overcome
Al Karama : Waziriyd + al Haytham : Taji					
Alubour : Taji					
Al Rasheed : Ramadi					
,500,000	> -1,935,000	L	100% 0%	L	Start-up capital
333,000	> -3,666,000	H (employment)	0% n/a	H	Commincations contracts needed
n/a	> -1,667,000	L	90% 0%	L	New Iraqi army?
233,000	>-633,000	L 0&	100%	L	New Iraqi army?

[redacted]

um Almaarik
Ibn Rushd
Al Bida
Al Khawarizmi
} Saydia

Al Harith
Al Ezz.
} Taji + Tarmiya

Al Hadhar
Jabir
Al Kindi
} Mousif

---

7 Nissan — Nahrawan

Hatteen
Badir
Qaqa
Tabouk
} Yousufia

بسم الله الرحمن الرحيم

MODERN CONSTRUCTION MATERIAL

INDUSTRY CO. S.A.

AL - Karma - Anbar

وزارة الصناعة والمعادن
شركة صناعة المواد الانشائية الحديثة
المساهمة المختلطة
الانبار – الكرمة

NO: 234 — الرقم :
date / / 142 mc — التاريخ / / ١٤٢ هـ
date30 / 7 / 200 3 chris — التاريخ / / ٢٠٠ م

to / Mr . MINISTRY OF INDUSTRIAL COORDINATOR

subj / SALARY REMOVAL

we dedicate you our greetings...
we'd like to informed you that our company is one of the mixed industrial section companies that sequent to ministry of mineral & industrial and the socialist and mixed sector contribute in 68% percent of it's principle and the company members come to (about) 130 member and some of parts of these members determination done centrally in ministry of mineral &industrial aptitude by ministry of alignment , then distribution done in the mixed sector , reshuffle of staff salary done in the general sector according the groups but our company didn't include with this and we informed by the managerial circle in the ministry that the mixed sector companies is not include in this adjustment cos that is board of directors companies competence , but our company suffering from fewness in profit and the staff salareis did not equal to part of the other companeis incentiviteis and the produce will stopped in the present time because nonbeing of material (cement & electric) of the conditions that the country are passing through , the company are taken many of proceedurs trying to contraction the staff in the company and exact the expence to big limit but that did not change in the situation of the company much more because the completly stopping in the produce as known that the whole company balance in banks was attachment just as the socialist sector just imagine how much become easily for those (the workers) and all their families spending for the live requirement and we'll informed you that our company didn't exposed to any aggression and spoliation and rapine (thanks for god) that done by efforts of the good workers in the company and the workers didn't stopped about coming to the company in spite of the hard conditions that our country faced
we hope to informing us and approval to make the deling with our company just as the general sector and spending the salareis to the staff according the policies of the general sector .
thanks for your coorperations in the serve of public interest . with regards

the proxy manager
ABD SALIM FADHEL

Address P.O. Box 5603 Baghdad IRAQ
Telex : 6113 Tiles IK
224 Sinai IK
Cable : Moditile
Tel. 5430464

العنوان : ص . ب ٥٦٠٣ بغداد
تلكس : ٦١١٣ تايلز عراق
٢٢٢٤ صناعي عراق
برقيا : موديتايل
هاتف : ٥٤٣٠٤٦٤
بدالة : ٠٢٤٦٦٢١٩٦ الفلوجة

بسم الله الرحمن الرحيم

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AL - Karma - Anbar

وزارة الصناعة والمعادن
شركة صناعة المواد الانشائية الحديثة
المساهمة المختلطة
الانبار – الكرمة

NO: الرقم :
date / / 142 mc التاريخ / / ١٤٢ هـ
date / / 200 chris التاريخ / / ٢٠٠ م

to / Mr . MINISTRY OF INDUSTRIAL COORDINATOR

subj / SALARY REMOVAL

. with regards

copy to / the respectible supervisor in ministry of mineral & industrial
to deign informing with regards
iraqi media network /
iraqi daily newspaper / we hope to spreading what it comes in our letter of credence above
perhapes that will be care to whome it may concern with regards
the morning newspaper /

the proxy manager
ABD SALIM FADHEL

Address P.O. Box 5603 Baghdad IRAQ
Telex : 6113 Tiles IK
224 Sinai IK
Cable : Moditile
Tel. 5430464

العنوان : ص . ب ٥٦٠٣ بغداد
تلكس : ٦١١٣ تايلز عراق
٢٢٢٤ صناعي عراق
برقيا : موديتايل
هاتف : ٥٤٣٠٤٦٤
بدالة : ٠٢٤٦٦٢١٩٦ الفلوجة

New file
MIXED
SECTOR

THE MIXED SECTOR COMPANIES

The mixed sector Companies started as public shares companies, the industrial bank and the investors from the private sector has shared in creating these companies and managing them by board of directors as example of that was Zeut co . , the Cement co. the leather co. etc. but these Co. has been nationalized in the year 1964 .

The total capitals of these nationalized CO.(at that time were 68 million Iraqi Denar equal to about 225 million Dollars) that incident stop the private sector from creating or shearing in these Co.s . with or without the industrial bank .

The industrial bank return by 1968 in investing to great public shears companies and holding 50% of its capital to encourage the private sector to enter as shear holder or investor in these projects and that was the beginning of the present mixed sector companies, which specified in the fallowing.

1- create large and medium size projects that the private sector will come to it .
2- to agitate and encourage the investment of fixed income people to have shears in these companies . Also to direct and keep down the inflation .
3- secure the just competition with other sectors and to insure good quality with fair price consumer goods .
4- to manage these companies in correct way which built on the system were the responsibility distributed between the general assembly of shears holders , the board of directors and the managing director in a way to insure collective observation of the shears holders with flexibility of work .
5- the people come to buy the shear of the mixed sector companies more than other sectors as indication of the trust in these companies as well as its management success that brought more than 50000 shear holder to this industrial mixed sector companies.
6- the mixed sector companies builds several industrial project service as well as training center which resulted in developing of the area .
7- the work force in the mixed sector companies reached about 10000 people with different qualifications from training centers and high school to university graduates.

Foreign Language

Rich & Mixed Sector

((In the Name of God, the compassionate, the Merciful))

Honorable Mr. Representative of (Orha) organization.

We the employees of the mixed industrial sector, which is joined to the ministry of industry and minerals, whose employees amount to ten thousand, forward to you our demands Requesting from your excellency to infrom those responsible to include us with all recent privilleges given to government cmployees, the same as the ministry of industry and minerals employees, and that all acts and Instruction concerning them would include us in the future.

We here by include a summary concerning the mixed sector corporations.

1) These corporations were established to specialize in producing household equipments such as refrigerators, aircoolers, air-conditions, televisions, radio, tape recorder.... Etc.

2) The Governmental sector has a share between (50_ 60%) of the total capital.

3) These corporations are runed by a board of directors consisting of nine members distributed as follows.

a) Three members are appointed by the ministry of industry and minerals.

b) Four members represent the private secotor selected by the private sector.

c) Two members are selected by the employees of the corporation through the labor union, which has been dissolved recently.

4) The government representatives in the board of directors have the greatest role in decision making, where they have the right of veto, where no decision could be passed if two government representatives don't agree.

5) All acts and decisions issuede by the ministry of Industry and minerals that concerns important issuse such as employment principles are mandatory to board of directors.

6) Most of the advanced technical and administrative personnel such as engineers, administrator, specialist, were employeed by the government through Ministry of planning, in the same procedure for other government employees.

The employees of these corporations are included with the government pension law.

7) It is worth to mention that the goods stored in these corporations were mostly looted due to the fact that they are government goods.

From what we have noted, it is clear that the government has a big role in the administration and supervision of these corporations.

Finally except our greatest thanks and respect.

Employees of the mixed industrial corporations sector.

Baghdad 28/5/2003

MINISTRY OF INDUSTRY & MINERALS

Reference: D.S/91
Date: 11/2/2004

For : (b)(6) **Interim Advisor to MIM**

Sub: Recovery of Iraqi Assets.

Dear Sir,

Following my letter Reference No. 61 dated Jan. 21, 2004.

You find attached, a list of the Mixed Sector companies, containing all the information about their frozen assets outside Iraq.

It must be taken into consideration that the Mixed Sector is treated as private sector in accordance to the regulations established regarding them, so their assets should be transferred to each concerned company. This matter will be dealt with by the Ministry of Finance.

Thanking you for your cooperation.

Yours Faithfully,

Mohammed Tofiq Rahim
Minister of Industry & Minerals

CC to (b)(6) **SR. Advisor to the Ministry of Finance**

MINISTRY OF INDUSTRY & MINERALS

Reference: 61
Date: 27/1/2004

For: (b)(6) Interim Advisor to MIM.

Sub: Recovery of Iraqi assets.

Dear Sir,

Reference to the letter dated December 02, 2003 from Mr. Vardamas John W. addressed to (b)(6) concerning the Iraqi frozen assets, we enclose to you herewith, a list of the companies which are under the control of this ministry, together with all the information about the assets which were previously treated as frozen outside Iraq.
Our concerned people in the ministry are still investigating whether there are more and will assist with the information as soon as they are available.

You are requested to inform us about the arrangement taken and the information about each asset you succeed to transfer to the Development fund for Iraq.

Thanking you for your cooperation.

Yours Faithfully,

Mohammed Tofiq Rahim
Minister of Industry & Minerals.

CC to (b)(6) SR. Advisor to the Ministry of Finance.

THE MIXED SECTOR COMPANIES

No	Company Name	Account No.	L/C or Deposit No.	Total Amount	Corresponding Bank
a.	Baghdad Soft Drinks Co.	620483		16589.37 $	Rafidain Bank – London
b.	Al- Hilal Industrial Co.	620238		475648.16 $	Rafidain Bank – London
			86 / 28267	328790.33 S. Pnd	Midland Bank PLC – London
			88 / 304403	80330 $	Commerz Bank – Wuppertal
			89 / 31128	11330400 A. Shln	Creditanstalt Bank Verins – Austria
			89 / 31368	1443557.25 $	Stator Bank of India – New Delhi
			89 / 31270	931540 $	Rafidain Bank – Amman
			89 / 31284	254900 A. Shln	Creditanstalt Bank Verins – Austria
			89 / 31367	780000 $	Rafidain Bank – Amman
			89 / 31431	5249 $	Rafidain Bank – Amman
			89 / 31598	39557.26 $	Romanian Bank for Foreign Trade – Bucharest
			~~90 / 32002~~	~~3881984 $~~	Bank Dagang Negara – Jakarta
			90 / 32067	153362 $	TR Caranti Bankasi Sisli Br – Istanbul
			90 / 32077	5250000 $	Rafidain Bank – Amman
			90 / 32090	240000 $	Romanian Bank for Foreign Trade – Bucharest
			90 / 34074	113385.29 $	State Bank of India – New Delhi
			90 / 35179	4760000 $	Banco Dagang Negara – Jakarta
			90 / 32124	1100000 $	Banco Dagang Negara – Jakarta
			90 / 32261	55750 $	Rafidain Bank – Amman
			90 / 32271	300776.75 $	Rafidain Bank – Amman
			90 / 32273	345000 $	Rafidain Bank – Amman
			92 / 34006	499500 $	Rafidain Bank – Amman
			92 / 1199	16503000 $	Rafidain Bank – Amman
			~~89 / 31545~~	~~471984 DFL~~	~~Rabo Bank Utrechecht - Holland~~
c.	National Co. for Food Industries			5008.13 $	Rafidain Bank – Amman
			~~90 / 32011~~	~~9716.488 $~~	
			90 / 32049	186827.41 $	
			90 / 35029	56328.679 $	
			90 / 32068	101458.36 $	
			90 / 32093	57426.116 $	
			90 / 32227	1183996.4 $	
			90 / 32151	49192.13 $	

			90 / 32194	71198.629 $	
			90 / 32154	772499.35 $	
			90 / 32183	6464.096 $	
d.	The Iraqi Co. for Kartoon Industries	021010108200		2817.28 $	Rafidain Bank – London
			620 / 32075	247146 $	
			678 / 32117	7439 DM	
			620 / 32076	92000 S. Fr	
e.	National Chimical & Plastic Ind. Co. S.A	021010111800		36097.32 $	Rafidain Bank – London
		8568 / 2511		252889.46 $	Rafidain Bank – Amman
			12100400557 / 90 / 32203	725000 $	Saudian French Bank -covered bank / Bank of New York
			262 / 13155	1060000 DM	Commerz Bank – Frankfurt
			262 / 13348	467610 $	Amsterdam Rotterdam – Borstbus 949 Rotterdam
			231/121/89/31237	170000 DM	Deutsche Bank – Hannover
f.	Modern Construction Materials Industry Co. S.A.	620165		26419.70 $	Rafidain Bank – London
g.	Fallujah Construction Materials Co.			92218.046 $	Rafidain Bank – London
h.	Modern Paint Industries Co.	8612/2511/2		212568 $	Rafidain Bank – Amman
l.	National Metalic Ind. & Bicycles Co.			101437.78 $	Rafidain Bank – Amman
				100956.62 $	Rafidain Bank – Amman
				148897 $	Rafidain Bank – London
i.	Electronic Industries Co.	002 01 1093		23916.57 $	Rafidain Bank – London
		01 24 0007552		9486.55 $	Rafidain Bank – Amman
j.	The Light Industries Co.		687 / 32146	1070000 $	Rabo Bank
			611 / 32058	5433600 Yen	Bank of Tokyo
			615 / 32059	14066800 Yen	Citi Bank – Japan
			344 / 32070	763576.50 $	Din Tsohe Bank – Frankfurt
			476 / 32167	6271001 $	Swiss Credit Bank
			89 / 31028	700291 $	Qatar National Bank
			522 / 32208	3800000 $	Swiss Bank Corporation – Switzerland
			433 / 32095	3744252.04 DM	Deutsche Bank – Germany
			633 / 32081	160099.51 DM	BHF Bank – Germany
			617 / 32079	44912 $	Rafidain Bank – London

			57 /32247	435000 $	Bank Dagang Negara
			413 / 31475	1267905 $	Bank Eksport Import – Indonesia
			494 / 31548	106722000 Yen	Bank of Tokyo
			490 / 31546	1680000 $	The Commercial Bank
			681 / 32141	19146.50 $	Rafidain Bank – London
			263 / 32160	47780000 I. Lit	Rafidain Bank – London
			555 / 32004	222300 $	Arab Hellinic Bank – Greece
			34298	320000 $	State Bank of India – New Delhi
			680 / 31228	639720 $	Bank of Tokyo
			446 / 31520	258400 $	The Commercial Bank of Kuwait
			631 / 32061	452376 $	Al – UBAF Bank – Manama – Bahrain
			632 / 32071	172999.8 $	BHF Bank – Frankfurt
			379 / 32163	122120 $	National West Minister Bank – Grece
			612 / 32057	153900000 Yen	Bank of Tokyo
			32585	991600 $	Deutsche Bank – Germany
		620246		1588157.78 $	Jesmhaten Bank – U.S.A.
		021010109500		117588 $	Rafidain Bank – London

Foreign Language

To: The Senior Adviser, Ministry of Industry and Minerals February 2004

This is a translation of the attached letter in Arabic which is addressed to the Minister and has been signed by Ambassador Bremer. Please deliver it to the Minister and ensure that the statistics are sent to Room N104: (Judy VanRest - Director, Office of Democratic Initiatives) (b)(6) for onward transmission to the Commission for the Status of Women delegation in New York and to the interministerial working group on gender issues.

(English version of letter in Arabic to the Minister)
Dear Minister

At the end of this month a delegation of 16 Iraqi women will be traveling to New York to attend the United Nations Commission on the Status of Women (CSW) annual conference. The delegation includes the three women members of the Governing Council and the Minister for Public Works & Municipalities, as well as women representatives from all the regions. At the CSW – and within the United Nations in general – there is continuing and growing interest in the status of women worldwide.

It is important that Iraqi Ministers demonstrate to the international community that they understand the importance of employment statistics (and gender-specific figures in particular) and that they are addressing the issue. To that end, it would be extremely helpful if the Iraqi delegation to CSW were in possession of employment statistics from the new Iraqi Government Ministries.

Whilst I recognize that it will be difficult for your Ministry to provide absolutely precise figures, I would nonetheless be grateful if you could furnish us with your best estimates under the three categories shown below:

- Total number of Ministry of 103108 employees – and percentage of women 17% (number of women employees 18552)
- Total number of Heads of Department within the Ministry – and percentage of women 360 Head of Department ⇒ 40% women [roughly]
- Total number of Directors-General within the Ministry – and percentage of women 64 DG → four of them are women; i.e ⇒ 6.2%

I have asked your Senior Advisor to deliver this letter and look forward to receiving your response.

Sincerely,

L. Paul Bremer III
Administrator

Date: July 24 , 2003

Subject: Sheraton Hotels in Baghdad and Basra

Starwood Hotels & Resorts Worldwide, a U.S. company, is prepared to resume its operation and management of the Sheraton Hotels in Baghdad and Basra. Sheraton operated both of these hotels prior to their expropriation by the Iraqi government following the 1990 Gulf War. Starwood is the world's largest hotel company, which owns and manages more than 750 hotels in approximately 80 countries worldwide. It has operated hotels in the Middle East for over 37 years and currently operates and manages 54 hotels in 14 Middle Eastern countries. In addition to the Sheraton, Starwood's hotels include the Luxury Collection, Westin, Four Points and the W hotels.

I. Background

- In 1975 the Iraqi Government was seeking to expand its hotel capacity. It turned to Sheraton, then and now a world-class operator of hotels. In July 1975, Sheraton entered into two separate but identical contracts with the then General Organization of Tourism and Resorts (GOTR), an Iraqi "National Public Organization." The contracts obligated Sheraton to assist GOTR in the building of a 300-room hotel in Baghdad and a 200-room hotel in Basra. Thereafter, Sheraton was to become the exclusive operator and manager of these First-Class hotels for the GOTR.

- Relying on Sheraton's hotel expertise, the contracts specified that from the inception of the design phase through the completion of construction Sheraton was to become GOTR's exclusive advisor on the building of the hotels to meet Sheraton's exacting standards. Sheraton would then run the properties on a twenty-year exclusive basis from the date the hotels opened for business. The Basra Sheraton opened in September 1981 and the Sheraton Operating Agreement extended to December 31, 2001. The Ishtar Sheraton opened in July 1982 and the Sheraton Agreement extended to December 31, 2002. The parties could thereafter extend the management contracts.

- Under these arrangements Sheraton was designated as the exclusive operator and was paid a fee in U.S. dollars based on revenues and performance. It was given complete direction and control over the day-to-day management in the smallest of details through the use of the Sheraton brand name, its reservation, personnel and accounting and purchasing systems. Should the contracts for some reason be

terminated, Iraq was to return immediately to Sheraton all of its franchise materials, the brand name and the Sheraton logo.

- The GOTR was dissolved in 1988, and, as part of Saddam's "privatization" initiative, the ownership of the hotels was shifted to two successor Iraqi "mixed joint stock companies." We believe that at this stage a small equity interest was acquired by certain Iraqi nationals but the Sadaam Government retained complete majority control and firmly directed the hotel operations. During this interim period Sheraton continued to manage the properties as required by its contracts up until the time of the company's expulsion from Iraq.

- In 1991, following Iraq's invasion of Kuwait, the Iraqi Government quickly moved to unlawfully misappropriate Sheraton's operating agreements which then had ten to eleven years to run. Saddam promptly expelled the Sheraton senior management team from the country. Since 1991, the hotels were operated by certain Iraqi nationals who also unlawfully seized the Sheraton franchise and brand name and have continued to convert these valuable proprietary assets for their own enrichment.

- To recover its losses in the confiscated management contracts, Sheraton filed a claim for reparations before the United Nations Compensation Commission in excess of $35 million. The Company expects a decision by the Commission by December 2003.

- The Basra Hotel was demolished during the current campaign and will require extensive rebuilding and the installation of a new Sheraton Management team. The Sheraton/Ishtar needs extensive renovation and the deployment of Sheraton's experienced management team.

- The situation described above calls for a decisive and effective remedy within the powers of the Coalition Provisional Authority. Sheraton respectfully proposes to the Department of State and the Coalition Provisional Authority a solution to the problem, which will meet the urgent need for suitable and secure accommodations in Baghdad and Basra, to create new jobs for Iraqi nationals and to restore Sheraton to its unique and exclusive position in the hotels.

II. <u>Proposed Solution</u>

- Sheraton is prepared to re-invest all or most of the proceeds of its anticipated award from the UNCC to aid in the repair, reconstruction and renovation of the Baghdad and Basra Sheraton properties in exchange for an equity position and the restoration of its long term management agreements for these hotels. It is willing to carry this program forward to possibly cover other hotels in Iraq.

- Sheraton will deploy promptly a senior hotel management team to the Ishtar hotel and will train and employ Iraqi nationals to work in the hotel. Its training

program for Iraqi locals will create new skills in the management area and will allow Iraqis to eventually take over the skilled positions in hotel general management. It seeks a ten-year continuation of its management contracts for the Baghdad and Basra properties, restoring it to the position it occupied before those valuable and unique property rights were abrogated by the illegal and unlawful acts of the Sadaam regime and the Baath Party.

- Starwood's base of its Iraq operations will initially be set up in the Kuwait City Sheraton Hotel, seven hours by car from Baghdad and an hour and half from Basra.

- Starwood has extensive security operations in place in its worldwide properties and is prepared, at its own cost, to adopt special security measures for Iraq. The Company has had extensive experience in violence-prone areas of the world and has gained this knowledge through the operation of nine hotels in Israel and 54 through the Middle East

- The Coalition Provision Authority has already issued the necessary legal mandate to carry out this course of action. On May 25th, 2003 it promulgated CPA Order Number 4 in which it now holds the property and assets of the Baath property in an equitable trust for the people of Iraq. We believe this order covers the Baghdad and Basra Hotels previously managed by Sheraton. The CPA Order Number 4 was premised on the Administrator's Order Number 1 of May 16th, 2003 covering the de-Baathification of Iraq society. The combined legal effect of these orders should provide the legal basis for an affirmative response to Sheraton's proposed solution to the issues raised above.

- Finally, upon the rendition of the UNCC Award, Sheraton may seek additional equitable relief within the framework for the CPA for the Basra and Baghdad properties as described above and will proposed such measures at the appropriate time

- Starwood Hotels is prepared to meet with the appropriate authorities in Iraq as soon as possible.

STARWOOD HOTELS AND RESORTS WORLDWIDE BUSINESS PLAN TO RESUME HOTEL OPERATIONS IN IRAQ (July 2003)

Objective

Starwood Hotels & Resorts Worldwide ("Starwood") wishes to contribute to the economic recovery and long-term stability of Iraq by providing much-needed hotel services to the major cities of the country. First-class hotels operated to an international standard are critically needed to support the short-term goal of restoring Iraq to economic, social and political stability and to meet the long-term needs of providing Iraq with a modern infrastructure for international business and leisure demand. Starwood is uniquely qualified to provide these services because of our long and successful history of operating hotels in Baghdad and Basra prior to their expropriation by the Iraqi government following the 1990 Gulf War, and because of our unrivaled record of operating hotels in emerging markets, especially in countries in the Gulf, the Middle East, and Africa. A detailed description about Starwood and its operations in Europe, Africa and the Middle East is provided at the end of this document.

Starwood's Experience in Iraq

The original owner of the Baghdad and Basra Sheraton Hotels was the General Organization of Tourism and Resorts, which was a body of the Iraqi government. In 1988 the Republic of Iraq dissolved that entity and substituted in its place two separate joint-stock companies as owners of the two hotels, the Ishtar Hotel/Mixed Joint Stock Company and the Basra Sheraton Hotel Company. The Iraqi Government controlled the ownership of these two companies, although apparently permitted some private ownership in each company in amounts that appeared to vary between 15 and 30 percent.

The Baghdad Sheraton (called the "Ishtar Sheraton") was one of three international hotels operating in Baghdad at the time of the August 1990 invasion of Kuwait, and the Basra Sheraton was the only international hotel in Basra at the time.

Starwood's subsidiary Sheraton Middle East Management Corporation ("SMEMC"), the operator of both hotels, was expelled from the Iraqi hotels in 1990 after the start of the Gulf War. All of our personnel were safely repatriated after some tense and difficult moments. Sheraton filed a claim with the United Nations Compensation Commission ("UNCC") for direct and consequential damages suffered as a result of the invasion and occupation of Kuwait. SMEMC's claim is for damages in excess of $25 million. A decision from the UNCC is expected in December 2003. Starwood would be amenable to exploring the possibility of using some of the monetary award to invest in hotels in Iraq under appropriate circumstances.

Starwood's experience in the Middle East and in Emerging Markets:

Starwood has operated hotels in the Middle East for over 37 years and currently manages 37 hotels in 14 Middle Eastern countries with an inventory of 8,759 rooms, making it one of the top and largest international chain hotels in the region. Its brands in the region consist of Sheraton (as the largest brand), Luxury Collection, Westin and Four Points. Its largest customer base for the hotels in the Middle East comes from Middle East (39%) followed by Europe (24%), USA (14%) and others (23%). The company has an illustrious history of consistently being recognized with numerous awards for quality. Recent awards include Sheraton being voted the "Best International Hotel Chain in the Middle East" by Al Iktisat wal A'amal (a leading business magazine in the Middle East) and "Best Business Hotel Chain in Middle East" by Business Travelers Middle East Magazine in 2002.

Starwood's Plan for Re-entering Iraq

Starwood wishes to resume its management of the Ishtar Sheraton in Baghdad, which has remained operational since Sheraton's departure in 1990, and the Sheraton Basra, which is now a gutted shell and will require complete rebuilding. It is significant to note that at all times since our expulsion from the hotels in 1990, both hotels continued to use the "Sheraton" name, logos, and trademarks. Thus, in the minds of the public, both of these hotels are Sheratons. Starwood wishes to regularize this situation by legally and properly resuming the management of the hotels.

Employment of Iraqi nationals

It is Starwood's policy to staff our managed and owned hotels with nationals of the countries in which the hotels are located. The only exceptions are expatriate staff who possess certain experience and skills not available in the local labor force, or who Starwood deems to have talents particularly suited to an individual hotel. Examples of positions, which are often filled by expatriates, are the general manager, the financial controller, the executive chef and/or food and beverage manager. We strive to train locals to eventually assume the positions initially held by expatriates. During these early days of Iraq's liberation it is difficult to assess the level of skills and experience in the local workforce, however, given the fact that the two Iraqi hotels formerly under Sheraton's management have remained operational (in the case of Basra, until the onset of the last war; in the case of Baghdad, continuously), we expect to find a labor force eminently suited to manage a hotel to Sheraton standards.

Starwood's Efforts to Date

Starwood has been diligently seeking to re-establish its presence in Iraq since the very early days following the defeat of the Saddam Hussein regime. In early May the Area Director for the region including Iraq, who is also the General Manager of the Sheraton Kuwait, traveled to Basra and Baghdad to take measure of the condition of the hotels and to meet with members of the joint stock owning companies of the hotels. He was able to

meet the chairman of the board of the owning company of the Baghdad and the deputy chairman of the Basra hotels. Both expressed their confidence that the management contracts for both hotels would be re-instated. While these statements were an encouraging sign of support for and an endorsement of Sheraton's management, neither person was in a position to speak on behalf of the ownership of the hotels, which remains unclear to Starwood at this point. Therefore Starwood has been making enquiries and approaches to all United States government agencies and bodies who may have influence over the decisions regarding the future of the hotels.

In addition, Starwood is in talks with developers who wish to develop hotels in the Iraqi cities of Erbil, Mosul and Baghdad. The Area Manager visited these sites in late May.

Starwood's presence on the ground

Starwood is managing its efforts to re-enter the Iraqi market from its Kuwait City Sheraton hotel, which is 7 hours by car from Baghdad and one and a half hours from Basra. Starwood's hotel in Kuwait City serves as an excellent base of operations from which to reach Iraq in a very short period of time.

Security Efforts

Starwood has an extensive security operation, which protects the human and physical resources in its hotels around the world. Starwood recognizes that special, enhanced security measures may be needed to operate hotels in Iraq and is studying ways in which such enhanced security may be implemented. Starwood has extensive experience operating hotel in areas afflicted by violence, and has gained special insight into such needs though its operation of 9 hotels in Israel and 54 in the Middle East.

Compliance with laws and policies

As a matter of policy, Starwood fully complies with the laws of the countries in which it operates. With respect to Iraq, Starwood will, of course, comply with all applicable legal requirements and, consistent with U.S. policy, will advance the goals of rebuilding the nation's economy, involving the Iraq private sector, and in advancing a long term vision of creating a viable base for tourism.

Starwood Hotels & Resorts Worldwide, Inc.

Starwood Hotels & Resorts Worldwide is the world's largest, fully integrated hotel company that owns and manages full-service, upscale hotel properties under multiple global, premier brand names. Starwood is listed on the New York Stock Exchange (NYSE) and is traded under the ticker symbol "HOT".

Starwood's mission is to be the pre-eminent international hotel company, positioned as a global leader in the full service, upscale and luxury hotel sectors. The company's growth strategy focuses on the development of strategic hotel assets, the renovation and repositioning of existing hotels, and the expansion of its management operations. The

company conducts its business through some of the most recognised hotel brand names in the world, including St. Regis, Westin, Sheraton, Four Points by Sheraton and W hotels.

Starwood is a relatively young company that was formed in 1995. Since its formation Starwood has undergone dramatic growth. In 1995, Starwood owned and operated approximately 30 hotels (all in the United States). By 1997, Starwood had grown to over 100 hotels all owned and operated under various brands/flags. Starwood recognised the importance not only of managing its hotels but also of controlling the branding and sales and marketing for its hotels and set out to acquire an upscale hotel brand to complement its portfolio.

The result of this effort was that in 1998 Starwood acquired both Westin Hotels & Resorts for $1.8 billion and ITT Sheraton Corporation for $14.8 billion, adding a combined 570 owned, leased, managed and franchised hotels. In these acquisitions, Starwood acquired some of the world's finest hotel brands.

Today, Starwood's portfolio includes over 750 hotel and resorts in approximately 80 countries worldwide, with additional hotel and resort projects under development around the world.

Prepared July 2003

Nat'l Chemical + Plastic Industries, Co, S.A. → Zaafaraniya

MIXED OWNERSHIP CO

	Name of Company	Description of Company	Location	Ministr	% State	No. of	Salary	Cash on	Present capability of operation
1	Baghdad Company for Alcohol Industries	Baghdad and Al Khalis Brewery	Baghdad	MiM		350	26,667	63	Baghdad may produce beer. Alkhalis factory estimated 90% looted
2	The National Co. for Food Industries	Beer, Juice & Soda	Baghdad	MiM		480	43,333	21,933	Looted. Need raw materials and electricity
3	Baghdad Company for Soft drinks	Zafarinijah factory for soft drinks and plastic bottles	Baghdad	MiM		1,191	85,333	3,301	Operational and not looted
4	Iraqi Co. for Carton Industry	Factory to produce carton plates and carton boxes	Baghdad	MiM		183	20,000	109,133	Can operate if there are orders
5	Electric Companies	Refrigerator, Freezers, Heaters & Cookers		MiM		680	30,000	155,933	Looting
6	The National Co. for Plastic and Chemical	Sponges, plates, potato chips and leather	Baghdad	MiM	58%			464,000	Looted although some operations is possible
7	Company of Modern Paints Industries	Paints	Baghdad	MiM		303	17,333	381,867	Looted. Security and access to electricity is an issue
8	Company for Electronic Industries	TV, radio and other eletrical equipment		MiM		1,724	28,000	233,333	Looted. Need raw materials and electricity
9	Al Hillal Industrial Co.	Consumer electronics such as A/C. Welding equipt.	Baghdad	MiM					
10	National Co. for Meat Industries	Slaughter House	Baghdad	MiM					
11	Company for Bicycles Industry	Metalworking	Al Mahhoudya	MiM					
12	Clothing Co.			MiM					
13	Modern Construction Material			MiM					
14	Iraqi Meat Company	Poultry		Ag	51%	1,000	20,000	-	Assets are frozen. Company is shut down. Looted farms and offices
15	Seeds			Ag					
16	Fishery			Ag					
17	Agricultural Produce			Ag					
18	Arabian Bridge Co for Navigation	Manages navigation, water transport and tourism		MT	33%				Egypt, Iraq & Jordanian equal onwership
19	Iraqi-Jordanian Co for Land Transport	Cargo and oil transport from Oman & Egypt to Iraq		MT	50%				
20	Arabian Co. for Marine Navigation			MT	14%				Egypt largest shareholder 33.8%
21	United Arab Navigation	Deploys cargo ships		MT	19.75%				Various ME state ownership
22	Oman Co. for Commerce & Navigation	Shipping Company		MT	70%				Oman
23	Alia Co for Commerce & Transport	Land and Sea Trading Co. - transport		MT	49%				Jordan
24	Iraqi/Syrian Co for Land Transport	Trucking		MT	50%				Syria
25	Iraqi/Syrian Co for Marine Transport	Marine transport		MT	50%				Syria
26	Arabic Co for Communication	Builds and maintains communication components		MT	50%				Syria
27	Sharq Co for Transport/ Commerce and Tourism	Transport and Tourism		MT					With UAE
28	Al Badiya	JV with Individuals		MT					
29	Oil Transport	JV with Individuals		MT					
30	Al Ashar	JV with Individuals		MT					
31	Sanhareeb	Contracting	Baghdad	MIC	24%				
32	Al Buraq	Design and Consulting	Baghdad	MIC	24%				
33	Dar Alsalam	Machine Maintenance	Baghdad	MIC	24%				
34	Al Qudra	A/C services	Baghdad	MIC	15%				
35	Asad Babil	Computers	Baghdad	MIC	24%				
36	Asia	Thermal Units	Baghdad	MIC	24%				
37	Al Raya	Construction	Baghdad	MIC	24%				
38	Uur	Moulds	Baghdad	MIC	24%				
39	Al Rafaidain	Lifts Maintenance	Baghdad	MIC	24%				
40	Al Zawra	Printing machine services	Baghdad	MIC	6%				
41	Al Wadhah	Heater production	Mosul	MIC	24%				
42	Al Sahaab	Spray Irrigation	Baghdad	MIC	24%				

Kevin Tucker

2/28/04

Date No.

Brick Factory

Fallujah Bricks

Adnan Abdul Rashid // new DG

200 total

Issues:

New Plasser: new technology Egypt

2 max at 3 mil each new

Would add additional employees = approx. ____

Corrugated ~~Fire~~ (Roof Tile) first started

demand high

We employ folks that are Baghdad based Fallujah factory displaced

Now making Line bricks.

Market: ~~cost~~ refractories & brick

Selling to our SOE's

No private sector purchas

Power // 1.5 mw for current

(2) 800 Kw Generators) CPA delivered in NOV

2 million Liter fuel tanks.



Fuels digit used for < 1 million.

Security:

Date

24 hours

7^00 - 3^00 full cap less staff but more lab

No security issues

95% of workforce live around factory

Ceramic tiles
mosaic tile
refractories tile

= Marketing the product =

SGT

INDUSTRY

الصناعة

Priority A

Priority	Project Title	2004 project cost (mill. $)	Total project cost (mill. $)	Project location	Commencement data	Execution period
1	Rehabilitate Industrial waste water treatment unit in Nahrawan	12	12	Baghdad	1/4/04	12
2	Rehabilitate Kubaisa & Kirkuk Cement plants	50	50	Ramadi, Kirkuk	1/7/04	12
3	Rehabilitate Muthana and Kerbala Cement plants	50	50	Muthana & Kerbala	1/7/04	12
4	Rehabilitate Sinjar & Badoush Cement plants	50	50	Mosul	1/7/04	12
5	Rehabilitate Southern Cement plant	2.5	2.5	Salah Al-Din	1/4/04	12
6	Rehabilitate Southern fertilizer plant	13	13	Khor zubair /Basrah	1/7/04	12
7	Rehabilitate Phosphoric acid plant in Al- Qaim	22	22	Ramadi	1/7/04	12
8	Rehabilitate of Northern fertilizer Company	14	14	Salah Al-Din	1/7/04	8
9	Rehabilitation of transformer plants in Diyala state Comp.	15	15	Diyala	1/7/04	12
10	Rehabilitate Sulphuric acid plant - Mishrak	9	9	Mosul	1/4/04	12
11	Discontinue release of sewage into the river- Al-Rashid Vegetable oil plant	0.917	0.917	Baghdad	1/4/04	12
12	Discontinue release of sewage into the river- Al-Ameen Vegetable oil plant	0.917	0.917	Baghdad	1/4/04	10
13	Industrial water treatment for Furat chemical plant – Sadat Al- Hindiya	4.267	4.267	Babylon	1/4/04	12
14	Industrial water treatment for Starch plant Al- Hashimia	3.333	3.333	Babylon	1/4/04	12
15	Biological treatment Rashid Vegetable oil plant	1.923	1.923	Baghdad	1/4/04	10
16	Sewage and Industrial water treatment for Eskandariya Mechanical Comp.	20	20	Babylon	1/4/04	12
17	waste water treatment for Mosul Textile plant	2.5	2.5	Mosul	1/7/04	12
18	Discontinue release of sewage into the river- Al-Muatassim Vegetable oil plant	1.04	1.04	Missan	1/4/04	12
19	Industrial waste water and sewage treatment – Wasit textile plant	2.333	2.333	Wasit	1/4/04	12

Priority A

Priority	Project Title	2004 project cost (mill. $)	Total project cost (mill. $)	Project location	Commencement data	Execution period
20	Industrial waste water and sewage treatment –Samara Drug Company	0.643	0.643	Saluh Al-Din	1/4/04	12
21	Prevention of sewage disposal from Missan Sugar Factory	1	1	Missan	1/7/04	12
22	Industrial waste water treatment /Mosul Dairy plant	2	2	Mosul	1/7/04	12
23	Industrial waste water treatment /Qadisiya Dairy plant	2	2	Qadisiya	1/7/04	12
24	Industrial waste water treatment in Mosul sugar Factory	3.333	3.333	Mosul	1/7/04	12
25	Water pumping station for Rashid Vegetable oil plant	0.44	0.44	Baghdad	1/7/04	12
26	Rehabilitate fertilizer plant	60	60	Basrah	1/7/04	12
Sum		344.146				

Annex C: Ministry of Industry and Minerals Project List

Draft - 12 January 2004

PROJECTS FUNDED BY THE U.S. SUPPLEMENTAL

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
		Restore Ministry of Industry & Minerals Building			$13,679,820		Baghdad	Baghdad

UNFUNDED PROJECTS

1	Industrial Park Rehab	Nahrawan Industrial Park Water Treatment Rehabilitation	Rehabilitate MIM's only existing Industrial Park's water treatment facilities. Industrial park houses 160 private sector brick factories (80% of Iraq's output) and surges up to 20,000 employees during peak production	$12,000,000	$12,000,000		Baghdad	Nahrawan
2	Regional Industrial Parks	Regional Industrial Parks: Baghdad central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding.	$40,000,000	$72,530,000.	Yes	Baghdad	Baghdad
3	Regional Industrial Parks	Regional Industrial Parks: CPA South Central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$42,530,000	$72,530,000	Yes	Anbar, Hilla, Najaf	Ramadi, Babylon, Najaf
4	Regional Industrial Parks	Regional Industrial Parks: CPA North	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding.	$18,130,000	$38,130,000	Yes	Ninewa	Mosul
5	Regional Industrial Parks	Regional Industrial Parks: CPA South	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$18,130,000	$38,130,000	Yes	Basrah	Khor Zubair, Basrah
6	SOE Rehabilitation	Rehabilitate Kirkuk Plants.	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Tameem	Kirkuk
6	SOE Rehabilitation	Rehabilitate Kubaisa Plant.	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Anbar	Ramadi
7	SOE Rehabilitation	Rehabilitate Muthana Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Muthana	Muthana
7	SOE Rehabilitation	Rehabilitate Kerbala Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Karbarla	Karbarla
8	SOE Rehabilitation	Rehabilitate Sinjar & Badoosh Cement Plants.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$30,000,000	$50,000,000		Ninewa	Mosul
9	SOE Rehabilitation	Rehabilitate Southern Cement Plant.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$2,000,000	$2,500,000		Muthana	Samawa
10	SOE Rehabilitation	Rehabilitate Southern Fertilizer Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$5,000,000	$13,000,000		Basrah	Khor Zubair
11	SOE Rehabilitation	Rehabilitate Phosphoric acid Plant in Al-Qaim.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$12,000,000	$22,000,000		Anbar	Ramadi

Annex C: Ministry of Industry and Minerals Project List

Draft - 12 January 2004

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
12	SOE Rehabilitation	Cancer Drugs Production Plant.		$4,000,000	$10,000,000		Ninewa	Mosul
13	SOE Rehabilitation	Rehabilitate Irrigation Equipment Manf. Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Grant financing will enable companies to continue with in State Ownership.	$5,000,000	$15,000,000		Hillah	Iskandariah
14	SOE Rehabilitation	Rehabilitate of Northern fertilizer Company.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$14,000,000		Salah al Din	Baiji
15	SOE Rehabilitation	Rehabilitate State Co. for Heavy Engineering Equipments.		$1,000,000	$8,200,000		Baghdad	Baghdad
16	SOE Rehabilitation	Rehabilitate State Co. For Electrical Industries.		$1,000,000	$3,300,000		Baghdad	Baghdad
17	SOE Rehabilitation	Rehab. Mechanical Workshop's equipment in MIM's Companies.	Rehabilitation of metal fabrication units of various SOEs through out Iraq allowing continuing vertical integration in production process	$5,000,000	$15,000,000		Different	
18	SOE Rehabilitation	Rehabilitate the State Company for Mechanical Industries.		$1,000,000	$3,000,000		Hillah	Iskandariah
19	SOE Rehabilitation	Rehabilitate Specialized Institute For Engineering Industries.		$4,000,000	$10,400,000		Baghdad	Baghdad
20	SOE Rehabilitation	Rehabilitate Iron & Steel Plant.	Totally destroyed plants from looting after the war. Rebuilding not consistent with CPA policy recommendation	$60,000,000	$200,000,000		Basrah	Basrah
21	SOE Rehabilitation	Rehabilitation of Transformer Plants in Diala State Company.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Transformers are a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$.5,000,000	$15,000,000		Diyalah	Ba'quba
22	SOE Rehabilitation	Rehabilitate High Pressure Vessel's Manufacturing Plant in Daura	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. A strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$8,000,000		Baghdad	Baghdad
23	New SOE	Three New Medical Oxygen Units.		$10,000,000	$37,000,000		Baghdad, Mosul, Basrah	
24	SOE Rehabilitation	Blood and Urine bags Production.		$2,000,000	$3,200,000		Hillah	Babylon
25	SOE Rehabilitation	Rehabilitate the Intravenous Solution Plant / Ninawa Drug State Co.		$10,000,000	$18,000,000		Ninewa	Mosul
26	SOE Rehabilitation	Rehabilitate Sulphuric acid Plant - Mishrak		$3,000,000	$9,000,000		Ninewa	Mosul
27	SOE Rehabilitation	Rehabilitation of Basrah Paper Factory.		$1,750,000	$2,750,000		Basrah	Basrah
29	SOE Rehabilitation	Rehabilitate Paper & Cardboard Producing Machines.		$5,000,000	$10,000,000		Basrah	Basrah
30	SOE Rehabilitation	Rehab. Cement Sacks and Cardboards Paper Manufacturing Line.		$5,000,000	$10,000,000		Missan	Umara
31	Environmental Project	Discontinue release of sewage into the River - Al- Rashid Vegetable oil Plant.		$0,500,000	$0,917,000		Baghdad	Baghdad
32	Environmental Project	Discontinue release of sewage into the River - Al- Ameen Vegetable oil Plant.		$0,500,000	$0,917,000		Baghdad	Baghdad
33	Environmental Project	Industrial water treatment for Furat chemical plant / Sadat al-Hindia		$2,000,000	$4,267,000		Babylon	Baghdad
34	Environmental Project	Industrial Water Treatment for Starch Plant / Al-Hashimia		$1,000,000	$3,333,000		Hillah	Babylon
35	Environmental Project	Biological Treatment for Rasheed vegetable Oil Plant.		$1,000,000	$1,923,000		Baghdad	Baghdad
36	Environmental Project	Sewage and industrial water treatment for Eskandaria mechanical Company.		$3,000,000	$20,000,000		Hillah	Babylon
37	Environmental Project	Prevention of Sewage disposal to the River - Mosul Sugar Plant.		$0,300,000	$0,333,000		Ninewa	Mosul
38	Environmental Project	Waste water treatment for Mosul Textile Plant.		$1,000,000	$2,500,000		Baghdad	Baghdad
39	Environmental Project	Industrial Waste Water treatment unit for Abu-Ghareeb Dairy Plant.		$4,000,000	$10,000,000		Baghdad	Baghdad
40	Environmental Project	Discontinue release of sewage into the River / Al-Muatassim vegetable oil Plant.		$0,500,000	$1,040,000		Missan	Umara
41	Environmental Project	Industrial Waste Water and Sewage treatment - Wasit Textile Plant.		$1,500,000	$2,333,000		Wasit	Kut
42	Environmental Project	Industrial Waste Water and Sewage treatment - Sammara Drug Company.		$0,500,000	$0,643,000		Salah al Din	Samaraa
43	Environmental Project	Prevention of Sewage disposal from Missan Sugar Factory.		$0,500,000	$1,000,000		Missan	Umara
44	Environmental Project	Industrial Waste water treatment / Mosul Dairy Plant.		$1,000,000	$2,000,000		Ninewa	Mosul
45	Environmental Project	Industrial Waste water treatment / Qadisia Dairy Plant.		$1,000,000	$2,000,000		Qadisia	Diwania
46	Environmental Project	Industrial Waste water treatment in Mosul Sugar Factory.		$2,000,000	$3,333,000		Ninewa	Mosul
47	Environmental Project	Water pumping station for Rashid Vegetable oil plant.		$0,440,000	$0,440,000		Baghdad	Baghdad
48	SOE Rehabilitation	Insulin Production plant.		$5,000,000	$15,000,000		Salah al Din	Sammara

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Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
149	New SOE	Chlorine production plants (3 plants)		$20,000,000	$120,000,000		Not Defined	
50	SOE Rehabilitation	Wool yarns manufacturing line.		$4,000,000	$8,000,000		Baghdad	Baghdad
51	SOE Rehabilitation	Aluminum tubes for Medical creams & ointments.		$4,000,000	$14,000,000		Salah al Din	Sammara
52	SOE Rehabilitation	Traffic signs manufacturing factory.		$1,000,000	$1,500,000		Baghdad	Baghdad
53	SOE Rehabilitation	High voltage motors workshop		$1,500,000	$1,500,000		Baghdad	Baghdad
54	SOE Rehabilitation	Detergent plant.		$2,000,000	$6,000,000		Baghdad	Baghdad
55	SOE Rehabilitation	Di-Calcium phosphate plant.		$3,000,000	$9,000,000		Hillah	Babylon
56	SOE Rehabilitation	Submersible pumps plant.		$4,000,000	$9,500,000		Hillah	Babylon
57	SOE Rehabilitation	Rehabilitate Fertilizer plant.		$10,000,000	$60,000,000		Basrah	Abu-Khaseeb
58	SOE Rehabilitation	Float glass plant.		$10,000,000	$70,000,000		Anbar	Ramadi
59	SOE Rehabilitation	Refractories production plant.		$3,000,000	$10,000,000		Anbar	Ramadi
60	SOE Rehabilitation	Fluorescent lamp plant.		$1,500,000	$5,500,000		Baghdad	Baghdad
150	New SOE	New Cement Factory.		$20,000,000	$150,000,000		Not Defined	
62	SOE Rehabilitation	Fine casting plant.		$2,000,000	$5,000,000		Baghdad	Baghdad
63	SOE Rehabilitation	Vegetable oil plant in Wasit.		$5,000,000	$54,000,000		Wasit	Kut
64	SOE Rehabilitation	Extension of petrochemical complex.		$10,000,000	$70,000,000		Basrah	Basrah

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PROJECTS FUNDED BY THE U.S. SUPPLEMENTAL

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
		Restore Ministry of Industry & Minerals Building			$13,679,820		Baghdad	Baghdad

UNFUNDED PROJECTS

1	Industrial Park Rehab	Nahrawan Industrial Park Water Treatment Rehabilitation	Rehabilitate MIM's only existing Industrial Park's water treatment facilities. Industrial park houses 150 private sector brick factories (80% of Iraq's output) and surges up to 20,000 employees during peak production	$12,000,000	$12,000,000		Baghdad	Nahrawan
2	Regional Industrial Parks	Regional Industrial Parks: Baghdad central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$40,000,000	$72,530,000	Yes	Baghdad	Baghdad
3	Regional Industrial Parks	Regional Industrial Parks: CPA South Central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$42,530,000	$72,530,000	Yes	Anbar, Hilla, Najaf	Ramadi, Babylon, Najaf
4	Regional Industrial Parks	Regional Industrial Parks: CPA North	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$18,130,000	$38,130,000	Yes	Ninewa	Mosul
5	Regional Industrial Parks	Regional Industrial Parks: CPA South	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$18,130,000	$38,130,000	Yes	Basrah	Khor Zubair, Basrah
6	SOE Rehabilitation	Rehabilitate Kirkuk Plants.	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Tameem	Kirkuk
6	SOE Rehabilitation	Rehabilitate Kubaisa Plant.	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Anbar	Ramadi
7	SOE Rehabilitation	Rehabilitate Muthana Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Muthana	Muthana
7	SOE Rehabilitation	Rehabilitate Kerbala Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Karbarla	Karbarla
8	SOE Rehabilitation	Rehabilitate Sinjar & Badoosh Cement Plants.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$30,000,000	$50,000,000		Ninewa	Mosul
9	SOE Rehabilitation	Rehabilitate Southern Cement Plant.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$2,000,000	$2,500,000		Muthana	Samawa
10	SOE Rehabilitation	Rehabilitate Southern Fertilizer Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$5,000,000	$13,000,000		Basrah	Khor Zubair
11	SOE Rehabilitation	Rehabilitate Phosphoric acid Plant in Al-Qaim.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$12,000,000	$22,000,000		Anbar	Ramadi

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Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
12	SOE Rehabilitation	Cancer Drugs Production Plant.		$4,000,000	$10,000,000		Ninewa	Mosul
13	SOE Rehabilitation	Rehabilitate Irrigation Equipment Manf. Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Grant financing will enable companies to continue with in State Ownership.	$5,000,000	$15,000,000		Hillah	Iskandariah
14	SOE Rehabilitation	Rehabilitate of Northern fertilizer Company.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$14,000,000		Salah al Din	Baiji
15	SOE Rehabilitation	Rehabilitate State Co. for Heavy Engineering Equipments.		$1,000,000	$8,200,000		Baghdad	Baghdad
16	SOE Rehabilitation	Rehabilitate State Co. For Electrical Industries.		$1,000,000	$3,300,000		Baghdad	Baghdad
17	SOE Rehabilitation	Rehab. Mechanical Workshop's equipment in MIM's Companies.	Rehabilitation of metal fabrication units of various SOEs through out Iraq allowing continuing vertical integration in production process	$5,000,000	$15,000,000		Different	
18	SOE Rehabilitation	Rehabilitate the State Company for Mechanical Industries.		$1,000,000	$3,000,000		Hillah	Iskandariah
19	SOE Rehabilitation	Rehabilitate Specialized Institute For Engineering Industries.		$4,000,000	$10,400,000		Baghdad	Baghdad
20	SOE Rehabilitation	Rehabilitate Iron & Steel Plant.	Totally destroyed plants from looting after the war. Rebuilding not consistent with CPA policy recommendation	$60,000,000	$200,000,000		Basrah	Basrah
21	SOE Rehabilitation	Rehabilitation of Transformer Plants in Diala State Company.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Transformers are a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$,5,000,000	$15,000,000		Diyalah	Ba'quba
22	SOE Rehabilitation	Rehabilitate High Pressure Vessel's Manufacturing Plant in Daura.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. A strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$8,000,000		Baghdad	Baghdad
23	New SOE	Three New Medical Oxygen Units.		$10,000,000	$37,000,000		Baghdad, Mosul, Basrah	
24	SOE Rehabilitation	Blood and Urine bags Production.		$2,000,000	$3,200,000		Hillah	Babylon
25	SOE Rehabilitation	Rehabilitate the Intravenous Solution Plant / Ninawa Drug State Co.		$10,000,000	$18,000,000		Ninewa	Mosul
26	SOE Rehabilitation	Rehabilitate Sulphuric acid Plant - Mishrak		$3,000,000	$9,000,000		Ninewa	Mosul
27	SOE Rehabilitation	Rehabilitation of Basrah Paper Factory.		$1,750,000	$2,750,000		Basrah	Basrah
29	SOE Rehabilitation	Rehabilitate Paper & Cardboard Producing Machines.		$5,000,000	$10,000,000		Basrah	Basrah
30	SOE Rehabilitation	Rehab. Cement Sacks and Cardboards Paper Manufacturing Line.		$5,000,000	$10,000,000		Missan	Umara
31	Environmental Project	Discontinue release of sewage into the River - Al- Rashid Vegetable oil Plant.		$0,500,000	$0,917,000		Baghdad	Baghdad
32	Environmental Project	Discontinue release of sewage into the River - Al- Ameen Vegetable oil Plant.		$0,500,000	$0,917,000		Baghdad	Baghdad
33	Environmental Project	Industrial water treatment for Furat chemical plant / Sadat al-Hindia		$2,000,000	$4,267,000		Babylon	Baghdad
34	Environmental Project	Industrial Water Treatment for Starch Plant / Al-Hashimia		$1,000,000	$3,333,000		Hillah	Babylon
35	Environmental Project	Biological Treatment for Rasheed vegetable Oil Plant.		$1,000,000	$1,923,000		Baghdad	Baghdad
36	Environmental Project	Sewage and industrial water treatment for Eskandaria mechanical Company.		$3,000,000	$20,000,000		Hillah	Babylon
37	Environmental Project	Prevention of Sewage disposal to the River - Mosul Sugar Plant.		$0,300,000	$0,333,000		Ninewa	Mosul
38	Environmental Project	Waste water treatment for Mosul Textile Plant.		$1,000,000	$2,500,000		Baghdad	Baghdad
39	Environmental Project	Industrial Waste Water treatment unit for Abu-Ghareeb Dairy Plant.		$4,000,000	$10,000,000		Baghdad	Baghdad
40	Environmental Project	Discontinue release of sewage into the River / Al-Muatassim vegetable oil Plant.		$0,500,000	$1,040,000		Missan	Umara
41	Environmental Project	Industrial Waste Water and Sewage treatment - Wasit Textile Plant..		$1,500,000	$2,333,000		Wasit	Kut
42	Environmental Project	Industrial Waste Water and Sewage treatment - Sammara Drug Company.		$0,500,000	$0,643,000		Salah al Din	Samarra
43	Environmental Project	Prevention of Sewage disposal from Missan Sugar Factory.		$0,500,000	$1,000,000		Missan	Umara
44	Environmental Project	Industrial Waste water treatment / Mosul Dairy Plant.		$1,000,000	$2,000,000		Ninewa	Mosul
45	Environmental Project	Industrial Waste water treatment / Qadisia Dairy Plant.		$1,000,000	$2,000,000		Qadisia	Diwania
46	Environmental Project	industrial Waste water treatment in Mosul Sugar Factory.		$2,000,000	$3,333,000		Ninewa	Mosul
47	Environmental Project	Water pumping station for Rashid Vegetable oil plant,.		$0,440,000	$0,440,000		Baghdad	Baghdad
48	SOE Rehabilitation	Insulin Production plant.		$5,000,000	$15,000,000		Salah al Din	Sammara

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Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use ")	GOVERNORATE	MUNICIPALITY
149	New SOE	Chlorine production plants (3 plants)		$20,000,000	$120,000,000		Not Defined	
50	SOE Rehabilitation	Wool yarns manufacturing line.		$4,000,000	$8,000,000		Baghdad	Baghdad
51	SOE Rehabilitation	Aluminum tubes for Medical creams & ointments.		$4,000,000	$14,000,000		Salah al Din	Sammara
52	SOE Rehabilitation	Traffic signs manufacturing factory.		$1,000,000	$1,500,000		Baghdad	Baghdad
53	SOE Rehabilitation	High voltage motors workshop		$1,500,000	$1,500,000		Baghdad	Baghdad
54	SOE Rehabilitation	Detergent plant		$2,000,000	$6,000,000		Baghdad	Baghdad
55	SOE Rehabilitation	Di-Calcium phosphate plant.		$3,000,000	$9,000,000		Hillah	Babylon
56	SOE Rehabilitation	Submersible pumps plant.		$4,000,000	$9,500,000		Hillah	Babylon
57	SOE Rehabilitation	Rehabilitate Fertilizer plant		$10,000,000	$60,000,000		Basrah	Abu-Khaseeb
58	SOE Rehabilitation	Float glass plant.		$10,000,000	$70,000,000		Anbar	Ramadi
59	SOE Rehabilitation	Refractories production plant.		$3,000,000	$10,000,000		Anbar	Ramadi
60	SOE Rehabilitation	Fluorescent lamp plant.		$1,500,000	$5,500,000		Baghdad	Baghdad
160	New SOE	New Cement Factory.		$20,000,000	$150,000,000		Not Defined	
62	SOE Rehabilitation	Fine casting plant		$2,000,000	$5,000,000		Baghdad	Baghdad
63	SOE Rehabilitation	Vegetable oil plant in Wasit.		$5,000,000	$54,000,000		Wasit	Kut
64	SOE Rehabilitation	Extension of petrochemical complex.		$10,000,000	$70,000,000		Basrah	Basrah

2/4/04
Rodney Bent

Budget Process

President requests emergency FY 2004 supplemental from Congress.

Congress passes supplemental and President signs on November 6, 2003. Supplemental is one large account, the Iraq Relief and Reconstruction Fund, with $18.4 billion. (18.6) plus CPA.

OMB "apportions" funds from this account to other budget accounts at 5 agencies (Defense, State, AID, Treasury and Health & Human Services). So far, only 4 agencies have received apportionments. (HHS has not)

For spending prior to January 5, 2004, agencies had to "notify" Congress for all spending. Allows Congress to approve individual spending items since it can put a "hold" on spending it does not approve.

Spending after January 5 does NOT require Congressional notification IF the spending is consistent with the aggregate amounts on the approximately 50 project line items in the OMB Report submitted on January 5th (Section 2207 Report). The report is on the OMB website.

= Prepare Notification
= If we stick to plan, no more notifications.
= Re-allocation or desire to switch purpose of funding. Then need to re-notify. Δ in FY Q's not a need for notif.

Property is a line item. Notification is changing the aggregate project code line.

On CPA/PMO commit funds?

Next Steps

CPA requested first and second quarter apportionments of funds, consistent with January 5th report. (See apportionment table)

OMB has apportioned first quarter spending ($1.58 billion) and second quarter spending ($6.38 billion) to four agencies. (See apportionment form, SF 132) How OMB manages spending between agencies.

These four agencies are now in position to "obligate" funds – meaning they can sign legally binding budget commitments.

DOS, DOD, AID, Treas

Complexity and confusion

Complexity. The footnote on the apportionment form requires agencies (in practice CPA) to provide documents to OMB before the agency can obligate funds. CPA can use the Project Identification Forms, project fact sheets or task orders to provide this information.

First possible confusion: Washington budget offices at these agencies may be unaware of apportionment action as usually they – not CPA – would request apportionments from OMB.

Fix for the confusion: CPA senior advisors need to ensure that both Washington agency program offices and budget offices are aware of the apportionment request.

Example: if the CPA is working with State International Law Enforcement bureau (INL) on a program, CPA must also make sure that State budget office is aware of the program.

Agency budget shops must know about this (The CPA's request or their behalf)

Do not rely on Washington agency program staff to inform the agency budget staff.

Second possible confusion: CPA senior advisor wants an agency other than 5 listed ones to implement a program. CPA/OMB used the default option of requesting apportionment of funds to Defense/ARMY.

Fix for the confusion: CPA senior advisor needs to determine which Federal agency it wants to implement the program. CPA then needs to work with both Defense budget shop and recipient agency on the mechanics of the budget transfer.

Example: CPA senior advisor wants the Department of Justice to implement the program. The Defense Department can transfer the funding to the Department of Justice.

START OF ACCOUNT
11 [= Treasury / agency code]
2004 [= first year of availability, or blank for annual and no-year]
2006 [= last year of availability, or "X" for no-year]
1083 [= Treasury account code]
2004 [= fiscal year]
No [= program report categories (Yes or No) included]

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

AGENCY: Executive Office of the President (EOP)
BUREAU:
APPROPRIATION OR FUND TITLE AND SYMBOL
Iraq Relief & Reconstruction Fund (IRRF) [11 4/6 1096]

Line No	Line Split	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
		Budget authority:			
1A		Appropriation (PL 108-106)	18,649,000,000	18,649,000,000	18,649,000,000
1B		Borrowing authority			
1C		Contract authority			
1D		Net transfers (+ or -)	(1,789,819,517)	(8,172,099,517)	(8,172,099,517)
1E		Other			
		Unobligated balance:			
2A		Brought forward October 1			
2B		Net transfers, actual (+ or -)			
2C		Anticipated transfers (+ or -)			
		Spending authority from offsetting collections (gross):			
		Earned:			
3A1		Collected			
3A2		Receivable from Federal sources			
		Change in unfilled customer orders (+ or -):			
3B1		Advance received			
3B2		Without advance from Federal sources			
3C		Anticipated for rest of year, without advance			
		Transfers from trust funds:			
3D1		Collected			
3D2		Anticipated			
		Recoveries of prior year obligations:			
4A		Actual			
4B		Anticipated			
5		**Temporarily not available pursuant to P.L. (-)**			
		Permanently not available:			
6A		Cancellations of expired and no-year accounts (-)			
6B		Enacted rescissions (-)			
6C		Capital transfers and redemption of debt			
6D		Other authority withdrawn (-)			
6E		Pursuant to Public Law ____ (-)			
6F		Anticipated rest of year (+ or -)			
7		Total budgetary resources	16,859,180,483	10,476,900,483	10,476,900,483
		APPLICATION OF BUDGETARY RESOURCES			
		Net Outlays:			
		Obligations Incurred:			
		Apportioned:			
		Category A:			
8A1		First quarter			
8A2		Second quarter			
8A3		Third quarter			
8A4		Fourth quarter			
		Category B:			
8B1		Security & Law Enforcement (see attached)	2,334,939,000	910,339,000	910,339,000
8B2		Justice, Public Safety Infrastructure, and Civil Society (see attached)	1,337,684,480	454,784,480	454,784,480
8B3		Electric Sector (see attached)	5,119,337,239	3,870,337,239	3,870,337,239
8B4		Oil Infrastructure (see attached)	1,697,280,000	101,000,000	101,000,000
8B5		Water Resources & Sanitation (see attached)	4,311,030,817	3,832,830,817	3,832,830,817
8B6		Transportation and Telecommunications (see attached)	500,000,000	336,000,000	336,000,000
8B7		Roads, Bridges, and Construction (see attached)	370,000,000	250,700,000	250,700,000
8B8		Health Care (see attached)	742,169,072	462,169,072	462,169,072
8B9		Private Sector Development (see attached)	183,091,518	118,591,518	118,591,518
8B10		Education, Refugees, Human Rights, and Governance (see attached)	263,648,357	140,148,357	140,148,357
8B11		Jordan (for transfer to Economic Support Fund)			
8B12		Liberia (for transfer to International Disaster and Famine Assistance)			
8B13		Sudan (for transfer to International Disaster and Famine Assistance)			
		Category C:			
8C		FY 20##			
9		**Withheld pending rescission**			
10		**Deferred**			
11		**Unapportioned balance of revolving fund**			
12		**Total budgetary resources**	16,859,180,483	10,476,900,483	10,476,900,483

NOTE: These funds may be obligated as soon as each agency receiving funds above provides a Project Information Form, Project Summary Form, task orders, or other documentation to OMB and CPA describing the purpose and funding level of the activity for which the agency plans to obligate funds. In addition, consistent with CPA guidance, prior to the 3rd quarter, each agency receiving funds above shall report to OMB and CPA the mission accomplishments and obligations based on funds made available during FY 2004.

SUBMITTED _____ APPORTIONED _____

Date: February 2, 2004 Date _____

END OF FILE

Iraq Relief and Reconstruction Fund (IRRF) – Status of Funds

Millions of Dollars		DOD			DOS			STATE			TREASURY			SUMMARY		
Category	2207 Report Allocation	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Quarter Request	TOTAL
Security & Law Enforcement	**3,243**	**662**	**908**	**1,665**	0	0	0	246	422	668	0	0	0	908	1,429	2,337
Law Enforcement	1,331	136		231				246	422	668				382	517	899
-- Police Training and Technical Assistance	950							246	422	668				246	422	668
-- Traffic Police	0													0	0	0
-- Border Enforcement	300	80	70	150										80	70	150
-- Facilities Protection Services	81	56	25	81										56	25	81
Judicial Security	1,912	526	908	1,434										526	908	1,434
-- New Iraqi Army	1,712	416	878	1,294										416	878	1,294
of which:																
-- MIA Facilities/2	602	239	353	591										239	353	591
-- MIA Equipment	715	61	346	407										61	346	407
-- MIA Operations and Training	395	116	179	295										116	179	295
-- Civil Defense Corps	200	110	30	140										110	30	140
of which:																
-- Operations and Personnel	149	59	30	89										59	30	89
-- Equipment	51	51	0	51										51	0	51
Justice, Public Safety Infrastructure, and Civil Society	**1,476**	**0**	**408**	**408**	74	339	413	62	136	198	0	0	0	136	883	1,019
-- Other Technical Investigative Methods	5							0	2	2				0	2	2
-- Witness Protection Program	40															
-- Penal Facilities	100	0	33	33				0	15	15				0	15	15
-- Reconstruction and Modernization of Detention Facilities	124	0	42	42										0	33	33
-- Facilities Protection, Mine Removal, Fire Service, and Public Safety Facility and Equipment Repairs	275	0	154	154				37	24	61				0	42	42
of which:														37	178	215
-- [Demining]	[61]							[37]	[24]	[61]				[37]	[24]	[61]
-- Public Safety Training and Facilities	149	0	149	149										0	149	149
-- National Security Communications Network	90	0	25	25										0	25	25
-- Investigations of Crimes Against Humanity	75				0	40	40							0	40	40
-- Judicial Security and Facilities	150							0	30	30				0	30	30
-- Democracy Building Activities	458	0	5	5	74	284	358	25	55	80				99	339	438
-- U.S. Institute of Peace (USIP)	10							0	10	10				0	10	10

Millions of Dollars		DOD			USAID			STATE			TREASURY			SUMMARY		
Category	2207 Report Allocation	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Quarter Request	TOTAL
Electric Sector	**5,560**	**0**	**708**	**708**					**0**	**0**	**0**	**0**	**0**			
-- Generation	*2,810*	*0*	*300*	*300*										*134*		
-- Transmission	*1,550*	*0*	*258*	*258*										*0*		
-- Network Infrastructure	*1,000*				*0*									*0*		
-- Automated Monitoring and Control System	*150*	*0*	*125*	*125*										*0*		
-- Institutional Strengthening	*0*													*0*		
-- Security	*50*	*0*	*25*	*25*										*0*		
Oil Infrastructure	**1,701**	**4**	**1,596**	**1,600**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4**		
-- Infrastructure	*1,200*	*4*	*1,196*	*1,200*										*4*		
-- Emergency Supplies of Refined Petroleum Products	*501*	*0*	*400*	*400*										*0*		
Water Resources and Sanitation	**4,332**	**0**	**402**	**402**	**18**	**77**	**422**	**0**	**0**	**0**	**0**	**0**	**0**	**18**		
Public Works Projects	*3,557*	*0*	*358*	*358*	*18*	*77*	*422*	*0*	*0*	*0*	*0*	*0*	*0*	*18*		
-- Potable Water	*2,830*	*0*	*273*	*273*	*0*	*74*	*401*							*0*		
-- Water Conservation	*31*	*0*	*15*	*15*										*0*		
-- Sewerage	*675*	*0*	*70*	*70*										*0*		
-- Solid Waste Management/Trash Trucks	*0*													*0*		
-- Other Solid Waste Management	*21*				*18*	*3*	*21*							*18*		
Water Resources Projects	*775*	*0*	*44*	*44*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*		
-- Pumping Stations and Generators	*159*	*0*	*44*	*44*										*0*		
-- Irrigation and Drainage Systems	*128*													*0*		
-- Major Irrigation Projects	*151*													*0*		
-- Dam Repair, Rehab, and New Construction	*152*													*0*		
-- Umm Qasr to Basra Water Pipeline and Treatment Plant	*114*													*0*		
-- Marsh Projects	*0*													*0*		
-- Basra Channel Flushing	*71*													*0*		
Transportation & Telecommunications Projects	**500**	**0**	**164**	**164**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**164**	**164**
-- Airports	*115*													*0*		
-- Umm Qasr Port Rehab	*40*	*0*	*40*	*40*										*0*		
-- Railroad Rehab and Restoration	*210*	*0*	*84*	*84*										*0*		
-- Iraqi Telecom and Postal Corporation	*20*	*0*	*5*	*5*										*0*		
-- Iraqi Communications Systems	*90*	*0*	*30*	*30*										*0*		
-- Iraqi Communications Operations	*25*	*0*	*5*	*5*										*0*		
Roads, Bridges, and Construction	**370**	**0**	**33**	**33**	**0**	**86**	**86**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		
-- Housing Construction	*0*													*0*		
-- Public Buildings Construction and Repair	*130*	*0*	*13*	*13*	*0*	*56*	*86*							*0*		
-- Roads & Bridges	*240*	*0*	*20*	*20*										*0*		

Iraq Relief and Reconstruction Fund (IRRF) – Status of Funds

Millions of Dollars		DOD			USAID			STATE			TREASURY			SUMMARY		
Category	2207 Report Allocation	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Q Request	Total	Previously Apportioned	2nd Quarter Request	TOTAL
Health Care	793	0	280	280	50	0	50	0	0	0	0	0	0	50	280	330
-- Nationwide Hospital and Clinic Improvements	443	0	175	175										0	175	175
-- Equipment Procurement and Maintenance	300	0	105	105										0	105	105
-- Pediatric Facility in Basra	50				50	0	50							50	0	50
-- Initiate 700m Besrah Hospital Project	0													0	0	0
-- Health Care Partnerships	0													0	0	0
Private Sector Development	184	0	65	65	0	0	0	0	0	0	0	0	0	0	65	65
-- American-Iraqi Enterprise Fund	0													0	0	0
-- Expand Network of Employment Centers	8	0	6	6										0	6	6
-- Training	132	0	54	54										0	54	54
-- Micro-Small-Medium Enterprises	44	0	5	5										0	5	5
Education, Refugees, Human Rights, Democracy, and Governance	280	0	0	0	56	56	68	0	68	68	5	0	5	15	124	139
-- Migration & Refugee Assistance	105							0	41	41				0	41	41
-- Legal Information Centers	0													0	0	0
-- Property Claims Tribunal	30							0	15	15				0	15	15
-- Banking System Modernizations	30				0	17	17				5	0	5	5	17	22
-- Business Training Courses	0													0	0	0
-- Human Rights	15							0	12	12				0	12	12
-- Education	90				10	29	39							10	29	39
-- Civic Programs	10				0	10	10							0	10	10
GRAND TOTAL	18,439	666	4,563	5,324	536	1,099	2,012	308	625	933	5	0	5	1,565	6,382	7,947

NOTES:

1/ -- Totals May Not Add Due to Rounding

2/ -- In addition, USAID was apportioned $15 million for administrative expenses.

2/4/04

Funds Status ($Millions)

- **Apportionment**
  - Received $1,580
  - 2Qtr Request $6,382
- **Tasked** (achon under way)
  - Non-Con $1,196
  - Construction $ 667
  - Total $1,863
- **Execution** $ 509

As of 1 Feb

For Dacy Pask:
Cost
Scope
Schedule

Construction Tasks Awarded by 1 Jul 04

Sector	$M Awarded
Oil	$1,200
Electrical	$1,993
Security/Justice	$ 749
Water/PW	$ 722
Trans/Comm	$ 367
Bldgs/Ed/Health	$ 371
Total	$5,402 Million

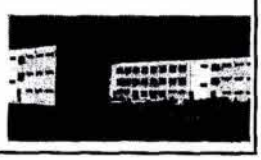
Non- Construction Procurement by 1 Jul 04

Sector	$M Awarded
Oil Infrastructure	$ 824
Electrical	$ 221
Security and Law Enforcement	$ 2,703
Water Resources and Sanitation	$ 160
Trans/Comm	$ 157
Roads, Bridges, & Construction	$ 421
Private Sector Development	$ 172
Education, Refugees, & Human Rights	$ 204
Total	$4,862 Million

Work Under Way Now

Construction	
• Electrical	511,135,260
• Public Works	94,860,000
• Security	160,000,000
• Schools	89,760,000
Sub-Total	**855,755,260**
Non-Construction	
• Security & Law	270,000,000
• Justice and Public Safety	70,000,000
• Electric	50,000,000
• Oil	322,000,000
• Transportation	27,000,000
• Education	10,000,000
Sub-Total	**749,000,000**

Total: $1,604,755,260



600 million Construction in process by month x m.

COALITION PROVISIONAL AUTHORITY

BAGHDAD

INFO MEMO

13 February 2004

FOR: Senior Advisors

FROM: Andrew Goledzinowski (CIC) and Rodney Bent (OMB)

SUBJECT: Unfunded Projects Review -- 14 February Meeting

Thanks are due to all for their good work in preparing lists of unfunded projects. Over the last few days we have made substantial progress in getting a well coordinated set of project requirements reflecting Iraqi priorities.

On 14 February, the Ministry of Planning and Development Cooperation (MoPDC) is convening a meeting at which a panel of Director General-level officials from MoPDC, Finance, Foreign Affairs and the Central Bank will query officials from other ministries about the project lists that they have submitted. The Minister asked that Senior Advisors work with their ministers to prepare ministry representatives for this session. The panel will be most interested in hearing about each ministry's top two or three priorities. In addition, the panel may be interested in hearing very briefly about how the list was drawn up and of how each ministry's list reflects criteria such as:

- job creation;
- meeting essential needs;
- speed of impact;
- capacity to implement;
- budgetary impact;
- impact on productivity in other sectors;
- cross-cutting impact on gender equality, environment or cultural issues.
- preparatory work or discussions that may have taken place with multilateral or bilateral donors.

MoPDC has issued the invitation to this session directly to the counterparts in the other ministries. Any queries that ministries may have regarding logistical arrangements should be made directly to the DG responsible for donor cooperation in the MoPDC, (b)(6) (b)(6)

Annex C: Ministry of Industry and Minerals Project List

Draft - 12 January 2004

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
PROJECTS FUNDED BY THE U.S. SUPPLEMENTAL								
		Restore Ministry of Industry & Minerals Building			$13,679,820		Baghdad	Baghdad
UNFUNDED PROJECTS								
1	Industrial Park Rehab	Nahrawan Industrial Park Water Treatment Rehabilitation	Rehabilitate MIM's only existing industrial Park's water treatment facilities. Industrial park houses 160 private sector brick factories (80% of Iraq's output) and surges up to 20,000 employees during peak production	$12,000,000	$12,000,000		Baghdad	Nahrawan
2	Regional Industrial Parks	Regional Industrial Parks: Baghdad central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$40,000,000	$72,530,000	Yes	Baghdad	Baghdad
3	Regional Industrial Parks	Regional Industrial Parks: CPA South Central	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$42,530,000	$72,530,000	Yes	Anbar, Hilla, Najaf	Ramadi, Babylon, Najaf
4	Regional Industrial Parks	Regional Industrial Parks: CPA North	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$18,130,000	$38,130,000	Yes	Ninewa	Mosul
5	Regional Industrial Parks	Regional Industrial Parks: CPA South	Greenfield developments for siting future industry. Previously planned developments in which the MIM has site control of locations . Madrid conference resulted in $200MM of funding	$18,130,000	$38,130,000	Yes	Basrah	Khor Zubair, Basrah
6	SOE Rehabilitation	Rehabilitate Kirkuk Plant	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Tameem	Kirkuk
6	SOE Rehabilitation	Rehabilitate Kubaisa Plant	Japanees firms have expressed intent to obtain financing from thier government to rebuild this Japanees - built plant. Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Anbar	Ramadi
7	SOE Rehabilitation	Rehabilitate Muthana Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Muthana	Muthana
7	SOE Rehabilitation	Rehabilitate Karbala Cement Plant	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$15,000,000	$25,000,000		Karbala	Karbala
8	SOE Rehabilitation	Rehabilitate Kubaisa / Badoosh Cement Plants.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$30,000,000	$50,000,000		Ninewa	Mosul
9	SOE Rehabilitation	Rehabilitate Muthana Cement Plant.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$2,000,000	$2,500,000		Muthana	Samawa
10	SOE Rehabilitation	Rehabilitate Southern Fertilizer Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$5,000,000	$13,000,000		Basrah	Khor Zubair
11	SOE Rehabilitation	Rehabilitate Phosphoric acid Plant in Al-Qaim.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Cement is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$12,000,000	$22,000,000		Anbar	Ramadi

Annex C: Ministry of Industry and Minerals Project List

Draft - 12 January 2004

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
12	SOE Rehabilitation	Cancer Drugs Production Plant.		$4,000,000	$10,000,000		Ninewa	Mosul
13	SOE Rehabilitation	Rehabilitate Irrigation Equipment Manf. Plant.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Grant financing will enable companies to continue with in State Ownership.	$5,000,000	$15,000,000		Hillah	Iskandariah
14	SOE Rehabilitation	Rehabilitate of Northern fertilizer Company.	Critical assets that need substantial rehab if firms to get up and running and operating at full capacity. Urea is a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$14,000,000		Salah al Din	Baiji
15	SOE Rehabilitation	Rehabilitate State Co. for Heavy Engineering Equipments.		$1,000,000	$8,200,000		Baghdad	Baghdad
16	SOE Rehabilitation	Rehabilitate State Co. For Electrical Industries.		$1,000,000	$3,300,000		Baghdad	Baghdad
17	SOE Rehabilitation	Rehab. Mechanical Workshop's equipment in MIM's Companies.	Rehabilitation of metal fabrication units of various SOEs through out Iraq allowing continuing vertical integration in production process	$5,000,000	$15,000,000		Different	
18	SOE Rehabilitation	Rehabilitate the State Company for Mechanical Industries.		$1,000,000	$3,000,000		Hillah	Iskandariah
19	SOE Rehabilitation	Rehabilitate Specialized Institute For Engineering Industries.		$4,000,000	$10,400,000		Baghdad	Baghdad
20	SOE Rehabilitation	Rehabilitate Iron & Steel Plant.	Totally destroyed plants from looting after the war. Rebuilding not consistent with CPA policy recommendation	$60,000,000	$200,000,000		Basrah	Basrah
21	SOE Rehabilitation	Rehabilitation of Transformer Plants in Diala State Company.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. Transformers are a strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$,5,000,000	$15,000,000		Diyalah	Ba'quba
22	SOE Rehabilitation	Rehabilitate High Pressure Vessel's Manufacturing Plant in Daura.	Critical assets that need substantial rehab if firms are to get up and running and operating at full capacity. A strategic resource for the rebuilding of Iraq. Grant financing will enable companies to continue with in State Ownership	$4,000,000	$8,000,000		Baghdad	Baghdad
23	New SOE	Three New Medical Oxygen Units.		$10,000,000	$37,000,000		Baghdad, Mosul, Basrah	
24	SOE Rehabilitation	Blood and Urine bags Production.		$2,000,000	$3,200,000		Hillah	Babylon
25	SOE Rehabilitation	Rehabilitate the Intravenous Solution Plant / Ninewa Drug State Co.		$10,000,000	$18,000,000		Ninewa	Mosul
26	SOE Rehabilitation	Rehabilitate Sulphuric acid Plant - Mishrak		$3,000,000	$9,000,000		Ninewa	Mosul
27	SOE Rehabilitation	Rehabilitation of Basrah Paper Factory.		$1,750,000	$2,750,000		Basrah	Basrah
29	SOE Rehabilitation	Rehabilitate Paper & Cardboard Producing Machines.		$5,000,000	$10,000,000		Basrah	Basrah
30	SOE Rehabilitation	Rehab. Cement Sacks and Cardboards Paper Manufacturing Line.		$5,000,000	$10,000,000		Missan	Umara
31	Environmental Project	Discontinue release of sewage into the River - Al- Rashid Vegetable oil Plant.		$0,500,000	$0,917,000		Baghdad	Baghdad
32	Environmental Project	Discontinue release of sewage into the River - Al- Ameen Vegetable oil Plant		$0,500,000	$0,917,000		Baghdad	Baghdad
33	Environmental Project	Industrial water treatment for Furat chemical plant / Sadat al-Hindia		$2,000,000	$4,267,000		Babylon	Baghdad
34	Environmental Project	Industrial Water Treatment for Starch Plant / Al-Hashimia		$1,000,000	$3,333,000		Hillah	Babylon
35	Environmental Project	Biological Treatment for Rasheed vegetable Oil Plant.		$1,000,000	$1,923,000		Baghdad	Baghdad
36	Environmental Project	Sewage and industrial water treatment for Eskandaria mechanical Company.		$3,000,000	$20,000,000		Hillah	Babylon
37	Environmental Project	Prevention of Sewage disposal to the River - Mosul Sugar Plant.		$0,300,000	$0,333,000		Ninewa	Mosul
38	Environmental Project	Waste water treatment for Mosul Textile Plant.		$1,000,000	$2,500,000		Baghdad	Baghdad
39	Environmental Project	Industrial Waste Water treatment unit for Abu-Ghareeb Dairy Plant.		$4,000,000	$10,000,000		Baghdad	Baghdad
40	Environmental Project	Discontinue release of sewage into the River / Al-Muatassim vegetable oil Plant.		$0,500,000	$1,040,000		Missan	Umara
41	Environmental Project	Industrial Waste Water and Sewage treatment - Wasit Textile Plant..		$1,500,000	$2,333,000		Wasit	Kut
42	Environmental Project	Industrial Waste Water and Sewage treatment - Sammara Drug Company.		$0,500,000	$0,643,000		Salah al Din	Samaraa
43	Environmental Project	Prevention of Sewage disposal from Missan Sugar Factory.		$0,500,000	$1,000,000		Missan	Umara
44	Environmental Project	Industrial Waste water treatment / Mosul Dairy Plant.		$1,000,000	$2,000,000		Ninewa	Mosul
45	Environmental Project	Industrial Waste water treatment / Qadisia Dairy Plant.		$1,000,000	$2,000,000		Qadisia	Diwania
46	Environmental Project	Industrial Waste water treatment in Mosul Sugar Factory.		$2,000,000	$3,333,000		Ninewa	Mosul
47	Environmental Project	Water pumping station for Rashid Vegetable oil plant..		$0,440,000	$0,440,000		Baghdad	Baghdad
48	SOE Rehabilitation	Insulin Production plant.		$5,000,000	$15,000,000		Salah al Din	Sammara

Annex C: Ministry of Industry and Minerals Project List

Draft - 12 January 2004

Priority	PROGRAM	PROJECT TITLE	MINISTRY PROJECT DESCRIPTION	2004 PROJECT COST	TOTAL PROJECT COST	FUNDING COMMITMENT (Yes => use *)	GOVERNORATE	MUNICIPALITY
149	New SOE	Chlorine production plants (3 plants)		$20,000,000	$120,000,000		Not Defined	
50	SOE Rehabilitation	Wool yarns manufacturing line.		$4,000,000	$8,000,000		Baghdad	Baghdad
51	SOE Rehabilitation	Aluminum tubes for Medical creams & ointments.		$4,000,000	$14,000,000		Salah al Din	Sammara
52	SOE Rehabilitation	Traffic signs manufacturing factory.		$1,000,000	$1,500,000		Baghdad	Baghdad
53	SOE Rehabilitation	High voltage motors workshop		$1,500,000	$1,500,000		Baghdad	Baghdad
54	SOE Rehabilitation	Detergent plant		$2,000,000	$6,000,000		Baghdad	Baghdad
55	SOE Rehabilitation	Di-Calcium phosphate plant.		$3,000,000	$9,000,000		Hillah	Babylon
56	SOE Rehabilitation	Submersible pumps plant.		$4,000,000	$9,500,000		Hillah	Babylon
57	SOE Rehabilitation	Rehabilitate Fertilizer plant.		$10,000,000	$60,000,000		Basrah	Abu-Khaseeb
58	SOE Rehabilitation	Float glass plant.		$10,000,000	$70,000,000		Anbar	Ramadi
59	SOE Rehabilitation	Refractories production plant.		$3,000,000	$10,000,000		Anbar	Ramadi
60	SOE Rehabilitation	Fluorescent lamp plant.		$1,500,000	$5,500,000		Baghdad	Baghdad
160	New SOE	New Cement Factory.		$20,000,000	$150,000,000		Not Defined	
62	SOE Rehabilitation	Fine casting plant		$2,000,000	$5,000,000		Baghdad	Baghdad
63	SOE Rehabilitation	Vegetable oil plant in Wasit.		$5,000,000	$54,000,000		Wasit	Kut
64	SOE Rehabilitation	Extension of petrochemical complex.		$10,000,000	$70,000,000		Basrah	Basrah

CPA SENIOR ADVISOR CONTACT LIST

As of: 2/17/2004 (POC: Tim Carney, MRCO, Room S101L, DSN: 318-239-8113/8119)
(NOTE: This list is in MS Outlook address book under ORHA/ORHA Groups/CPA Ministries)

	Ministry	Room	(b)(6)
1.	[redacted]		
2.	Communications	S214 & S2	
3.	[redacted]		
4.	Displacement and Migration	S108	
5.	[redacted]		
6.	Electricity	S117	
7.	[redacted]		
8.	Finance	S210	
	(Central Bank)	S207	
9.	[redacted]		
10.	Health	S200 & S22	
11.	[redacted]		
12.	Housing & Construction	S115	
13.	[redacted]		
14.	Industry & Minerals	S107	
15.	[redacted]		
16.	Justice	S102	
	(Prisons)	S103	
17.	[redacted]		
18.	Municipalities and Public Works	S221	
19.	[redacted]		
20.	Planning & Development	S104	
21.	[redacted]		
22.	Trade/Standards	M213	
23.	[redacted]		
24.	Water Resources	S222	
25.	[redacted]		
		OTHE	
•	Baghdad Central	N110	
•	[redacted]		
•	Development Cooperation	M209	
•	[redacted]		
•	Governance	N102	
•	[redacted]		
•	Iraqi Media Network	Green Rm	
•	[redacted]		
•	Ministries Requirements	S101L	
•	[redacted]		
•	Operations & Infrastructure	M234 & M2	
•	[redacted]		
•	Private Sector Development	S107	
•	[redacted]		
•	Program Review Board	S203	
•	[redacted]		
•	Strategic Communications	Green Rm	
•	[redacted]		
•	US Consul	Conv. Ctr.	

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CPA SENIOR ADVISOR CONTACT LIST

As of: 2/1/2004 (POC: Tim Carney, MRCO, Room S101L, DSN: 318-239-8113/8119)
(NOTE: This list is in MS Outlook address book under ORHA/ORHA Groups/CPA Ministries)

	Ministry	Room	(b)(6)
1.	[redacted]		
2.	Communications	S214 & S2	
3.	[redacted]		
4.	Displacement and Migration	S108	
5.	[redacted]		
6.	Electricity	S117	
7.	[redacted]		
8.	Finance	S210	
	(Central Bank)	S207	
9.	[redacted]		
10.	Health	S200 & S2	
11.	[redacted]		
12.	Housing & Construction	S115	
13.	[redacted]		
14.	Industry & Minerals	S107	
15.	[redacted]		
16.	Justice	S102	
	(Prisons)	S103	
17.	[redacted]		
18.	Municipalities and Public Works	S221	
19.	[redacted]		
20.	Planning & Development	M209	
21.	[redacted]		
22.	Trade/Standards	M213	
23.	[redacted]		
24.	Water Resources	S222	
25.	[redacted]		
	OTHE		
•	Baghdad Central	N110	
•	[redacted]		
•	Executive Secretariat	Front Office	
•	[redacted]		
•	General Counsel	M115	
•	[redacted]		
•	Operations & Infrastructure	M234 & M2	
•	[redacted]		
•	Private Sector Development	S107	
•	[redacted]		
•	Religious Affairs (Deewan)	S104	
•	[redacted]		
•	National Security Affairs (Defense)	N220	
•	[redacted]		
•	US Consul	Conv. Ctr.	
•	[redacted]		
•	Program Management Office	M234A	
•	[redacted]		

~~FOR OFFICIAL USE ONLY~~

Name Co.

ت	اسم الشركة		اسم المدير العام الحالي	
1	مقر الوزارة	~~Ministry committee / Ministry Supervisor~~	~~مهند عجر المجيب~~	~~Muhanad A.Ala' Din~~
A	مقر الوزارة/ دائرة التخطيط	Ministry committee DG/ Planning Dep.	سامي رؤوف الاعرجي	Sami Rauf AL-Aaraji.
3	مقر الوزارة/ الدائرة الاقتصادية	Ministry committee	عبد الستار الصافي	Abed el-Staar
4	مقر الوزارة/ دائرة الرقابة الداخلية	Ministry committee ID 6 Interior Auditory	عبد القادر برهان	Abed El-Kader Burhan
5	شركة نصر العامة للصناعات الميكانيكية	Nassr State Co. for Mechanical Industries	تحسين سلمان	Mr.Tahseen Salman
6	الشركة العامة للصناعات الكهربائية	State Co. for Electrical Industries	شاكر ساير	Shaker Sair Albandar
7	الشركة العامة للصناعة البطاريات	State Co. for Batteries Industries	باسل الراوي	Basil Alrawi
8	الشركة العامة لمنتوجات الالبان	State Co. for Dairy Products	طارق التكريتي	Tarik Al-Tikriti
9	الشركة العامة للصناعات القطنية	State Co. for Cotton Industries	علي القرغولي	Ali Alqaraqli
10	الشركة العامة للصناعات الصوفية	State Co. for Woolen Industries	مقبل البراك	Mukbeel Al-Baraak
11	الشركة العامة لصناعة السجاد اليدوي	State Co. for Hand Woven Carpets	ماري حمزة	Mrs.Mary Hamza
12	الشركة العامة للصناعات الجلدية	State Co. for Leather Industries	سلام عبد علي	Selaam Abed Ali
13	الشركة العامة للمسح الجيولوجي والتعدين	State Co. for Geological Survey & Mining	علي محي العزاوي	Mr. Ali M. ALazawy
14	الشركة العامة لصناعة الزيوت النباتية	State Co. for Vegetable Oils Industry	فائز غني عزيز	Dr.Faez K.Aziz
15	شركة ١٧ نيسان العامة	17- Nissan State Co.	سالم اسماعيل	Dr. Salim Ismael

ت	اسم الشركة		اسم المدير العام الحالي	
16	المعهد المتخصص للصناعات الهندسية	Specialized Institute for Engineering Industries	جمال شاكر	Mr. Jamal Shakir
17	الشركة العامة للتصميم والانشاء الصناعي	State Co. for Industrial Design & Construction	حميد الانباري	Hameed AL-Anbary
18	الشركة العامة للتصاميم والاستشارات الصناعية	State Co. for Design & Engineering Consultations	علي النعمة	Ali Al-Neema
19	الشركة العامة لنظم المعلومات	State Co. for Information Systems	عبير السامرائي	Miss Abear Alsamuraey
20	الشركة العامة للمنظومات	State Co. for Electronic Systems	منقذ البكر	Munqith AL-Baker
21	الهيئة العامة للتدريب والتأهيل	State Commission for Training & Rehabilitation	صباح كبة	Sabah Kuba
22	الهيئة العامة للبحث والتطوير الصناعي	State Commission for Research & Development		
23	الشركة العامة للسمنت العراقية	Iraqi State Co. for Cement	محمد عبد الله	Mr.Muhamad Abdulah
24	الشركة العامة للصناعات الانشائية	State Co. for Industrial Construction	محمد كاظم كاطع	Muhammad Kadim Kate
25	الشركة العامة للتبوغ والسكائر	State Co.for Cigarette.	صباح سرهيد	Sabah Serheed
26	مديرية التنمية الصناعية	Industrial development co.		
27	شركة ذات الصواري العامة للصناعات الكيمياوية	That Al-Sawary State Co. for Chemical Industries	ريسان صدام حسن	Risan sdaam Hasan
28	شركة الفارس العامة	Al-faris State Co.	عبد الرحمن العزاوي	Mr.Abdul Rahman Al-Azawi
29	مصنع بغداد للاثاث	Baghdad Factory for Furniture		
30	الشركة العامة للصناعات الميكانيكية	State Co. for Mechanical Industries	عادل اللامي	Mr. Adil Al-Lami

ت	اسم الشركة		اسم المدير العام الحالي	
31	الشركة العامة لصناعة السيارات	State Co. for Vehicles Industries	عامر نجم كاظم	Amer Najim Kadim
32	شركة الفرات العامة للصناعات الكيمياوية	Al-Furat State Co. for Chemical Industries	حمودي عباس	Dr. Hamoudi Abas
33	الشركة العامة للصناعات النسيجية - حلة	State Co. for Textile Industries - Hilla	محمود احمد المتولي	Mr. Mahmoud Mohamad Al-Mutwali
34	الشركة العامة لصناعة الاطارات - نجف	State Co. for Tires Industries-Najaf	فائق عبد الرسول	Faik A.Rasool
35	الشركة العامة للصناعات المطاطية	State Co. for Rubber Industries	حميد فاخر	Mr. Hamid Fakher Al-yasiri
36	الشركة العامة للسمنت الجنوبية	Southern State Co. for Cement	فاروق السامرائي	Dr.Farouk Al-Samarai
37	شركة القادسية العامة للصناعات الكهربائية	Al-Qadesia State Co. for Electrical Industries	احمد محي	Ahemed Muhy
38	الشركة العامة لصناعة الزجاج والسيراميك	State Co. for Glass & Ceramics Industry	فؤاد حماد عنيزي	Fuad Hammad Anizi
39	الشركة العامة لصناعة الحراريات	State Co. for Refractories	رقيب القاضي	Mr.Rqeep AlKhdi
40	الشركة العامة للفوسفات	State Co. for Phosphate	عبد الودود عبد الستار	Mr.Abdul Wadood Abdul satar.
41	الشركة العامة لصناعة الادوية والمستلزمات الطبية - سامراء	State Co. for Drugs & Medical Supplies Industry - Sammraa	ابراهيم عباس	Abraheem Abbas
42	الشركة العامة للسمنت الشمالية	Northern State Co. for Cement	علاء الطفيلي	Alaa Altufaily
43	الشركة العامة لصناعة الادوية والمستلزمات الطبية - نينوى	State Co. for Drugs & Medical Supplies Industry - Naniwa	د.فرج عبد الله	Dr Faraj Abdulah
44	الشركة العامة لكبريت المشراق	State Co. for Mishraq Sulfate	نوري حطاب	Nury Hataab
45	الشركة العامة لصناعة الالبسة الجاهزة	State Co. for Ready Made Wear Industries	رعد الجميلي	Mr Raad AL-Jumaily

ت	اسم الشركة		اسم المدير العام الحالي	
46	الشركة العامة لصناعة الاسمدة الشمالية	Northern State Co. for Fertilizer Industry	قيس رؤوف	Mr.Qais Raoof
47	شركة واسط للصناعات النسيجية	Wasit Co. for Textile Industries	يونس عبيد	Unis Abeed
48	الشركة العامة للصناعة السكر	State Co. for Sugar Industry	عقيل نوري	Aqueel M.Noori
49	الشركة العامة للصناعات الورقية	State Co. for Paper Industries	علي شانشول	Ali Shanshool
50	شركة اور العامة للصناعات الهندسية	UR State Co. for Engineering Industries	عون لفتة علاوي	Mr .Aoun L.Alewy
51	الشركة العامة للصناعات البتروكيمياوية	State Co. for Petrochemical Industries	ابراهيم سالم ابراهيم	Abraheem Salim Abraheem
52	الشركة العامة لصناعة الاسمدة الجنوبية	Southern State Co. for Fertilizer Industry	مهدي سالم عبد الحسن	Mahedi Salim Abed El-hasan
53	الشركة العامة لصناعة الحديد والصلب	State Co. for Iron & Steel Industry	رياض جعفر عبد السيد	Riad Jaafar Abed Elsaid

040226-301

COALITION PROVISIONAL AUTHORITY
BAGHDAD

--- February 2004

MEMORANDUM FOR CHIEF OF STAFF, COMBINED JOINT TASK FORCE 7

FROM ADMINISTRATOR, COALITION PROVISIONAL AUTHORITY

SUBJECT: Tasking Letter – 4057-301 -(Title) (i.e., Request for Security Escort/Eviction/Information/Equipment) in Support of ----------)

Reference: Request from (Ministry/Office)

I request that the Commander, Combined Joint Task Force 7 (CJTF-7) take the appropriate action to provide (security escort/eviction/information/equipment) support to (Ministry/Office)

WHO: Ministry/Office Requesting support

WHAT: Description of support required

WHEN: Date and Time

WHERE: Complete Grid Coordinates

WHY: Provide detailed justification (Task, Purpose, Endstate)

COORDINATING INSTRUCTIONS:

(Any special coordinating instruction. Ie. Lodging, rations, etc.)

Direct coordination authorized between the tasked unit(s) and the Point of Contact listed below.

Direct coordination by the Supporting Unit to the Supported Unit Point of Contact below is required prior to mission execution

(b)(6)

STEPHEN T. SMITH
Chief of Staff
Coalition Provisional Authority

0312xx-30x

COALITION PROVISIONAL AUTHORITY
BAGHDAD

3 February 2004

MEMORANDUM FOR CHIEF OF STAFF, COMBINED JOINT TASK FORCE 7

FROM ADMINISTRATOR, COALITION PROVISIONAL AUTHORITY

SUBJECT: Tasking Letter – 33XX-30X, Request for Information in Support of the Ministries Requirements Coordination Office

Reference: Request from Ministries Requirements Coordination Office

I request that the Commander, Combined Joint Task Force 7 (CJTF-7) take the appropriate action to provide information support to the CPA Ministries Requirements Coordination Office.

WHO: CPA Ministries Requirements Coordination Office

WHAT: It is requested that the Baghdad area emergency medical plan, policies, procedures and emergency communication capabilities for use by CJTF-7 and CPA be provided.

WHEN: Information is required not later than 14 February, 2004.

WHERE: Baghdad area (Grid Coordinates needed)

WHY: This information will be shared with CPA ministries personnel who travel in the Baghdad area "Red Zone." These personnel require medical assistance/evacuation plans and emergency numbers to allow themselves and others to react appropriately in the event of a medical emergency.

COORDINATING INSTRUCTIONS:

Direct coordination authorized between the tasked unit(s) and the Point of Contact listed below.

Direct coordination by the Supporting Unit to the Supported Unit Point of Contact below is not required prior to mission execution.

(b)(6)

STEPHEN T. SMITH
Chief of Staff
Coalition Provisional Authority

[redacted]

MRCO

- Direct MRCO and Iraqi staffs
- CJTF-7 Spt Requests
- CODEL Coordinator
- VIP/Minister Protocol
- Governing Council LNO
- Ministries Personnel Staffing
- CPA Eviction SOP POC
- "CPA Ministries" E-mail Mgr
- Supervise WWLR PM
- Sr. Advisor briefer
- Public Property Committee
- Manage Printing Funds
- Action Officer – Other

Operations

- Deputy MRCO
- Action Officer
- MSC/BCT LNO
- FP/Security LNO
- CJTF-7 Spt Requests
- IMO
  - IT Equipment
  - Cell Phones
  - MRCO Help Desk
- Weapons Cards issue
- Confiscated Wpns Recovery
- Maps
- Badging
- Ministries Website
- Reports & Records
- Conference Rooms
- Copy Center LNO

Logistics/Facilities

- Action Officer
- CJTF-7 Spt Requests
- Min Military LNO Briefer
- Transportation
  - Auto Requests
  - Fuel Requests
  - Air Trans
- Confiscated Auto recovery
- Supplies
- KBR Liasion
- Space Management
- Tasker Log & Spreadsheet
- Reports & Records
- Conference Rooms
- Key Control
- Local Hire LNO
- Maintenance

Admin/Office Asst.

- Action Officer
- In/Out Processing
- Request forms Maint
- Translations
- Desk Phones
- Reception
- Assist w/ local hires
- Reports & Records
- Conference Rooms
- Mail
- Furniture

As of 3/21/04

DEPARTMENT OF THE ARMY
HEADQUARTERS, 3d SQUADRON, 2d ARMORED CAVALRY REGIMENT
COALITION PROVISIONAL AUTHORITY HEADQUARTERS
PRESIDENTIAL PALACE, BAGHDAD, IRAQ

AFZX-C-CO

6 September 2003

MEMORANDUM FOR CPA Personnel Riding with Security Patrols Provided by 3/2 ACR

SUBJECT: Operational Guidance for CPA Escort Missions

1. General. 3d Squadron, 2d Armored Cavalry Regiment (3/2 ACR) provides mounted security for CPA personnel to enable Ministry operations. This memorandum describes procedures and limitations of these mounted security operations. **My mission is to protect you and to enable your mission.** In order to accomplish our mission, 3d Squadron soldiers conducting CPA escort patrols will:

- Safely move you from the vehicle Staging Area, to your destination(s), and return.
- Dismount and escort you from your vehicle to a meeting place.
- NOT conduct reconnaissance operations, raids, dismounted patrolling, clear buildings or areas, deter looting, apprehend or detain persons, or hasty attacks. Contact the military commander of that zone if you must conduct these co bat operations. We will assist you in that coordination.
- NOT conduct mounted or dismounted combat operations for any purpose other than protecting you.

2. Requesting an Escort Patrol. 3d Squadron supports all CPA escort missions approved by the Requirements Coordination Office.

- Submit your movement request thru CPA Customer Service no later than 1700hrs, two days prior.
- Movement requests must be complete and include accurate six-digit MGRS grids to destination(s). Pre-combat inspections, troop-leading procedures, C3 (command, control, & communications), types of vehicles, planning for reserves, and risk assessment decisions are all made based on the information you provide
- **Missions are denied or cancelled if you provide inaccurate or incomplete information.** Please ask us for help if you cannot determine your destination's MGRS location.
- Late requests submitted after 1700 hours are only supported if approved by the Requirements Coordination Officer. When able, 3d Squadron provides two standby missions daily for no-notice, high priority missions approved by the Requirements Coordination Officer.
- After the mission is approved, you may request only one change in departure time. This change must be submitted at least 30 minutes prior to your originally scheduled departure time.
- If you are going to Baghdad International Airport (BIAP), plan to ride the BIAP Shuttle Bus. The BIAP Shuttle Bus escort will not escort more than ten vehicle per mission. The BIAP escort mission follows a route directed by the Squadron Commander to minimize risk to the patrol and its passengers. Suggest you plan t arrive extra early at BIAP, and not take the last possible bus.
- Whenever possible, request you combine your patrol with other Ministry missions going to the same or nearby locations. This reduces risk.

3. While on Patrol.

- If you are late for departure, the patrol leader will wait for you 30 minutes in the staging area. After 30 minutes, the Squadron Commander cancels the mission.
- Please see the Staging Area OIC/NCOIC when you arrive in the Staging Area; he will link you up with your patrol leader.
- The patrol leader will brief you in the Staging Area before departure. At a minimum, he will confirm your destination, routes, estimated duration of mission, an actions on vehicle breakdown, injury, and enemy contact.
- The patrol will only take you to the location you requested in writing, and nowhere else, unless expressly approved by the Commander, 3d Squadron.
- For your safety, you will wear seatbelts, helmet, and body armor when riding on patrol. NO EXCEPTION. If you will not wear this protective equipment, the patrol is cancelled.
- While you are at your meeting, the soldiers are stationary and exposed to enemy attack. Please keep your meetings appropriately short.
- Patrol leaders will not take you on shopping trips or to restaurants.
- Commander, 3d Squadron prohibits soldiers from making purchases from the local economy, to include foodstuffs. Do not give the soldiers anything you purchase.
- Escorted vehicles will drive between escorting gun trucks.
- There are trained "combat lifesavers" on every patrol to treat injuries and prepare casualties for evacuation.
- **The patrol leader is in charge of the mission, regardless of the rank of any passenger.** The patrol leader will make tactical decisions and lead his soldiers. Passengers will not "assume command" of the patrol. Bluntly: These are my soldiers, not yours. I command them, lead them, care for them, am responsible for their actions, and write letters to their loved ones if their lives are lost. I appreciate your patience in this regard.

4. Problems? I want to know if there is a problem. I am fiercely proud of 3d Squadron and our mission to support CPA. Comment cards are collocated with mission reques forms at Customer Service. If a problem is more serious, please contact me directly through the coordination office collocated with CPA Force Protection office, Room M215.

Always Ready! Toujours Pret!

(b)(6)

*****It is the Customer's responsibility to check the run sheet the night before departure*****

بسم الله الرحمن الرحيم

جمهورية العراق
وزارة الصناعة والمعادن
الشركة العامة للحديد والصلب

Republic of Iraq
Ministry of Industry & Minerals
State Company for Iron and Steel

العدد : ٥٩
التاريخ : ١٢ / ١ / ٢٠٠٤
الموافق :

To: Ministry of Industry & Minerals . Financial affairs
Sub: Salaries Differences

Dear Sirs
Your message 165 dated in 10/1/2004.

1- We would like to say that (C.P.A) in Basrah do not pay salaries for persons whom they have been appointed or transmitted from other companies unless they will have permission from the financial manager of (C.P.A) in Baghdad. Thus they depended the list of July 2003 to pay money for those persons.
2- Here the members of the persons whom they have been transmitted from the state company of Phosphate and their salaries.

The member	The salary
44	100000 I.D for each persons, and these persons were directed in the company in December 2003.
4	100000 I.D for each persons, and these persons were not directed in the company until now.

Then, you are requested to give us permission to pay their salaries for December 2003 and the year of 2004 too.

With Best Regards

D.G
R.J.Abdul Sayed

Censorship M.
T.A.Taha

Financial M.
F.Kh.Abbas

Deputy D.G
A.M.Essa

خور الزبير - بصرة - العراق - ص.ب ٤٣٨ - برقيا ستاتسكو - هاتف مباشر ٨٨٦٤١١ (٦١٠٨٥٣ - ٦١٠٨٥٢ - ٣١٤١١٦ بصرة) مكتب بغداد ٧١٧٨٤٨٩ فاكس ٦٢٢١٣٤
K.HOR ALZUBAIR-BASRAH-IRAQ Cable:STATISCO 8864611 (610853,610852,314116 Basrah) Bag. Office : 7178489 FAX: 622134

(b)(6)

From: (b)(6)
Sent: Wednesday, February 18, 2004 8:42 PM
To: (b)(6)
Cc:
Subject: More Questions - Iron & Steel - Vegetable Oil

What ever happened?

Mark

Two brief ones, and (b)(6) would you like copies of my originals upstairs re the Iron and Steel?

Another piece of puzzle

There is to be an election within the State Co Iron & Steel 28th Feb. It is alleged that the employees are being intimidated through the use of armed men, to persuade them that the current management team are the most proper for the job. I have the opportunity to find out more, but there appears to be a certain disquiet amongst certain elements of the management about how much others, and the engineers are prepared to tell me.

One manager has asked me to provide engineers to provide an objective assessment of the engineering evaluation/due diligence reports of the various bidding companies.

Should I just take over the factory and get it going? Ooops

Vegetable oil

A bit of a come down, at least in this neck of the woods, but:

The General Company for Vegetable Oils Industry has a subsidiary here in Maysan Province, which I saw today. The company is in a pretty poor state, and needs cash spent on it (I don't believe in giving anyone cash, bits, engineers, yes, expertise, advice, even time, cash, no.)

They have submitted a list totalling some USD 465,000 for parts and spares. Some of this is essential, but I've only just got it, so haven't evaluated it yet.

The plant is producing, albeit at a small volume, but, it occurs to me that the cash returns, I assume being made to Baghdad, can either be hypothecated, or held over to pay for such maintenance and repairs. If we are to take a proper view of the company and its financial position, it needs to be conducted within the context of the group operations. Teaching grandma to suck eggs, I know, but is there a policy? (Or too many?)

A very short one

I would love to have that list of 55 companies referred to in that ill considered press release printed so kindly by the Pakistani's.

Regards

(b)(6)
SOE
CPA (South)

(b)(6)

(b)(6)

From: (b)(6)
Sent: Tuesday, February 17, 2004 10:48 AM
To: (b)(6)
Cc:
Subject: RE: Ministry of Ind and Min - CPA - Cement & Iron & Steel

(b)(6)
As we have stated numerous times the CPA did not initiate the leasing program. The minister developed his own program and we were asked to provide technical assistance AFTER the fact. The MIM has since hired a financial advisor. The ministry has purposely kept this office at arms length regarding the leases.

(b)(6) has redeployed and (b)(6) is getting up to speed on his replacement. She will need to some time to develop the rapport with the Ministry in order to address questions such as the ones you asked about the SOEs in the south. For an immediate status of the leasing, I'd ask Merchant Bridge

(b)(6) the issues raised by Paul should be added to your list of issues to be discussed with the Ministry. Overall, the coordination between the Ministry in Baghdad and the SOEs are very poor. I suggest that you take Paul with you to meet the Minister...CPA South is doing a lot of great work..their office is bigger than our whole Directorate

Note the IPP program is dead. The Iraqis have no chance of getting all the pieces together and the MoFinance rejected the L/C where for institutional building reasons the CPA will not override the Ministry. I have sought and received funding from the 04 SOE budget to upgrade T&D and add new capacity for SOEs in critical sectors. Note that Muthana cement and S. Fertilizer are off the list since alternative sources of funding have been secured

I am back at the CPA until the end of February

All the best
(b)(6)

-----Original Message-----
From: (b)(6)
Sent: Tuesday, February 17, 2004 8:19 AM
To: (b)(6)
Cc: Bjorn Brandtzaeg; Andrew Alderson
Subject: Ministry of Ind and Min - CPA - Cement & Iron & Steel
Importance: High

Dear (b)(6)

I have a number of questions with regard to activities within the SOE sector.

If I should address these toward someone else, please let me know.

Cement

Visiting the grinding mill at Um Qasr yesterday I was informed that Box Consulting LP had visited them 2 days ago (I assume Saturday) and were tasked with restoring the cement industry in Iraq, and were on their way to Baghdad to discuss same with CPA. What is their brief, and how does it cut across ours? Similarly the company has had a recent visit from FL Smidth (we are aware of this company and have approached them in the past re a repair job).

I would be grateful, as a) don't want to step on toes, and b) would like not to appear stupid.

Iron and Steel

I am sure you are aware of the report concerning theft at the plant's scrapyard. One issue.

Second issue is that concerning the DG, and the seeking of overseas tenders for management contracts/joint venture proposals. I was informed a week ago that this process had been stopped by the Ministry, however, yesterday I was told by the DG that this was an ongoing process, with visitors here recently.

I understand that the proposal is that a joint venture partner take the scrap, and the raw material, sell this, use the proceeds to refurbish the plant, and then take 50% of operating profit. I think a sensible response to that might be technically described as a 'no-brainer', however of course this might be only part of the story.

What is quite clear is that the DG does not want, or like, anyone dealing with CPA, other than himself. Certainly he is unhappy with information being passed over (though it should be noted that he signed the letter asking for increased security at the plant).

This appears to stem from a meeting that I had with the majority of the management team – not including him, obviously – where I reminded them that an operating plant was worth more than one not, that they had a payroll in excess of 4,500 and they weren't working, that all pay would cease 31 December 2004. The opportunity was to restart the plant, slow at first, and with the rebar section of the plant. This was initially derided because there were plans (bells, whistles, moon etc), and that all the money would come from an overseas investor. I indicated that following due diligence, appropriate checks on legal status, changes in the law if required, works on the plant, most of them would be out of work before a spanner was lifted. An element of the management bought into this, and I managed to extract a spares list for the rebar electrical requirement. Financial options have yet to be considered for paying for the works, but I thought this was a positive step!

If I am to cease this route, and the company is to carry on seeking tenders, I wish to have clear information regarding the plant status, the Ministry's position, and the status of the tenders.

I am having a meeting with him shortly (probably Sat. a.m.) and I would very much appreciate being updated on these issues. He travels to Baghdad today (Tuesday).

And

Re: Old Cement factory As Sammawah

I have passed on a proposal from the client to Merchant Bridge, and today some financial information received yesterday – more of which I have requested. Will keep you up to date when I have some response from MB, but I would appreciate knowing whether I could tell the company that a lease is possible, and that this is being pursued, or we are wasting their time, and adding another example reinforcing the lack of confidence in CPA performance, and indeed competence.

I look forward to your reply. By separate e-mail I am asking Mike for the status of the proposed licencing arrangements for the export of scrap, because the SCIS should bid.

Regards

(b)(6)
SOE
CPA (South)

(b)(6)

From: (b)(6)
Sent: Friday, February 27, 2004 1:54 PM
To: (b)(6)
Subject: Cement in Iraq

Dear (b)(6)

I was informed by (b)(6) that you have replaced (b)(6) as the senior advisor to the Ministry of Industry and Minerals in Iraq. I had asked (b)(6) if he would brief you on my company and our interest in the cement industry before his departure, but do not know if he was able to do so.

Back in November, Orascom Construction Industries and our consortium partners submitted an unsolicited proposal to (b)(6) at the CPA to help restore the Iraqi cement industry. We proposed to enter into a short term management contract with the Ministry of Industry and Minerals to finance, rehabilitate, manage and maintain a single state cement company. (b)(6) asked (b)(6) to review our proposal and later [redacted] and (b)(6) became involved as well as Maj. Andrew Alderson of CPA South. While we had hoped that the CPA would take a more active role, we were eventually told to discuss our proposal directly with Ministry officials. Unfortunately, Ministry officials have informed us that several options are being considered and that a strategic plan for the cement industry has not yet been developed. More recently, (b)(6) asked us to contact Eric le Blan at MerchantBridge, but he has told us that his firm is only working with the Ministry on the initial leasing program for the smaller companies.

We have always thought that our cement proposal makes good sense, represents a win-win solution for all parties involved and would be a good success story for the CPA and the Ministry. Orascom Construction Industries is one of the largest construction contractors and cement producers in the region. Our consortium also includes Holcim, the world's second largest cement company, and KPMG, the global accounting and auditing firm. The attractiveness of our short term management contract proposal for the Ministry is that our consortium would provide all the resources including equipment, personnel and finance necessary to rehabilitate, manage and maintain a single state cement company. Compensation for our consortium would be through a profit sharing formula over the term of the contract. Our preference would be to enter into a management contract with Southern State Cement Company to help rehabilitate their cement plants in the south-central and southern regions since we are most experienced in constructing and operating plants using FL Smidth and ThyssenKrupp Polysius production technologies. We still hope to give officials from the Ministry a full presentation of our plan and capabilities, and invite them to visit Egyptian Cement Company, located outside Cairo, to see firsthand how we may be of service.

Please find attached a small presentation we prepared for CPA officials in Washington last summer. If you would like to receive a complete copy of our cement proposal (Project RIC), I would be pleased to forward it to you by email or courier. We would greatly appreciate it if you would keep us in mind as events change in the Iraqi cement industry during the months to come.

Best Regards,

(b)(6)
Strategic Planning Manager
Orascom Construction Industries
www.orascomci.com

(b)(6)

From: (b)(6)
Sent: Friday, February 27, 2004 3:06 PM
To: (b)(6)
Cc:
Subject: Fertilizer Factories - Zubair and Baji City

JAPAN

Sir
I am working with (b)(6) at the Iraqi Assistance Center - Amman. One of my primary duties is for coordination with the Ministry of Agriculture. In our efforts with the United Nations Industrial Development Organization
(UNIDO) we are reviewing the Zubair and Baji City Fertilizer Plants. There is potential support from the Japanese government for both these plants (primarily Mitsubishi equipment). The concern UNIDO has remains with coordinated support from all the players (CPA, Ministries, etc.). Can you tell me if there are any obstacles we should be aware of for these plants? Are there any plans for ensuring the power supply to both these plants? Have there been any plans for rehabilitation on these plants?

Also - Do you have visibility on the Basra Chlorine Plant? UNIDO is potentially looking at this plant as well. Same issues - power, CPA interest, etc.

Any help you can give me on these plants would be greatly appreciated. Thanks (b)(6)

(b)(6) IAC-Amman
****

(b)(6)

International Finance Corporation (IFC)
Overseas Private Investment Corporation (OPIC)
Proposed $185 million micro-small business financing facility

The IFC and OPIC jointly propose to develop a $185 million facility that would provide both equity and debt capital components to support micro and SME financing throughout Iraq. The proposed facility anticipates working with existing local private Iraqi banks as well as potentially creating a new financial entity specifically mandated to support micro and SME businesses. The primary market emphasis will be local businesses with loan needs ranging from $500 to $20,000. Geographically all of Iraq would be the target market including the Sunni Triangle.

- By calendar year end 2003, the IFC and OPIC anticipate obtaining their full board approvals.
- By calendar year end 2003, the IFC anticipates identifying experienced operators and trainers for both selected existing local financial institutions and any new financial entity created.
- By month end January 2004, the IFC and OPIC intend to have the new facility fully funded and operational.

Funds would be initially earmarked as follow:

- $30 million for Technical Assistance ("TA") to meet pre-operational expenditures, expatriate staff salaries, and training costs for local personnel over a three year period. (Approximately $10 million each year)
- $155 million of capital for:
    - Lending to existing financial institutions as they successfully complete required lending and operational criteria reflected in the Technical Assistance and,
    - Funding the establishment of an Iraq Small Business Bank ("ISB"), the first specialized small business lending institution in Iraq.

The $155 million financing component to be used for on-lending to micro and small businesses through financial intermediaries in Iraq will be provided by donor and private sources in a series of risk layers.

(i) 1st loss (subordinated tranche), $10 million, to be funded by a CPA grant.
(ii) 2nd loss (mezzanine tranche), $30 million, to be funded by OPIC, $15 million, and international donor funds, $15 million.
(iii) 3rd loss (senior B tranche), $100 million, to be funded by OPIC and the IFC at $50 million each.
(iv) 4th loss (senior A tranche), up to $15 million, to be funded by U.S. private sector investors. This U.S. eligible investor position is a requirement for OPIC's participation. OPIC is committed to identify the eligible investor by mid January 2004. International private sector investors will be invited to participate in this tranche as well.

The total international donor fund requirement is $45 million and consists of $30 million for TA funding and $15 million for the 2nd loss mezzanine tranche. The aggregate TA component needs to be committed up front for the full 3-year period. Its initial first year cash requirement of $10 million and the $15 million mezzanine 2nd loss tranche must be funded up front in the first year. Thus the donor cash requirements are as follows:

January 2004 $25 million
January 2005 $10 million
January 2006 $10 million

Points for SME Facility

- Would like to talk to you about supporting a new IFC initiative to finance SME lending in Iraq.

- The joint UN-World Bank needs assessment on Iraq identified employment generation programs as one the most urgent priorities.

- The IFC is prepared to launch a new facility that would invest in existing banks – or open a new greenfield bank – focused on small and medium-sized businesses.

- We strong support this initiative, which will support private sector growth and help build local capacity in the financial sector. It will be modeled on highly successful SME programs based in Russia, Ukraine and Southeastern Europe.

- While the IFC is willing to invest its resources in the facility, they need $x million from donors to finance technical support and provide money for lending. This technical assistance money will be used to train loan officers, finance equipment, lease office space, and cover other operating expenses.

- The IFC is hoping to bring the proposal to the Board on December 18, but will need some firm indications of financial commitments by donors in order to persuade private investors to come in.

- The US is contributing $10 million for one year.

- <u>For: Japan/Korea/Spain/EC</u>: hope you would consider a matching amount in 2004, and additional commitments for 2005 and 2006.

- <u>For Netherlands/Denmark</u>: hope you would consider a multi-million dollar pledge to this facility.

- I want to underscore that this would be money allocated from your existing pledge for Iraq. We are *not* seeking additional funds.

- I would urge you to ask your World Bank Executive Director to speak with the IFC about this facility directly.

<u>Security Situation, if raised</u>

- Though the IFC cannot currently travel to Iraq, they are moving forward with this program. For example, they will be meeting with Iraqi bankers in London next week in order to better determine whether they are good candidates for this initiative.

- The IFC has also tentatively identified some expatriate Iraqis who would be willing to help operate the Bank, and could travel to Baghdad.

Background

The International Finance Corporation (IFC) is developing a facility to support the financing and development of micro, small and medium-sized enterprises (SMEs) in Iraq. The IFC has informally briefed its Board on this facility, and plans to bring it to the Board on December 18. $10 million will come from the United States.

Rationale

One of the lessons from the transition experiences of the economies of Central and Eastern Europe and the Former Soviet Union is that SME development is critical to sustainable private-sector led growth – generating as much as two-thirds of all new jobs. This underscores the importance of SME development as part of a strategy for the reform and closure of state-owned enterprises, as it offers a critical channel for absorbing excess labor.

Despite the strong benefits that SMEs bring to an economy, their development has often been substantially constrained by lack of credit due to high administrative costs and perceived high credit risk. As a result, a number of transition economies now have in place special programs designed to target this sector. Many of these – such as the Russia Small Business Fund – have proven to be highly successful: they have grown rapidly and repayments rates have usually been in excess of 98 percent.

SME programs have also been highly successful in post-conflict environments, such as Kosovo, Bosnia and Serbia, where these micro-credit banks were the first new financial institutions for these economies, providing a critical source of finance, as well as a secure option for placing deposits.

Objectives of the ISBF

The ISBF would be designed to increase access to capital by Iraqi entrepreneurs, improve the overall business environment, and improve capacity building on the ground. Funds in the ISBF would be used to: 1) establish a bank (and branches) and/or work with local banks in Iraq to support SME development; 2) train Iraqi loan officers in micro and small enterprise credit lending; 3) provide lending to micro, small and medium sized enterprises; and 4) finance policy dialogue to assist in the creation of a transparent and predictable business environment.

The credit institution(s), not the ISBF, would provide direct financing to Iraqi businesses, as a key objective would be to create and strengthen the capacity of local financial institutions to provide increased amounts of financing on a sustainable basis.

Working with IFC

The IFC has substantial experience with SME lending, and has recently launched a project in Africa that follows a model similar to this one, based on proven track records of facilities in other regions. Iraq is in arrears to the World Bank ($89 million), but is legally in good standing with the IFC, and the IFC has confirmed that it can invest in Iraq.

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December 22, 2003

FROM: Vice President and Corporate Secretary

MEETING OF EXECUTIVE DIRECTORS - December 16, 2003

Update on the Post-Madrid Progress of the Iraqi Program

Attached for information is the statement made by Mr. Saba, Country Director for Middle East and North Africa Region at the meeting of the Executive Directors held on December 16, 2003.

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Executive Directors and Alternates
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Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
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IRAQ

Update on the Post-Madrid Progress of the Iraqi Program

Statement by Mr. Joseph Saba, Country Director
Middle East and North Africa Region
To the Board of Directors

December 18, 2003

Mr. Chairman, Members of the Board

I am pleased to brief you today on the progress of the Iraq Program since our last meeting following the October Madrid Donor Conference. Since then, in dialogue with Iraqi administration officials, other donors, the IMF and the UN, we have finalized the terms of reference for the International Reconstruction Fund Facility, advanced plans for donor coordination, developed a work program for the next 6-9 months and taken steps to establish a presence in Amman, Jordan to facilitate our work.

I was part of a Bank team which met with Iraqi officials and Coalition Provisional Authority (CPA) representatives in Amman, December 3-10. On December 3, together with UN representatives, we had a meeting with the Iraqi Minister of Planning and Development Cooperation, his staff and CPA representatives, obtaining their views and validation of a proposed work program and the Fund Facility Terms of Reference. We also reached agreement on a structure and mechanisms for donor coordination and on practical matters of continuing contact and collaboration. A senior CPA official, in charge of implementing the United States contribution of $18.6 billion, described their plans to-date and offered close coordination and meetings the first week of January to prevent donor duplication and facilitate a coherent development framework for the Iraqis. A specific World Bank work program for next 6-9 months will be reflected in the Interim Strategy Paper we are presenting to the Board for discussion in January, following further discussions with Iraqi authorities and the CPA to assure coordination with the overall reconstruction and transition program. We have already begun activities to lay the groundwork for programs of capacity building and training, policy advice and emergency projects, the latter to include investment in critical infrastructure and core services, community-based rural infrastructure, and rehabilitation and reequipping of schools and medical facilities. We have identified training facilities (initially outside Iraq), and have also hired two Iraqi professionals as staff on extended term contracts and have engaged approximately 20 Iraqi consultants (all based in Iraq). We continue to interview and engage Iraqis residing in Iraq. These will help us build capacity for fulfilling the Bank's fiduciary processes and to quick-start priority activities. The Iraqis/consultants, based in Iraq, permit us to carry out operations even prior to sending international staff to Iraq. Initially, this work would be funded from the Fund Facility. When appropriate, the Bank's own resources would be brought to bear.

In addition, the operation to be presented this afternoon by IFC is fully consistent with our dialogue with the Iraqis on private sector development, particularly emphasis on small –and medium-size enterprises to reinvigorate the economy and create much needed jobs.

Further meetings with Iraqi officials and the CPA were held December 7-10 in Amman, in conjunction with the IMF, to discuss macro-economic developments, policy priorities and prospects for the year 2004. The large Iraqi delegation was led by the Ministers of Finance and Trade, the Central Bank Governor and included their senior aides and the Chairmen of Rafidain and Rasheed Banks. The Iraqis described the timetable for a provisional Iraqi government to be in place by end-June 2004, to be underpinned by a new Fundamental Law pending adoption of a full constitution and general elections set for end-2005. The Iraqis indicated that at least until July 2004, their approach to economic policy decisions will be cautious with no key, strategic decisions or major privatization anticipated. Rather, they expect to focus on matters of immediate necessity, while building institutional capacity for the structural reform anticipated later. In these meetings, the Bank team presented a proposed work agenda over the next 6-9 months relating to economic management. The key elements, to be more fully reflected in the upcoming Interim Strategy Paper, are: (i) developing a strategy for transition, including issues relating to SOEs; (ii) reforming incentives in prices and trade with attention to regional/global trade arrangements; and (iii) poverty monitoring, developing social safety nets and near/medium-term social production mechanisms.

On the Fund Facility, we and the UN have completed Terms of Reference based on the feedback of the donors and the Iraqi counterparts, and taking into account the basic principle of strong coordination among the various players. The Fund Facility consists of two trust funds, the World Bank Iraq Trust Fund and the UNDG Trust Fund. The Fund Facility will coalesce donors around an agreed program of work through coordinated financing of priority expenditures, including reconstruction activities, sector-wide programs, investment projects, technical assistance, policy advice and other development activities. Each of the World Bank and the UNDG are completing indicative work programs for funding by its particular trust fund in the Fund Facility. The advantage of the Fund Facility is closer coordination, unified reporting and close harmony with Iraqi priorities for a coherent budget expenditure framework.

To coordinate all donor efforts, the Iraqis have developed a new structure that reflects Iraqi priorities, whereby the Ministry of Planning and Development Cooperation will coordinate the country's overall sector priorities, and a new Iraqi Strategic Review Board will approve priorities based on a comprehensive view of donor activity.

The Fund Facility structure was presented to and agreed with the European Commission in Brussels on December 4, and with the broader Liaison Group of Donors in New York on December 11. A paper accompanying the Interim Strategy Paper will provide the Board with greater detail. The finalized Fund Facility Terms of Reference and a standard Letter of Agreement for the World Bank Iraq Trust Fund are available from my office on request and will be distributed to the Board with the Interim Strategy Paper.

In addition to the operational preparatory work underway, we have been active as one of the four members of the International Advisory Monitoring Board. Messrs. Fayezul Choudhury and Charles McDonough were appointed as the Bank's representatives to the Board, and the first meeting was held in New York on December 5 with the Arab Fund for Economic and Social Development, the UN and the IMF.

In conclusion, the Bank's work on Iraq has progressed significantly, notwithstanding the continuing exceptional security and logistical constraints. However, moving forward, these constraints will continue to present serious challenges in carrying out the work within Iraq. Until security permits a presence in Iraq, we will rely on Iraqi consultants based in Iraq, and alternative

mechanisms and flexible arrangements for project preparation and supervision. This includes putting in place an Interim Iraq Program Office in Amman until such a time as allows us to ensure the safety of our international staff in Iraq. Also, we intend to rely heavily on a video conference facility that we are now setting up in the Forum Center in Baghdad. An additional broad band connection is being extended to the Ministry of Planning and Development Cooperation. Barring any unforeseen technical problems, we expect to have these facilities in place by early to mid-January. We also plan to leverage our regional field offices to provide training to Iraqis on various fronts, starting with the fiduciary and safeguard issues related to donor aid.

At this point, I would be happy to answer any questions you may have. Thank you.

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IFC/SecM2003-0083

December 17, 2003

FROM: Vice President and Corporate Secretary

Iraq

Proposed Investment in Iraq Small Business Finance Facility

Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30 (Dealings with De Facto Governments)

1. Attached for information is a *Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30* (*Dealings with De Facto Governments*), dated December 17, 2003. The note was prepared at the request of Executive Directors, as background material for consideration of the proposed investment in Iraq Small Business Finance Facility (IFC/R2003-0214), at the meeting of the Board of Directors to be held on **Thursday, December 18, 2003**.

2. Questions on this document may be referred to (b)(6) (b)(6)

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December 17, 2003

Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30 (Dealings with De Facto Governments)

1. **Introduction.** In preparation for the meeting of the IFC Board scheduled for December 18, 2003 to consider IFC's proposed investment in Iraq Small Business Finance Facility (IFC/R2003-0214), some Executive Directors sought legal confirmation that the World Bank's Operational Policy 7.30 (O.P. 7.30) on Dealings with De Facto Governments (July 2001) does not apply to the proposed investment by IFC and that by approving the IFC investment, the Board is not taking any position on whether the conditions set forth in O.P. 7.30 for the Bank and IDA to resume operations in Iraq are satisfied.

2. **Applicability of World Bank O.P. 7.30.** O.P. 7.30 (Dealings with De Facto Governments) sets forth the criteria under which the Bank and IDA may provide financing to a member country with a de facto government and by its terms applies only to the Bank and IDA, not to IFC. These criteria are intended to protect the Bank and IDA from the risks that a de facto government may not be able to carry out the project being funded and that a subsequent government may repudiate and refuse to repay the credits extended by the Bank/IDA. In contrast, IFC is providing financing to the private sector, not to governments.

3. **Conclusion.** In view of the above, it is our opinion that O.P. 7.30 does not apply to IFC financing of the private sector and by approving this investment the Board is not taking a position on whether the conditions set forth in O.P. 7.30 for the Bank and IDA to resume operations in Iraq are satisfied.

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IFC/R2003-0213

December 8, 2003

For meeting of
Board: Thursday, December 18, 2003

FROM: Vice President and Corporate Secretary

Proposed IFC Participation in and Contribution to the Private Enterprise Partnership for the Middle East ("PEP-ME")

(Afghanistan, Iraq, West Bank Gaza and Yemen)

1. Attached is a Recommendation and a Report to the Board entitled, "Proposed IFC Participation in and Contribution to the Private Enterprise Partnership for the Middle East (PEP-ME)".

2. Questions on this document should be referred to (b)(6) or (b)(6)

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FROM: The President December 2, 2003

PROPOSED IFC PARTICIPATION IN AND CONTRIBUTION TO THE PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST ("PEP-ME")

(Afghanistan, Iraq, West Bank Gaza and Yemen)

Introduction

1. The proposal described in the attached report outlines IFC's participation in the Private Enterprise Partnership for the Middle East ("PEP-ME"), which aims to provide technical assistance to support private sector development initially in four countries/territories: Afghanistan, Iraq, West Bank Gaza and Yemen.

2. Based on the specific needs of the targeted countries/territories, IFC has concluded that technical assistance in the form of PEP-ME represents a vital element for the development of the private sector in the targeted countries. PEP-ME could be extended to other frontier countries in the region in the future.

Proposal

3. It is proposed to establish an IFC-managed Private Enterprise Partnership for the Middle East for an initial period of four years, beginning on January 1, 2004 with a total IFC contribution of US$10 million. Additional contributions are expected to be made by other donors.

4. PEP-ME would develop targeted, innovative projects to (i) help improve the business enabling and regulatory environment, (ii) strengthen financial institutions and markets, (iii) stimulate the growth of small and medium-sized enterprises, and (iv) assist in the restructuring and privatization of state-owned enterprises.

5. PEP-ME would operate from IFC's regional hub in Cairo, with a dedicated Manager, and, where conditions permit, with satellite offices in targeted countries. Back-up support would be provided by IFC's MENA department, the SME department, and other departments, as required.

6. The recommended contribution will demonstrate, both to client and donor countries, IFC's strong commitment to, and support for, the development of the private sector in the targeted countries.

Recommendations

7. I recommend that the Board of Directors adopt the following resolution:

RESOLVED:

THAT IFC establish a Private Enterprise Partnership for the Middle East with the objectives outlined in paragraphs 2.01 to 2.04 of the attached report, and provide a contribution of up to US$10 million for a period of four financial years starting January 1, 2004 and that any budget underrun be rolled over from one financial year to another.

James D. Wolfensohn
President

by (b)(6)

REPORT

TO THE

BOARD OF DIRECTORS

ON THE

ESTABLISHMENT OF

AND PARTICIPATION IN

THE

PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST

(PEP-ME)

DECEMBER 18, 2003



MIDDLE EAST AND NORTH AFRICA REGION

PROPOSED PARTICIPATION IN THE PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST (PEP-ME)

Abbreviations and Acronyms

BDS	Business Development Services
FIAS	Foreign Investment Advisory Services
FSU	Former Soviet Union
FY	World Bank Group fiscal year, July 1st – June 30th
GTZ	Gesellschaft für Technische Zusammenarbeit
IFC	International Finance Corporation
IMF	International Monetary Fund
MENA	Middle East & North Africa Department - IFC
NAED	North African Enterprise Development Facility
OEG	Operations Evaluation Group – IFC
PA	Palestinian Authority
PEP	Private Enterprise Partnership
PSD	Private Sector Development
SME	Small and Medium Enterprise
SOE	State-Owned Enterprise
TA	Technical Assistance
USAID	United States Agency for International Development

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EXECUTIVE SUMMARY

i. This is a proposal for a *Private Enterprise Partnership for the Middle East (PEP-ME)* to support the development of markets and institutions that are key to private sector growth in several countries and territories of the Middle East. These countries will initially be Afghanistan, Iraq, West Bank Gaza and Yemen. The proposed program would be managed out of IFC's regional hub in Cairo, with dedicated staff in both Cairo and, where conditions permit, the selected countries in addition to inputs from regular IFC resources when needed.

ii. The four countries and territories initially identified suffer from a poor investment climate, security issues (if not conflict situations) and weak institutions that are inadequate to foster private sector development. In all four countries, however, the prospect of reform appears favorable. IFC has not been able to use its usual investment instruments on a significant scale in these countries; these are frontier markets where IFC's technical assistance can have a high impact and lay the foundation for future increased private investment. IFC could consider in the future expanding the scope of this facility beyond these initial four markets.

iii. PEP-ME is being structured as a dedicated technical assistance program with seed grant financing from IFC; additional funding would be raised from multilateral and bilateral donors. PEP-ME's goal is to assist the growth of the private sector by engaging in four main activities:

- Helping improve the business enabling and regulatory environment;
- Strengthening financial institutions and markets;
- Stimulating the growth of small and medium-sized enterprises; and,
- Assisting in the privatization and restructuring of state-owned enterprises.

iv. PEP-ME's Manager would be located in Cairo and will report directly to the Director of IFC's MENA Department. The methodologies and programs of the existing IFC and donor-sponsored Private Enterprise Partnership (PEP) facilities for the former Soviet Union will be utilized and the opportunities for sharing experience and personnel will be actively exploited, with appropriate modifications.

v. Based on a preliminary work program, IFC envisages a four-year budget of up to US$40 million of which IFC will contribute approximately US$10 million. It is recommended that the Board approve an IFC contribution to PEP-ME of US$10 million over the period commencing January 1, 2004 and ending June 30, 2007, which is expected to be allocated as follows: US$1.9 million in FY04, US$2.5 million in FY05, US$2.7 million in FY06, and US$2.9 million in FY07. External

funding support of US$30 million will also be sought for the period ending June 30, 2007 (see Annex 2 for budget summary). IFC requests that any budget underrun be rolled over from one financial year to another.

vi. Subject to IFC Board approval, PEP-ME would be launched in the third quarter of FY04.

A PROPOSAL FOR THE PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST (PEP-ME)

I. BACKGROUND AND RATIONALE

Introduction

1.01 It is proposed that IFC establish a *Private Enterprise Partnership for the Middle East (PEP-ME)* to be led and managed by IFC's Middle East and North Africa (MENA) Department. Its objectives, scope, and general organization are described in section II below.

1.02 This recommendation is based on an urgent need for private sector technical assistance and advisory services identified by IFC in Afghanistan, Iraq, West Bank Gaza and Yemen. The targeted countries and territories suffer from a poor investment climate and security issues, and generally lack strong institutions which can foster private sector development. These constraints make it difficult for IFC to put together a significant investment program. The proposed PEP-ME would help to improve the conditions for private sector development (PSD) and lay the groundwork for future investment in these countries and territories.

1.03 Particular attention has been given to designing a project that will provide swift assistance on private sector issues by focusing on institutions, markets and activities important for PSD, based on IFC's comparative advantage. This technical assistance work would facilitate private investment and IFC's future investment activities through capacity-building and improvements in the business environment.

Economic context

1.04 IFC's MENA region is not only geographically diverse, spanning from Morocco to Pakistan, but also economically diverse: the region includes oil-rich high-income economies, lower-middle income countries, and low-income countries, as evidenced by a wide range in per capita income.

1.05 Since 1995, most countries in the region have initiated economic reforms that have been able to increase somewhat domestic and foreign private participation in the economy. At the same time, with a few exceptions, the size of the private sector in MENA countries remains comparatively small.

1.06 A number of constraints to private sector development in the region, which contribute to a weak investment climate, have been identified by the World Bank Group. These are:

- High entry costs for establishing new businesses;
- Restrictions on trade and investment;
- Deficiencies in the administration of justice;
- Preponderance of State-owned enterprises (SOEs);
- Lack of access to finance;
- Poor corporate governance; and
- High cost and poor quality of business support services.

1.07 Furthermore, some countries in MENA have economies that remain dominated by the public sector or are recovering from conflict. These constraints are more severe in some countries and territories, such as Afghanistan, Iraq, West Bank Gaza and Yemen, but they also exist, in lesser degrees, in others. IFC believes that the four targeted countries and territories need a tailored program to facilitate private sector development.

IFC Strategy

1.08 IFC's strategy in the region reflects the Corporation's focus on frontier markets, high-impact sectors and sustainability. The overarching goal is to support the development of a productive private sector which will expand economic opportunities (including jobs); attract investment; encourage economic integration; and introduce new technologies. In recent years, IFC has made progress in opening new markets, introducing new types of investments, and supporting the continued development of the private sector in the region. The total committed portfolio in the region exceeds US$1.2 billion, with US$279 million of new commitments being made in FY03.

1.09 IFC tailors its approach to match the needs and circumstances of individual markets. As mentioned above, the countries in the MENA region are quite diverse as are the Corporation's investment opportunities. In some markets, where the private sector has the basic building blocks in place, IFC is able to build a significant investment program. In others, where the local financial sector has evolved to a strong position, IFC is not needed except in the case of complex, ground-breaking or large investments.

1.10 On the other hand, a number of countries need fundamental support to help create the basis for a viable private sector. This is particularly the case where countries are recovering from conflict or are suffering from challenging security issues. In the MENA region, countries or territories in this latter category are Afghanistan, Iraq, West Bank Gaza, and, to a certain extent, Yemen.

1.11 Economic opportunities, particularly those which lead to the expansion of a middle class, are a stabilizing force, thereby helping the development of countries affected by conflict and poor security. The circumstances on the ground in Afghanistan, Iraq, West Bank Gaza and Yemen make it difficult to undertake a normal IFC program of loan and equity investments to the private sector, as these areas have limited capacity, in terms of the legal and regulatory frameworks as well as institutions to absorb investments.

1.12 IFC proposes to follow the successful approach taken in other countries facing fundamental transitions – such as the countries of the Former Soviet Union (FSU), and other formerly state-controlled economies. In those instances, IFC recognized that committing investments without having the necessary building blocks in place for the private sector to develop and prosper was often counter-productive. An early focus on technical assistance (TA) and advisory services was deemed to be a better approach and indeed has proven to be the case. IFC's Operations Evaluation Group (OEG) has found that investment programs have been less successful than technical assistance and advisory programs in yielding positive development outcomes when the surrounding enabling environment is weak. OEG recommends applying this lesson to IFC's strategies in early transition countries (see OEG's Country Assistance *Impact Reviews* for Vietnam (October 2001) and Russia (April 2002)).

1.13 The PEP-ME is patterned after the Private Enterprise Partnership (PEP) technical assistance program currently operating in the FSU, and shares its rationale. PEP is funded jointly by donor governments and IFC. Since its creation in 2000, PEP has provided technical assistance programs which have created jobs; increased local income; developed financial markets; improved corporate governance and environmental practices; and resulted in legislation aimed at improving the investment climate (see Reports to the Board, IFC/R2000-75 and IFC/R2002-0191).

1.14 IFC, therefore, proposes to launch a PEP-ME, with an initial focus on the four countries mentioned above. A focus on TA and advisory services through PEP-ME should help develop a solid pipeline of projects for future investments by IFC.

II. OBJECTIVE, SCOPE AND ORGANIZATION

Introduction to PEP-ME and Objectives of the Initiative

2.01 PEP-ME would provide the framework for the provision of technical assistance in the targeted countries. Given the fact that there is a low level of private investment in these countries (local private investment as well as FDI), this technical assistance program would help lay the groundwork for private sector development and improve the environment for future investment. This work would be done by IFC in coordination with the rest of the World Bank Group.

2.02 The objectives for PEP-ME would be to:

- Foster private investment;
- Build the capacity of the local private sector and of government to support the private sector; and

- Support the development of SMEs in particular, as they are often the most dynamic engine of growth and job creation.

Scope

2.03 The PEP-ME initiative would be flexible in its approach based on the needs of the individual countries. And indeed there would need to be an assessment, over time, of the most effective methods for achieving the objectives. At the outset, however, it is expected that the scope of the work plan would include a focus on the following:

- Improving the enabling environment, including the legal and regulatory framework;
- Developing the financial sector;
- Strengthening the SME sector; and
- Restructuring/privatizing SOEs.

2.04 In order to achieve the objectives mentioned above, PEP-ME would undertake the following activities:

Improve the business enabling environment

- Use IFC's knowledge gained from working with investors, financial institutions, and local companies to raise public awareness of the main constraints to business development and investment.
- Provide advice and assistance on private sector-related policies in collaboration with FIAS: e.g. diagnostics on constraints to private sector development; easing entry barriers and regulatory burdens; reviewing government procurement rules to improve public markets access to private, particularly, smaller firms; and reviewing licensing procedures to alleviate disproportionate burdens placed on private sector firms.
- Work on policy reform for private sector development, in close collaboration with the World Bank, the IMF, and other development partners. Particular attention would be given to administrative barriers, taxation and the administration of justice.
- Work on laws relating to financial markets, company laws, commercial codes, and foreign investment laws. IFC would draw on its experience in frontier and emerging economies to help on legislative changes and work with government officials and legislators, in coordination with the World Bank and IMF, to help implement these changes.

Strengthen financial markets

- Help strengthen the capacity of local financial institutions, in the areas of corporate governance, risk management, and credit assessments.

- Support the development of existing financial instruments and help create new specialized financial institutions such as leasing and mortgage finance companies.

- Improve SME access to financing by supporting the building of financial intermediaries including micro-finance banks, venture capital funds, leasing companies, and commercial banks.

- Establish partnerships with selected banks to improve their capacity to lend effectively to the SME segment. Depending on the capacity of the partner bank and its commitment to build a strong SME portfolio, assistance could also include developing internal training modules, working on related organizational changes and developing a dedicated marketing strategy.

- Develop micro-finance industries, by helping to build the capacity of existing or new institutions, and providing training to managers and loan officers. The approach will be to partner with specialized organizations to deliver these services.

- Support the introduction of new financial products relevant to SMEs (e.g. factoring, leasing).

Stimulate the growth of small and medium-sized enterprises

- Help develop linkages between SMEs and larger companies. Such activities will, where appropriate, be associated with IFC investments.

- Provide selected assistance to SMEs in developing project proposals, raising finance, and improving overall management.

- Improve the capacity of selected business associations and consulting firms to improve their services to private companies, particularly to SMEs.

Assist in the restructuring and privatization of SOEs

- IFC would assist in the privatization and/or rehabilitation of state-owned enterprises and lay the groundwork for successful private sector investment by building links between local companies and foreign partners and improving the quality and reliability of local supply and distribution chains.

Organization

2.05 PEP-ME is being structured as a dedicated technical assistance program with seed grant financing from IFC and additional funding to be requested from multilateral and bilateral donors. The program would be managed out of Cairo, under the active supervision of the Director of IFC's MENA Department, with teams of dedicated staff on the ground in each country where conditions permit. The PEP-ME Manager would also be responsible for the management of the existing facility in the region, North Africa Enterprise Development (NAED). Strategies for both donor-funded programs would be set using common principles (but taking into account country-specific needs and mandates). There would also be cost saving and operational synergies in terms of organization and back office operations. The program would also draw on regular IFC resources when needed.

2.06 PEP-ME would be organized to support the following core operating principles:

- **Local Staffing:** Wherever possible, PEP-ME would hire local nationals. This would allow a better understanding of the situation in each country and it would support the professional development of the local staff members.

- **Business Partnerships:** PEP-ME would work with other business organizations and service providers to maximize the impact of the program by reaching a larger number of private sector businesses. The partnerships would be structured for mutual benefit, with clear objectives, and the sharing of costs and benefits.

- **Investment Prospects:** Given IFC's traditional role as a financial institution, we believe that the links between the TA provided and the potential for investment would strengthen the PEP-ME program.

- **IFC's Funds to Support Management Costs:** Donor funds would go directly into the PEP-ME programs. IFC would cover the management costs including financial controls, assessment and new program development and, if needed, PEP-ME programs.

Staffing

2.07 The Cairo office would have an expatriate manager to head the facility and a small number of specialists. Each target country/territory would have a small core of professional staff and support staff dedicated to it, where conditions permit. Project work would be augmented by the targeted hiring of co-terminous consultants to meet the specific project needs. Local staff are expected to be co-located in the World Bank offices in each country.

Evaluation and Impact Measurement

2.08 PEP-ME would be evaluated at the commencement of the third year of its operations. Each program undertaken under its auspices would have clearly stated objectives at the outset and performance would subsequently be measured against these objectives.

2.09 PEP-ME would prepare and circulate periodic monitoring reports, as well as a more substantive annual report to Donors and Management. The facility's Trust Funds would be subject to the standard external and internal audit program for Donor Funded Operations.

2.10 It is proposed to identify and use appropriate indicators and impact measurement tools for some key activities at the facility, in order to evaluate the Partnership's success in reaching its objectives. These would need to be refined by the future Manager of PEP-ME when defining the facility's work program for the first year of operations.

Environmental Considerations

2.11 This is a Category C project according to IFC's Environmental and Social Review Procedure.

2.12 In cooperation with IFC's Environment and Social Development Department, it is proposed that PEP-ME would work with its clients and beneficiaries on improving sustainability which could increase productivity and reduce potential environmental liabilities. This could take the form of dedicated training programs delivered via partner institutions such as business associations or through direct intervention for large firms.

Timeline and First-Year Milestones

2.13 Subject to IFC Board approval, it is planned that PEP-ME would be established during the third quarter of FY04.

Table 1. Timeline and PEP-ME First-Year Milestones

December 2003	• Board submission
January-March 2004	• Official request to open IFC offices for the PEP-ME, where conditions permit • Fundraising • Advertising of international and local positions • Recruitment
January-June 2004	• Office set-up and IT • Training • Implementation of programs
July 2004	• PEP-ME donor meeting. Presentation of status and detailed FY 04/05 work program

III. TARGET COUNTRIES AND TERRITORIES

3.01 As mentioned above, IFC has selected four initial countries and territories for the proposed PEP-ME which are likely to benefit relatively more from IFC's technical assistance. All of these are considered to have a substantially more difficult business environments than the other countries in the region, but appear to be open to reform.

Afghanistan

3.02 Little economic information is available on Afghanistan. Nominal GDP in 2002 was US$4.4 billion, which would yield a GDP per capita of about US$160. Significant progress has been made since 2001, and real GDP is thought to have grown by 28% in 2002. Afghanistan is now at a critical juncture, where gains need to be consolidated and the tangible benefits of development felt more widely among the population.

3.03 The World Bank has developed a *Transitional Support Strategy for Afghanistan*, which includes private sector reform. Several constraints to private sector development have been identified; these are: security; lack of government capacity; little access to finance; lack of infrastructure; and poor governance. In essence, the challenge is to transform existing, but largely informal, private sector activities into a more formal sector with prospects for investment and expansion.

3.04 IFC dealt with some of these constraints directly with the establishment of the First Microfinance Bank of Afghanistan which has recently obtained a banking license together with two other banks. IFC is also helping to finance a hotel in Kabul.

3.05 In cooperation with the World Bank, the proposed PEP-ME program in Afghanistan would seek to improve the business enabling environment, especially at a

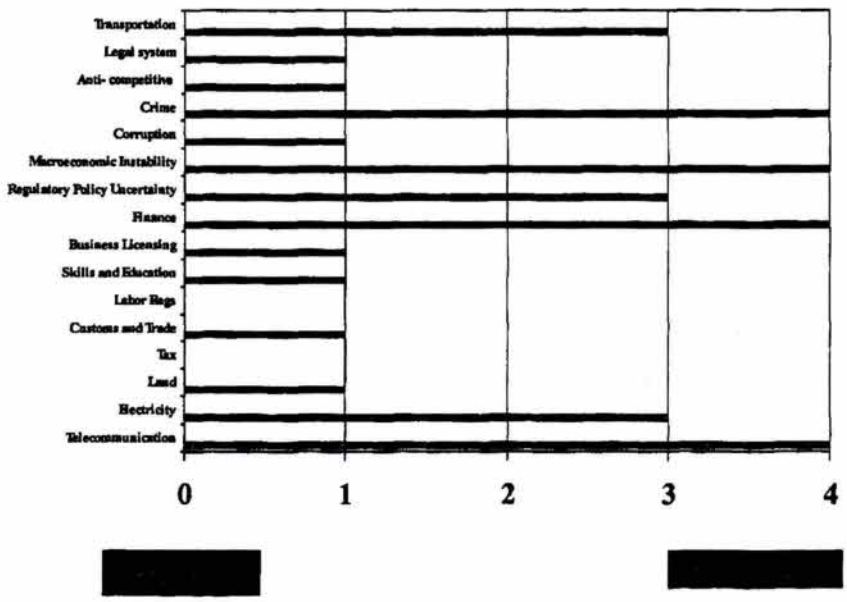
regulatory level, and provide much-needed technical assistance and advisory services to the country's fledgling private sector, which is almost exclusively composed of SMEs. Improving access to finance would be a critical element in the program.

Iraq

3.06 Iraq's economic performance has been extremely uneven since the first Gulf war, with wide variations in GDP growth from year-to-year. Overall GDP in 2002 was considerably lower than in 1990, with a substantial segment of the population having fallen below the poverty line. The economy has been dealt a further blow by the destruction of assets and infrastructure by the war, the looting that followed, and ongoing sabotage. Average income was estimated at US$1,100 per head in 2002.

3.07 A recent World Bank Investment Climate Assessment has identified obvious constraints to private sector development: the present security situation; the lack of clarity regarding macroeconomic direction; poor infrastructure; and lack of finance. In addition, UN sanctions in the 1990s and the prevalence of a strong central planning mindset within the previous Government have also prevented the emergence of strong private sector institutions. The size of the Iraqi private sector is, therefore, quite small with only a handful of relatively significant business groups operating in the country.

Iraq Investment Climate Assessment, August 2003



3.08 At the same time, public sector institutions have been significantly damaged in the wake of the war. While this has created a number of challenges, it also represents a unique opportunity to build a set of new institutions in both the public and private sectors that can create a dynamic private sector environment.

3.09 In the short term the immediate objective is to generate productive investment in the private sector and to stimulate employment. The proposed PEP-ME could assist with this objective by leveraging the Corporation's experience in this area. In particular, PEP-ME could support the development of proper regulations, in cooperation with the World Bank; help build the capacity of institutions especially in the financial sector; and provide active assistance to the private sector, particularly to SMEs. The World Bank-administered Trust Fund for Iraq may be approached by IFC for TA work.

West Bank Gaza

3.10 The Palestinian economy has performed dismally since the onset of the second Intifada in 2000. From close to two-digit growth, the economy has spun into reverse and real GDP was 34% lower in 2002 than in 1999. Furthermore, unemployment increased from 12% to 31% during the same period, and the share of the Palestinian population living below the poverty line (US$2.1 per person per day) is currently estimated at 59%, compared to 20% in 1999. With one of the world's highest population growth rates at more than 4% per year, this means that the reduction in average income has been severe.

3.11 The private sector has absorbed much of the shock to the economy. The growth of the sector remains constrained by: (i) restrictions on the movement of people and goods which have reduced sales and increased the cost of inputs and transportation; (ii) physical damage to corporate assets; (iii) the lack of commercial credit; (iv) the emigration of skilled professionals; and (v) arrears owed by the Palestinian Authority (PA) (although most of these arrears have been recently paid). At the same time, a more serious collapse of the sector has been indirectly prevented by donor disbursements which have sustained the demand for Palestinian goods and services.

3.12 Toward the end of 2000 when the political crisis began, the priorities of the PA and donor community, including the World Bank shifted to poverty alleviation and crisis management. Despite an inevitable preoccupation with short-term emergency issues, the World Bank Group and the donor community have stressed the importance of focusing on medium-term economic and institutional concerns. As part of the medium-term objectives, the Market Economy Reform Support Group was established to follow up on private sector and related public institutional reforms, which are a component of the general reforms that are being undertaken by the PA as part of the current peace efforts, with the help of the World Bank and the donor community. IFC has been unable to make investments in the present context.

3.13 In this context, in cooperation with the World Bank and other partners in the West Bank Gaza, such as USAID and Gesellschaft für Technische Zusammenarbeit (GTZ),

PEP-ME could provide assistance to the local private sector, using IFC's existing local infrastructure. This will lay the foundations for rebuilding capacity that has been either destroyed or severely diminished by the ongoing conflict. PEP-ME has the opportunity to positively contribute in restoring or enhancing the viability of existing projects and activities as well as establishing new ones such as:

a. Mortgage Housing: (i) PEP-ME could support the work on land registration reform, which would also positively contribute to IFC's existing secondary housing finance project, the Palestine Mortgage Housing Corporation (PMHC), and (ii) provide TA to local banks to develop and build their mortgage business capacity, which would also support PMHC's business;

b. Leasing: PEP-ME, with IFC's experience in leasing, could help in improving and advancing leasing legislation and regulation forward, in addition to identifying investment opportunities in leasing;

c. Corporate Governance: This could be targeted (i) at the company level by strengthening corporate governance practices at the larger Palestinian companies and banks, and (ii) at the national level, by strengthening corporate governance regulation;

d. SME development: More than 90% of the WBG businesses are considered to be SMEs and require substantial support, especially after the past three turbulent years.

Yemen

3.13 Yemen has grown relatively strongly in recent years, with an average real GDP growth of 4.3% in 1998-2002, although this trend has to be placed in the light of population growth in excess of 3.5% per year, one of the highest rates in the region. In 2002, income per capita was estimated at US$400, the second lowest for the MENA region. (Along with Afghanistan, Yemen is an IDA country).

3.14 Continued growth in excess of 5% per annum is unlikely without significant improvements in the business climate. The World Bank has identified several constraints to private sector development: public governance; investment environment; and costly access to infrastructure and business support services.

3.14 PEP-ME would provide assistance in improving the business enabling environment, especially in terms of fair access to government services, finance and infrastructure. In particular, PEP-ME would support government reforms associated with the IMF and WB programs. The Partnership would also focus on improving access to business support services and finance for SMEs.

Table 2. Activities by Country

Improve the business enabling and regulatory environment	High Priority	High Priority	High Priority	High Priority
Strengthen financial markets	High Priority	High Priority	High Priority	Medium/High Priority
Stimulate the growth of small and medium-sized enterprises	High Priority	High Priority	High Priority	High Priority
Assist in the privatization and restructuring of state-owned enterprises	Low Priority	High Priority	Medium Priority	Low priority

3.15 Specific activities would be developed by the PEP-ME management in close consultation with the World Bank and development partners active in each country to avoid duplication and to leverage other resources.

IV. RISKS

4.01 There are a number of risks to the successful implementation of PEP-ME in the targeted countries and territories:

- **Security issues** could prevent all, or significant portions, of the country programs from being carried out, including the ability to recruit appropriate staff for PEP-ME. IFC would carefully assess the security situation in each country before engaging in significant activities that have little chance of being carried out or of having an impact. IFC would also carefully monitor the situation on the ground and assess threats to its staff and activities and take appropriate remedial actions, as needed.

- **Resistance to change**, particularly on privatization and on the enabling/regulatory environment could prove to be a major obstacle. IFC would work closely with the World Bank in this area and focus on practical and incremental changes as appropriate.

- **Duplication** with other programs could lower the impact of PEP-ME. IFC would closely liaise with existing donor programs and develop a partnership approach that emphasized complementarity and co-participation with other development partners.

- **Conflicts of Interest** issues may arise as IFC, as manager of the PEP-ME program, may deliver regulatory and other advice to governmental entities as well as to local financial institutions and other entities. In addition, it is anticipated that IFC will make follow-on investments in the targeted countries that could benefit from such advice. Such potential conflicts of interest can be managed with care and in accordance with established WBG procedures for dealing with conflicts of interest in advisory and other assignments.

V. BUDGET AND FUNDING

5.01 Based on a preliminary work program, IFC envisages a four-year budget of up to US$40 million, of which IFC would contribute US$10 million. It is recommended that the Board approve an IFC contribution to PEP-ME of US$10 million over the period commencing January 1, 2004 and ending June 30, 2007, which is expected to be allocated as follows: US$1.9 million in FY04, US$2.5 million in FY05, US$2.7 million in FY06, and US$2.9 million in FY07. External funding support of US$30 million will be sought for the period ending June 30, 2007 (see Annex 2 for budget summary). For FY04, donor commitments are not expected and IFC's contribution (US$1.9 million) will be used to establish PEP-ME's infrastructure and start activities. IFC requests that any budget underrun be rolled over from one financial year to another.

5.02 Conditional on IFC Board approval, PEP-ME would be launched in the third quarter of FY04.

ANNEX 1

International Finance Corporation
Statement of IFC's Held and Disbursed Portfolio
Amounts in US Dollar Millions

Afghanistan

Approvals Pending Commitment

		Loan	Equity	Quasi	Partic
2003	FMBA	0.0	1.25	0.0	0.0
2004	Kabul Serena	7.0	0.0	0.0	0.0
Total Pending Commitment:		7.0	1.25	0.0	0.0

West Bank Gaza

1994	APIB	0	3.73	0	0.00	0	3.73	0	0.00
1997	Arab Bank	0	0	0.15	0.00	0	0	0.15	0.00
1997	ComBank Palestin	0	0	0.15	0.00	0	0	0.15	0.00
1997	Jordan National	0	0	0.90	0.00	0	0	0.90	0.00
1997	PIEDCO	8.00	1.00	0	0.00	1.00	1.00	0	0.00
1999	PMHC	0	3.00	0	0.00	0	2.23	0	0.00
1998	PTF	0	12.60	0	0.00	0	4.55	0	0.00
1998	PTF-Mgt Co.	0	0.20	0	0.00	0	0.04	0	0.00
1999	PTIC	0	0.49	0	0.00	0	0.49	0	0.00
1997	SEF Arab Concret	0.80	0	0	0.00	0.80	0	0	0.00
1999	SEF Cold Storage	0.10	0	0	0.00	0.10	0	0	0.00
1999	SEF JerichoMotel	1.10	0	0	0.00	1.10	0	0	0.00

Yemen

1999	ACSM	12.00	0.00	8.00	0.00
2002	Ahlia Water	1.51	0.00	1.00	0.00
1998	Radfan	1.90	0.00	1.90	0.00

ANNEX 2

Estimated Administrative Budget FY04-07 (US$ thousands)

PERMIT Travel Summary	FY04	FY05	FY06	FY07	TOTAL
Staff Costs	950	1,250	1,400	1,500	**5,100**
Communications & IT	100	250	275	300	**925**
Equipment & Office	350	150	175	200	**875**
Travel Costs	150	325	325	350	**1150**
Contractual Services	225	300	300	325	**1150**
Total Other Expenses & Contingency	125	225	225	225	**800**
Total Budget/Expenses	**1,900**	**2,500**	**2,700**	**2,900**	**10,000**

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SecM2003-0568

December 22, 2003

FROM: Vice President and Corporate Secretary

MEETING OF EXECUTIVE DIRECTORS - December 16, 2003

Update on the Post-Madrid Progress of the Iraqi Program

Attached for information is the statement made by Mr. Saba, Country Director for Middle East and North Africa Region at the meeting of the Executive Directors held on December 16, 2003.

Distribution:

Executive Directors and Alternates
President
Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
Directors and Department Heads, Bank, IFC and MIGA

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IRAQ

Update on the Post-Madrid Progress of the Iraqi Program

Statement by Mr. Joseph Saba, Country Director
Middle East and North Africa Region
To the Board of Directors

December 18, 2003

Mr. Chairman, Members of the Board

I am pleased to brief you today on the progress of the Iraq Program since our last meeting following the October Madrid Donor Conference. Since then, in dialogue with Iraqi administration officials, other donors, the IMF and the UN, we have finalized the terms of reference for the International Reconstruction Fund Facility, advanced plans for donor coordination, developed a work program for the next 6-9 months and taken steps to establish a presence in Amman, Jordan to facilitate our work.

I was part of a Bank team which met with Iraqi officials and Coalition Provisional Authority (CPA) representatives in Amman, December 3-10. On December 3, together with UN representatives, we had a meeting with the Iraqi Minister of Planning and Development Cooperation, his staff and CPA representatives, obtaining their views and validation of a proposed work program and the Fund Facility Terms of Reference. We also reached agreement on a structure and mechanisms for donor coordination and on practical matters of continuing contact and collaboration. A senior CPA official, in charge of implementing the United States contribution of $18.6 billion, described their plans to-date and offered close coordination and meetings the first week of January to prevent donor duplication and facilitate a coherent development framework for the Iraqis. A specific World Bank work program for next 6-9 months will be reflected in the Interim Strategy Paper we are presenting to the Board for discussion in January, following further discussions with Iraqi authorities and the CPA to assure coordination with the overall reconstruction and transition program. We have already begun activities to lay the groundwork for programs of capacity building and training, policy advice and emergency projects, the latter to include investment in critical infrastructure and core services, community-based rural infrastructure, and rehabilitation and reequipping of schools and medical facilities. We have identified training facilities (initially outside Iraq), and have also hired two Iraqi professionals as staff on extended term contracts and have engaged approximately 20 Iraqi consultants (all based in Iraq). We continue to interview and engage Iraqis residing in Iraq. These will help us build capacity for fulfilling the Bank's fiduciary processes and to quick-start priority activities. The Iraqis/consultants, based in Iraq, permit us to carry out operations even prior to sending international staff to Iraq. Initially, this work would be funded from the Fund Facility. When appropriate, the Bank's own resources would be brought to bear.

In addition, the operation to be presented this afternoon by IFC is fully consistent with our dialogue with the Iraqis on private sector development, particularly emphasis on small –and medium-size enterprises to reinvigorate the economy and create much needed jobs.

Further meetings with Iraqi officials and the CPA were held December 7-10 in Amman, in conjunction with the IMF, to discuss macro-economic developments, policy priorities and prospects for the year 2004. The large Iraqi delegation was led by the Ministers of Finance and Trade, the Central Bank Governor and included their senior aides and the Chairmen of Rafidain and Rasheed Banks. The Iraqis described the timetable for a provisional Iraqi government to be in place by end-June 2004, to be underpinned by a new Fundamental Law pending adoption of a full constitution and general elections set for end-2005. The Iraqis indicated that at least until July 2004, their approach to economic policy decisions will be cautious with no key, strategic decisions or major privatization anticipated. Rather, they expect to focus on matters of immediate necessity, while building institutional capacity for the structural reform anticipated later. In these meetings, the Bank team presented a proposed work agenda over the next 6-9 months relating to economic management. The key elements, to be more fully reflected in the upcoming Interim Strategy Paper, are: (i) developing a strategy for transition, including issues relating to SOEs; (ii) reforming incentives in prices and trade with attention to regional/global trade arrangements; and (iii) poverty monitoring, developing social safety nets and near/medium-term social production mechanisms.

On the Fund Facility, we and the UN have completed Terms of Reference based on the feedback of the donors and the Iraqi counterparts, and taking into account the basic principle of strong coordination among the various players. The Fund Facility consists of two trust funds, the World Bank Iraq Trust Fund and the UNDG Trust Fund. The Fund Facility will coalesce donors around an agreed program of work through coordinated financing of priority expenditures, including reconstruction activities, sector-wide programs, investment projects, technical assistance, policy advice and other development activities. Each of the World Bank and the UNDG are completing indicative work programs for funding by its particular trust fund in the Fund Facility. The advantage of the Fund Facility is closer coordination, unified reporting and close harmony with Iraqi priorities for a coherent budget expenditure framework.

To coordinate all donor efforts, the Iraqis have developed a new structure that reflects Iraqi priorities, whereby the Ministry of Planning and Development Cooperation will coordinate the country's overall sector priorities, and a new Iraqi Strategic Review Board will approve priorities based on a comprehensive view of donor activity.

The Fund Facility structure was presented to and agreed with the European Commission in Brussels on December 4, and with the broader Liaison Group of Donors in New York on December 11. A paper accompanying the Interim Strategy Paper will provide the Board with greater detail. The finalized Fund Facility Terms of Reference and a standard Letter of Agreement for the World Bank Iraq Trust Fund are available from my office on request and will be distributed to the Board with the Interim Strategy Paper.

In addition to the operational preparatory work underway, we have been active as one of the four members of the International Advisory Monitoring Board. Messrs. Fayezul Choudhury and Charles McDonough were appointed as the Bank's representatives to the Board, and the first meeting was held in New York on December 5 with the Arab Fund for Economic and Social Development, the UN and the IMF.

In conclusion, the Bank's work on Iraq has progressed significantly, notwithstanding the continuing exceptional security and logistical constraints. However, moving forward, these constraints will continue to present serious challenges in carrying out the work within Iraq. Until security permits a presence in Iraq, we will rely on Iraqi consultants based in Iraq, and alternative

mechanisms and flexible arrangements for project preparation and supervision. This includes putting in place an Interim Iraq Program Office in Amman until such a time as allows us to ensure the safety of our international staff in Iraq. Also, we intend to rely heavily on a video conference facility that we are now setting up in the Forum Center in Baghdad. An additional broad band connection is being extended to the Ministry of Planning and Development Cooperation. Barring any unforeseen technical problems, we expect to have these facilities in place by early to mid-January. We also plan to leverage our regional field offices to provide training to Iraqis on various fronts, starting with the fiduciary and safeguard issues related to donor aid.

At this point, I would be happy to answer any questions you may have. Thank you.

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SecM2003-0559
IFC/SecM2003-0083

December 17, 2003

FROM: Vice President and Corporate Secretary

Iraq

Proposed Investment in Iraq Small Business Finance Facility

Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30 (Dealings with De Facto Governments)

1. Attached for information is a *Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30 (Dealings with De Facto Governments)*, dated December 17, 2003. The note was prepared at the request of Executive Directors, as background material for consideration of the proposed investment in Iraq Small Business Finance Facility (IFC/R2003-0214), at the meeting of the Board of Directors to be held on **Thursday, December 18, 2003.**

2. Questions on this document may be referred to (b)(6)

Distribution:

Executive Directors and Alternates
President
Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
Directors and Department Heads, Bank, IFC and MIGA

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December 17, 2003

Joint IBRD and IFC Legal Note on the Application of World Bank Operational Policy 7.30 (Dealings with De Facto Governments)

1. **Introduction**. In preparation for the meeting of the IFC Board scheduled for December 18, 2003 to consider IFC's proposed investment in Iraq Small Business Finance Facility (IFC/R2003-0214), some Executive Directors sought legal confirmation that the World Bank's Operational Policy 7.30 (O.P. 7.30) on Dealings with De Facto Governments (July 2001) does not apply to the proposed investment by IFC and that by approving the IFC investment, the Board is not taking any position on whether the conditions set forth in O.P. 7.30 for the Bank and IDA to resume operations in Iraq are satisfied.

2. **Applicability of World Bank O.P. 7.30.** O.P. 7.30 (Dealings with De Facto Governments) sets forth the criteria under which the Bank and IDA may provide financing to a member country with a de facto government and by its terms applies only to the Bank and IDA, not to IFC. These criteria are intended to protect the Bank and IDA from the risks that a de facto government may not be able to carry out the project being funded and that a subsequent government may repudiate and refuse to repay the credits extended by the Bank/IDA. In contrast, IFC is providing financing to the private sector, not to governments.

3. **Conclusion**. In view of the above, it is our opinion that O.P. 7.30 does not apply to IFC financing of the private sector and by approving this investment the Board is not taking a position on whether the conditions set forth in O.P. 7.30 for the Bank and IDA to resume operations in Iraq are satisfied.

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IFC/R2003-0213

December 8, 2003

For meeting of
Board: Thursday, December 18, 2003

FROM: Vice President and Corporate Secretary

Proposed IFC Participation in and Contribution to the Private Enterprise Partnership for the Middle East ("PEP-ME")

(Afghanistan, Iraq, West Bank Gaza and Yemen)

1. Attached is a Recommendation and a Report to the Board entitled, "Proposed IFC Participation in and Contribution to the Private Enterprise Partnership for the Middle East (PEP-ME)".

2. Questions on this document should be referred to (b)(6)
(b)(6)

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FROM: The President December 2, 2003

PROPOSED IFC PARTICIPATION IN AND CONTRIBUTION TO THE PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST ("PEP-ME")

(Afghanistan, Iraq, West Bank Gaza and Yemen)

Introduction

1. The proposal described in the attached report outlines IFC's participation in the Private Enterprise Partnership for the Middle East ("PEP-ME"), which aims to provide technical assistance to support private sector development initially in four countries/territories: Afghanistan, Iraq, West Bank Gaza and Yemen.

2. Based on the specific needs of the targeted countries/territories, IFC has concluded that technical assistance in the form of PEP-ME represents a vital element for the development of the private sector in the targeted countries. PEP-ME could be extended to other frontier countries in the region in the future.

Proposal

3. It is proposed to establish an IFC-managed Private Enterprise Partnership for the Middle East for an initial period of four years, beginning on January 1, 2004 with a total IFC contribution of US$10 million. Additional contributions are expected to be made by other donors.

4. PEP-ME would develop targeted, innovative projects to (i) help improve the business enabling and regulatory environment, (ii) strengthen financial institutions and markets, (iii) stimulate the growth of small and medium-sized enterprises, and (iv) assist in the restructuring and privatization of state-owned enterprises.

5. PEP-ME would operate from IFC's regional hub in Cairo, with a dedicated Manager, and, where conditions permit, with satellite offices in targeted countries. Back-up support would be provided by IFC's MENA department, the SME department, and other departments, as required.

6. The recommended contribution will demonstrate, both to client and donor countries, IFC's strong commitment to, and support for, the development of the private sector in the targeted countries.

Recommendations

7. I recommend that the Board of Directors adopt the following resolution:

RESOLVED:

THAT IFC establish a Private Enterprise Partnership for the Middle East with the objectives outlined in paragraphs 2.01 to 2.04 of the attached report, and provide a contribution of up to US$10 million for a period of four financial years starting January 1, 2004 and that any budget underrun be rolled over from one financial year to another.

James D. Wolfensohn
President

by (b)(6)

REPORT

TO THE

BOARD OF DIRECTORS

ON THE

ESTABLISHMENT OF

AND PARTICIPATION IN

THE

PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST

(PEP-ME)

DECEMBER 18, 2003



MIDDLE EAST AND NORTH AFRICA REGION

PROPOSED PARTICIPATION IN THE PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST (PEP-ME)

Abbreviations and Acronyms

BDS	Business Development Services
FIAS	Foreign Investment Advisory Services
FSU	Former Soviet Union
FY	World Bank Group fiscal year, July 1st – June 30th
GTZ	Gesellschaft für Technische Zusammenarbeit
IFC	International Finance Corporation
IMF	International Monetary Fund
MENA	Middle East & North Africa Department - IFC
NAED	North African Enterprise Development Facility
OEG	Operations Evaluation Group – IFC
PA	Palestinian Authority
PEP	Private Enterprise Partnership
PSD	Private Sector Development
SME	Small and Medium Enterprise
SOE	State-Owned Enterprise
TA	Technical Assistance
USAID	United States Agency for International Development

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(b)(6)

EXECUTIVE SUMMARY

i. This is a proposal for a *Private Enterprise Partnership for the Middle East (PEP-ME)* to support the development of markets and institutions that are key to private sector growth in several countries and territories of the Middle East. These countries will initially be Afghanistan, Iraq, West Bank Gaza and Yemen. The proposed program would be managed out of IFC's regional hub in Cairo, with dedicated staff in both Cairo and, where conditions permit, the selected countries in addition to inputs from regular IFC resources when needed.

ii. The four countries and territories initially identified suffer from a poor investment climate, security issues (if not conflict situations) and weak institutions that are inadequate to foster private sector development. In all four countries, however, the prospect of reform appears favorable. IFC has not been able to use its usual investment instruments on a significant scale in these countries; these are frontier markets where IFC's technical assistance can have a high impact and lay the foundation for future increased private investment. IFC could consider in the future expanding the scope of this facility beyond these initial four markets.

iii. PEP-ME is being structured as a dedicated technical assistance program with seed grant financing from IFC; additional funding would be raised from multilateral and bilateral donors. PEP-ME's goal is to assist the growth of the private sector by engaging in four main activities:

- Helping improve the business enabling and regulatory environment;
- Strengthening financial institutions and markets;
- Stimulating the growth of small and medium-sized enterprises; and,
- Assisting in the privatization and restructuring of state-owned enterprises.

iv. PEP-ME's Manager would be located in Cairo and will report directly to the Director of IFC's MENA Department. The methodologies and programs of the existing IFC and donor-sponsored Private Enterprise Partnership (PEP) facilities for the former Soviet Union will be utilized and the opportunities for sharing experience and personnel will be actively exploited, with appropriate modifications.

v. Based on a preliminary work program, IFC envisages a four-year budget of up to US$40 million of which IFC will contribute approximately US$10 million. It is recommended that the Board approve an IFC contribution to PEP-ME of US$10 million over the period commencing January 1, 2004 and ending June 30, 2007, which is expected to be allocated as follows: US$1.9 million in FY04, US$2.5 million in FY05, US$2.7 million in FY06, and US$2.9 million in FY07. External

funding support of US$30 million will also be sought for the period ending June 30, 2007 (see Annex 2 for budget summary). IFC requests that any budget underrun be rolled over from one financial year to another.

vi. Subject to IFC Board approval, PEP-ME would be launched in the third quarter of FY04.

A PROPOSAL FOR THE
PRIVATE ENTERPRISE PARTNERSHIP FOR THE MIDDLE EAST (PEP-ME)

I. BACKGROUND AND RATIONALE

Introduction

1.01 It is proposed that IFC establish a *Private Enterprise Partnership for the Middle East (PEP-ME)* to be led and managed by IFC's Middle East and North Africa (MENA) Department. Its objectives, scope, and general organization are described in section II below.

1.02 This recommendation is based on an urgent need for private sector technical assistance and advisory services identified by IFC in Afghanistan, Iraq, West Bank Gaza and Yemen. The targeted countries and territories suffer from a poor investment climate and security issues, and generally lack strong institutions which can foster private sector development. These constraints make it difficult for IFC to put together a significant investment program. The proposed PEP-ME would help to improve the conditions for private sector development (PSD) and lay the groundwork for future investment in these countries and territories.

1.03 Particular attention has been given to designing a project that will provide swift assistance on private sector issues by focusing on institutions, markets and activities important for PSD, based on IFC's comparative advantage. This technical assistance work would facilitate private investment and IFC's future investment activities through capacity-building and improvements in the business environment.

Economic context

1.04 IFC's MENA region is not only geographically diverse, spanning from Morocco to Pakistan, but also economically diverse: the region includes oil-rich high-income economies, lower-middle income countries, and low-income countries, as evidenced by a wide range in per capita income.

1.05 Since 1995, most countries in the region have initiated economic reforms that have been able to increase somewhat domestic and foreign private participation in the economy. At the same time, with a few exceptions, the size of the private sector in MENA countries remains comparatively small.

1.06 A number of constraints to private sector development in the region, which contribute to a weak investment climate, have been identified by the World Bank Group. These are:

- High entry costs for establishing new businesses;
- Restrictions on trade and investment;
- Deficiencies in the administration of justice;
- Preponderance of State-owned enterprises (SOEs);
- Lack of access to finance;
- Poor corporate governance; and
- High cost and poor quality of business support services.

1.07 Furthermore, some countries in MENA have economies that remain dominated by the public sector or are recovering from conflict. These constraints are more severe in some countries and territories, such as Afghanistan, Iraq, West Bank Gaza and Yemen, but they also exist, in lesser degrees, in others. IFC believes that the four targeted countries and territories need a tailored program to facilitate private sector development.

IFC Strategy

1.08 IFC's strategy in the region reflects the Corporation's focus on frontier markets, high-impact sectors and sustainability. The overarching goal is to support the development of a productive private sector which will expand economic opportunities (including jobs); attract investment; encourage economic integration; and introduce new technologies. In recent years, IFC has made progress in opening new markets, introducing new types of investments, and supporting the continued development of the private sector in the region. The total committed portfolio in the region exceeds US$1.2 billion, with US$279 million of new commitments being made in FY03.

1.09 IFC tailors its approach to match the needs and circumstances of individual markets. As mentioned above, the countries in the MENA region are quite diverse as are the Corporation's investment opportunities. In some markets, where the private sector has the basic building blocks in place, IFC is able to build a significant investment program. In others, where the local financial sector has evolved to a strong position, IFC is not needed except in the case of complex, ground-breaking or large investments.

1.10 On the other hand, a number of countries need fundamental support to help create the basis for a viable private sector. This is particularly the case where countries are recovering from conflict or are suffering from challenging security issues. In the MENA region, countries or territories in this latter category are Afghanistan, Iraq, West Bank Gaza, and, to a certain extent, Yemen.

1.11 Economic opportunities, particularly those which lead to the expansion of a middle class, are a stabilizing force, thereby helping the development of countries affected by conflict and poor security. The circumstances on the ground in Afghanistan, Iraq, West Bank Gaza and Yemen make it difficult to undertake a normal IFC program of loan and equity investments to the private sector, as these areas have limited capacity, in terms of the legal and regulatory frameworks as well as institutions to absorb investments.

1.12 IFC proposes to follow the successful approach taken in other countries facing fundamental transitions – such as the countries of the Former Soviet Union (FSU), and other formerly state-controlled economies. In those instances, IFC recognized that committing investments without having the necessary building blocks in place for the private sector to develop and prosper was often counter-productive. An early focus on technical assistance (TA) and advisory services was deemed to be a better approach and indeed has proven to be the case. IFC's Operations Evaluation Group (OEG) has found that investment programs have been less successful than technical assistance and advisory programs in yielding positive development outcomes when the surrounding enabling environment is weak. OEG recommends applying this lesson to IFC's strategies in early transition countries (see OEG's Country Assistance *Impact Reviews* for Vietnam (October 2001) and Russia (April 2002)).

1.13 The PEP-ME is patterned after the Private Enterprise Partnership (PEP) technical assistance program currently operating in the FSU, and shares its rationale. PEP is funded jointly by donor governments and IFC. Since its creation in 2000, PEP has provided technical assistance programs which have created jobs; increased local income; developed financial markets; improved corporate governance and environmental practices; and resulted in legislation aimed at improving the investment climate (see Reports to the Board, IFC/R2000-75 and IFC/R2002-0191).

1.14 IFC, therefore, proposes to launch a PEP-ME, with an initial focus on the four countries mentioned above. A focus on TA and advisory services through PEP-ME should help develop a solid pipeline of projects for future investments by IFC.

II. OBJECTIVE, SCOPE AND ORGANIZATION

Introduction to PEP-ME and Objectives of the Initiative

2.01 PEP-ME would provide the framework for the provision of technical assistance in the targeted countries. Given the fact that there is a low level of private investment in these countries (local private investment as well as FDI), this technical assistance program would help lay the groundwork for private sector development and improve the environment for future investment. This work would be done by IFC in coordination with the rest of the World Bank Group.

2.02 The objectives for PEP-ME would be to:

- Foster private investment;
- Build the capacity of the local private sector and of government to support the private sector; and

- Support the development of SMEs in particular, as they are often the most dynamic engine of growth and job creation.

Scope

2.03 The PEP-ME initiative would be flexible in its approach based on the needs of the individual countries. And indeed there would need to be an assessment, over time, of the most effective methods for achieving the objectives. At the outset, however, it is expected that the scope of the work plan would include a focus on the following:

- Improving the enabling environment, including the legal and regulatory framework;
- Developing the financial sector;
- Strengthening the SME sector; and
- Restructuring/privatizing SOEs.

2.04 In order to achieve the objectives mentioned above, PEP-ME would undertake the following activities:

Improve the business enabling environment

- Use IFC's knowledge gained from working with investors, financial institutions, and local companies to raise public awareness of the main constraints to business development and investment.
- Provide advice and assistance on private sector-related policies in collaboration with FIAS: e.g. diagnostics on constraints to private sector development; easing entry barriers and regulatory burdens; reviewing government procurement rules to improve public markets access to private, particularly, smaller firms; and reviewing licensing procedures to alleviate disproportionate burdens placed on private sector firms.
- Work on policy reform for private sector development, in close collaboration with the World Bank, the IMF, and other development partners. Particular attention would be given to administrative barriers, taxation and the administration of justice.
- Work on laws relating to financial markets, company laws, commercial codes, and foreign investment laws. IFC would draw on its experience in frontier and emerging economies to help on legislative changes and work with government officials and legislators, in coordination with the World Bank and IMF, to help implement these changes.

Strengthen financial markets

- Help strengthen the capacity of local financial institutions, in the areas of corporate governance, risk management, and credit assessments.

- Support the development of existing financial instruments and help create new specialized financial institutions such as leasing and mortgage finance companies.

- Improve SME access to financing by supporting the building of financial intermediaries including micro-finance banks, venture capital funds, leasing companies, and commercial banks.

- Establish partnerships with selected banks to improve their capacity to lend effectively to the SME segment. Depending on the capacity of the partner bank and its commitment to build a strong SME portfolio, assistance could also include developing internal training modules, working on related organizational changes and developing a dedicated marketing strategy.

- Develop micro-finance industries, by helping to build the capacity of existing or new institutions, and providing training to managers and loan officers. The approach will be to partner with specialized organizations to deliver these services.

- Support the introduction of new financial products relevant to SMEs (e.g. factoring, leasing).

Stimulate the growth of small and medium-sized enterprises

- Help develop linkages between SMEs and larger companies. Such activities will, where appropriate, be associated with IFC investments.

- Provide selected assistance to SMEs in developing project proposals, raising finance, and improving overall management.

- Improve the capacity of selected business associations and consulting firms to improve their services to private companies, particularly to SMEs.

Assist in the restructuring and privatization of SOEs

- IFC would assist in the privatization and/or rehabilitation of state-owned enterprises and lay the groundwork for successful private sector investment by building links between local companies and foreign partners and improving the quality and reliability of local supply and distribution chains.

Organization

2.05 PEP-ME is being structured as a dedicated technical assistance program with seed grant financing from IFC and additional funding to be requested from multilateral and bilateral donors. The program would be managed out of Cairo, under the active supervision of the Director of IFC's MENA Department, with teams of dedicated staff on the ground in each country where conditions permit. The PEP-ME Manager would also be responsible for the management of the existing facility in the region, North Africa Enterprise Development (NAED). Strategies for both donor-funded programs would be set using common principles (but taking into account country-specific needs and mandates). There would also be cost saving and operational synergies in terms of organization and back office operations. The program would also draw on regular IFC resources when needed.

2.06 PEP-ME would be organized to support the following core operating principles:

- **Local Staffing:** Wherever possible, PEP-ME would hire local nationals. This would allow a better understanding of the situation in each country and it would support the professional development of the local staff members.

- **Business Partnerships:** PEP-ME would work with other business organizations and service providers to maximize the impact of the program by reaching a larger number of private sector businesses. The partnerships would be structured for mutual benefit, with clear objectives, and the sharing of costs and benefits.

- **Investment Prospects:** Given IFC's traditional role as a financial institution, we believe that the links between the TA provided and the potential for investment would strengthen the PEP-ME program.

- **IFC's Funds to Support Management Costs:** Donor funds would go directly into the PEP-ME programs. IFC would cover the management costs including financial controls, assessment and new program development and, if needed, PEP-ME programs.

Staffing

2.07 The Cairo office would have an expatriate manager to head the facility and a small number of specialists. Each target country/territory would have a small core of professional staff and support staff dedicated to it, where conditions permit. Project work would be augmented by the targeted hiring of co-terminous consultants to meet the specific project needs. Local staff are expected to be co-located in the World Bank offices in each country.

Evaluation and Impact Measurement

2.08 PEP-ME would be evaluated at the commencement of the third year of its operations. Each program undertaken under its auspices would have clearly stated objectives at the outset and performance would subsequently be measured against these objectives.

2.09 PEP-ME would prepare and circulate periodic monitoring reports, as well as a more substantive annual report to Donors and Management. The facility's Trust Funds would be subject to the standard external and internal audit program for Donor Funded Operations.

2.10 It is proposed to identify and use appropriate indicators and impact measurement tools for some key activities at the facility, in order to evaluate the Partnership's success in reaching its objectives. These would need to be refined by the future Manager of PEP-ME when defining the facility's work program for the first year of operations.

Environmental Considerations

2.11 This is a Category C project according to IFC's Environmental and Social Review Procedure.

2.12 In cooperation with IFC's Environment and Social Development Department, it is proposed that PEP-ME would work with its clients and beneficiaries on improving sustainability which could increase productivity and reduce potential environmental liabilities. This could take the form of dedicated training programs delivered via partner institutions such as business associations or through direct intervention for large firms.

Timeline and First-Year Milestones

2.13 Subject to IFC Board approval, it is planned that PEP-ME would be established during the third quarter of FY04.

Table 1. Timeline and PEP-ME First-Year Milestones

December 2003	• Board submission
January-March 2004	• Official request to open IFC offices for the PEP-ME, where conditions permit • Fundraising • Advertising of international and local positions • Recruitment
January-June 2004	• Office set-up and IT • Training • Implementation of programs
July 2004	• PEP-ME donor meeting. Presentation of status and detailed FY 04/05 work program

III. TARGET COUNTRIES AND TERRITORIES

3.01 As mentioned above, IFC has selected four initial countries and territories for the proposed PEP-ME which are likely to benefit relatively more from IFC's technical assistance. All of these are considered to have a substantially more difficult business environments than the other countries in the region, but appear to be open to reform.

Afghanistan

3.02 Little economic information is available on Afghanistan. Nominal GDP in 2002 was US$4.4 billion, which would yield a GDP per capita of about US$160. Significant progress has been made since 2001, and real GDP is thought to have grown by 28% in 2002. Afghanistan is now at a critical juncture, where gains need to be consolidated and the tangible benefits of development felt more widely among the population.

3.03 The World Bank has developed a *Transitional Support Strategy for Afghanistan*, which includes private sector reform. Several constraints to private sector development have been identified; these are: security; lack of government capacity; little access to finance; lack of infrastructure; and poor governance. In essence, the challenge is to transform existing, but largely informal, private sector activities into a more formal sector with prospects for investment and expansion.

3.04 IFC dealt with some of these constraints directly with the establishment of the First Microfinance Bank of Afghanistan which has recently obtained a banking license together with two other banks. IFC is also helping to finance a hotel in Kabul.

3.05 In cooperation with the World Bank, the proposed PEP-ME program in Afghanistan would seek to improve the business enabling environment, especially at a

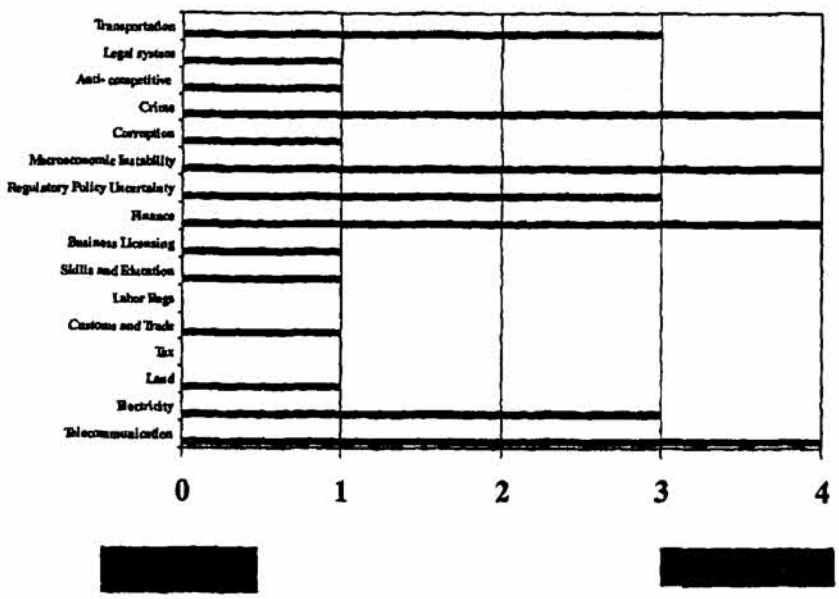
regulatory level, and provide much-needed technical assistance and advisory services to the country's fledgling private sector, which is almost exclusively composed of SMEs. Improving access to finance would be a critical element in the program.

Iraq

3.06 Iraq's economic performance has been extremely uneven since the first Gulf war, with wide variations in GDP growth from year-to-year. Overall GDP in 2002 was considerably lower than in 1990, with a substantial segment of the population having fallen below the poverty line. The economy has been dealt a further blow by the destruction of assets and infrastructure by the war, the looting that followed, and ongoing sabotage. Average income was estimated at US$1,100 per head in 2002.

3.07 A recent World Bank Investment Climate Assessment has identified obvious constraints to private sector development: the present security situation; the lack of clarity regarding macroeconomic direction; poor infrastructure; and lack of finance. In addition, UN sanctions in the 1990s and the prevalence of a strong central planning mindset within the previous Government have also prevented the emergence of strong private sector institutions. The size of the Iraqi private sector is, therefore, quite small with only a handful of relatively significant business groups operating in the country.

Iraq Investment Climate Assessment, August 2003



3.08 At the same time, public sector institutions have been significantly damaged in the wake of the war. While this has created a number of challenges, it also represents a unique opportunity to build a set of new institutions in both the public and private sectors that can create a dynamic private sector environment.

3.09 In the short term the immediate objective is to generate productive investment in the private sector and to stimulate employment. The proposed PEP-ME could assist with this objective by leveraging the Corporation's experience in this area. In particular, PEP-ME could support the development of proper regulations, in cooperation with the World Bank; help build the capacity of institutions especially in the financial sector; and provide active assistance to the private sector, particularly to SMEs. The World Bank-administered Trust Fund for Iraq may be approached by IFC for TA work.

West Bank Gaza

3.10 The Palestinian economy has performed dismally since the onset of the second Intifada in 2000. From close to two-digit growth, the economy has spun into reverse and real GDP was 34% lower in 2002 than in 1999. Furthermore, unemployment increased from 12% to 31% during the same period, and the share of the Palestinian population living below the poverty line (US$2.1 per person per day) is currently estimated at 59%, compared to 20% in 1999. With one of the world's highest population growth rates at more than 4% per year, this means that the reduction in average income has been severe.

3.11 The private sector has absorbed much of the shock to the economy. The growth of the sector remains constrained by: (i) restrictions on the movement of people and goods which have reduced sales and increased the cost of inputs and transportation; (ii) physical damage to corporate assets; (iii) the lack of commercial credit; (iv) the emigration of skilled professionals; and (v) arrears owed by the Palestinian Authority (PA) (although most of these arrears have been recently paid). At the same time, a more serious collapse of the sector has been indirectly prevented by donor disbursements which have sustained the demand for Palestinian goods and services.

3.12 Toward the end of 2000 when the political crisis began, the priorities of the PA and donor community, including the World Bank shifted to poverty alleviation and crisis management. Despite an inevitable preoccupation with short-term emergency issues, the World Bank Group and the donor community have stressed the importance of focusing on medium-term economic and institutional concerns. As part of the medium-term objectives, the Market Economy Reform Support Group was established to follow up on private sector and related public institutional reforms, which are a component of the general reforms that are being undertaken by the PA as part of the current peace efforts, with the help of the World Bank and the donor community. IFC has been unable to make investments in the present context.

3.13 In this context, in cooperation with the World Bank and other partners in the West Bank Gaza, such as USAID and Gesellschaft für Technische Zusammenarbeit (GTZ),

PEP-ME could provide assistance to the local private sector, using IFC's existing local infrastructure. This will lay the foundations for rebuilding capacity that has been either destroyed or severely diminished by the ongoing conflict. PEP-ME has the opportunity to positively contribute in restoring or enhancing the viability of existing projects and activities as well as establishing new ones such as:

a. Mortgage Housing: (i) PEP-ME could support the work on land registration reform, which would also positively contribute to IFC's existing secondary housing finance project, the Palestine Mortgage Housing Corporation (PMHC), and (ii) provide TA to local banks to develop and build their mortgage business capacity, which would also support PMHC's business;

b. Leasing: PEP-ME, with IFC's experience in leasing, could help in improving and advancing leasing legislation and regulation forward, in addition to identifying investment opportunities in leasing;

c. Corporate Governance: This could be targeted (i) at the company level by strengthening corporate governance practices at the larger Palestinian companies and banks, and (ii) at the national level, by strengthening corporate governance regulation;

d. SME development: More than 90% of the WBG businesses are considered to be SMEs and require substantial support, especially after the past three turbulent years.

Yemen

3.13 Yemen has grown relatively strongly in recent years, with an average real GDP growth of 4.3% in 1998-2002, although this trend has to be placed in the light of population growth in excess of 3.5% per year, one of the highest rates in the region. In 2002, income per capita was estimated at US$400, the second lowest for the MENA region. (Along with Afghanistan, Yemen is an IDA country).

3.14 Continued growth in excess of 5% per annum is unlikely without significant improvements in the business climate. The World Bank has identified several constraints to private sector development: public governance; investment environment; and costly access to infrastructure and business support services.

3.14 PEP-ME would provide assistance in improving the business enabling environment, especially in terms of fair access to government services, finance and infrastructure. In particular, PEP-ME would support government reforms associated with the IMF and WB programs. The Partnership would also focus on improving access to business support services and finance for SMEs.

Table 2. Activities by Country

Improve the business enabling and regulatory environment	High Priority	High Priority	High Priority	High Priority
Strengthen financial markets	High Priority	High Priority	High Priority	Medium/High Priority
Stimulate the growth of small and medium-sized enterprises	High Priority	High Priority	High Priority	High Priority
Assist in the privatization and restructuring of state-owned enterprises	Low Priority	High Priority	Medium Priority	Low priority

3.15 Specific activities would be developed by the PEP-ME management in close consultation with the World Bank and development partners active in each country to avoid duplication and to leverage other resources.

IV. RISKS

4.01 There are a number of risks to the successful implementation of PEP-ME in the targeted countries and territories:

- **Security issues** could prevent all, or significant portions, of the country programs from being carried out, including the ability to recruit appropriate staff for PEP-ME. IFC would carefully assess the security situation in each country before engaging in significant activities that have little chance of being carried out or of having an impact. IFC would also carefully monitor the situation on the ground and assess threats to its staff and activities and take appropriate remedial actions, as needed.

- **Resistance to change**, particularly on privatization and on the enabling/regulatory environment could prove to be a major obstacle. IFC would work closely with the World Bank in this area and focus on practical and incremental changes as appropriate.

- **Duplication** with other programs could lower the impact of PEP-ME. IFC would closely liaise with existing donor programs and develop a partnership approach that emphasized complementarity and co-participation with other development partners.

- **Conflicts of Interest** issues may arise as IFC, as manager of the PEP-ME program, may deliver regulatory and other advice to governmental entities as well as to local financial institutions and other entities. In addition, it is anticipated that IFC will make follow-on investments in the targeted countries that could benefit from such advice. Such potential conflicts of interest can be managed with care and in accordance with established WBG procedures for dealing with conflicts of interest in advisory and other assignments.

V. BUDGET AND FUNDING

5.01 Based on a preliminary work program, IFC envisages a four-year budget of up to US$40 million, of which IFC would contribute US$10 million. It is recommended that the Board approve an IFC contribution to PEP-ME of US$10 million over the period commencing January 1, 2004 and ending June 30, 2007, which is expected to be allocated as follows: US$1.9 million in FY04, US$2.5 million in FY05, US$2.7 million in FY06, and US$2.9 million in FY07. External funding support of US$30 million will be sought for the period ending June 30, 2007 (see Annex 2 for budget summary). For FY04, donor commitments are not expected and IFC's contribution (US$1.9 million) will be used to establish PEP-ME's infrastructure and start activities. IFC requests that any budget underrun be rolled over from one financial year to another.

5.02 Conditional on IFC Board approval, PEP-ME would be launched in the third quarter of FY04.

ANNEX 1

International Finance Corporation
Statement of IFC's Held and Disbursed Portfolio
Amounts in US Dollar Millions

Afghanistan

[redacted]

[redacted]

Approvals Pending Commitment

		Loan	Equity	Quasi	Partic
2003	FMBA	0.0	1.25	0.0	0.0
2004	Kabul Serena	7.0	0.0	0.0	0.0
Total Pending Commitment:		7.0	1.25	0.0	0.0

West Bank Gaza

[redacted]

1994	APIB	0	3.73	0	0.00	0	3.73	0	0.00
1997	Arab Bank	0	0	0.15	0.00	0	0	0.15	0.00
1997	ComBank Palestin	0	0	0.15	0.00	0	0	0.15	0.00
1997	Jordan National	0	0	0.90	0.00	0	0	0.90	0.00
1997	PIEDCO	8.00	1.00	0	0.00	1.00	1.00	0	0.00
1999	PMHC	0	3.00	0	0.00	0	2.23	0	0.00
1998	PTF	0	12.60	0	0.00	0	4.55	0	0.00
1998	PTF-Mgt Co.	0	0.20	0	0.00	0	0.04	0	0.00
1999	PTIC	0	0.49	0	0.00	0	0.49	0	0.00
1997	SEF Arab Concret	0.80	0	0	0.00	0.80	0	0	0.00
1999	SEF Cold Storage	0.10	0	0	0.00	0.10	0	0	0.00
1999	SEF JerichoMotel	1.10	0	0	0.00	1.10	0	0	0.00
[redacted]									

Yemen

[redacted]

1999	ACSM	12.00	0.00	8.00	0.00
2002	Ahlia Water	1.51	0.00	1.00	0.00
1998	Radfan	1.90	0.00	1.90	0.00
[redacted]					

ANNEX 2

Estimated Administrative Budget FY04-07 (US$ thousands)

PEP-NET Total Summary	FY04	FY05	FY06	FY07	TOTAL
Staff Costs	950	1,250	1,400	1,500	**5,100**
Communications & IT	100	250	275	300	**925**
Equipment & Office	350	150	175	200	**875**
Travel Costs	150	325	325	350	**1150**
Contractual Services	225	300	300	325	**1150**
Total Other Expenses & Contingency	125	225	225	225	**800**
Total Budget/Expenses	**1,900**	**2,500**	**2,700**	**2,900**	**10,000**

SCOPE OF WORK

Central Bank of Iraq – Commercial Bank Strengthening Activities

Notwithstanding anything in this Scope of Work to the contrary, all Bearing Point work will be performed at the direction, and under the supervision, of the CPA Director of Economic Policy or his designee(s), with the concurrence of USAID.

I. Background Information

BearingPoint was selected by USAID through a competitively bid process to support the Coalition Provisional Authority in carrying out a variety of economic reform activities in Iraq. The one-year Iraq Economic Recovery, Reform and Sustained Growth Project is broadly defined to support the CPA as it lays the framework to support broad-based economic growth; the project, begun in August 2003 has two option years.

Specific project activities are determined on the ground in consultation with CPA and USAID and may include work in the following wide-ranging areas:

- Economic governance: Fiscal reform (macroeconomic analysis, tax policy, tax administration, budget planning, intergovernmental finance), financial sector reform (macroeconomic analysis, central bank reform and operations, payment system, commercial banking reform, prudential and regulatory reform), commercial law and regulatory reform.
- Microeconomic foundations for growth
- State owned enterprise assessment and support
- SME and microenterprise lending
- Economic issues with the Oil for Food program

II. Tangible Result

Improving policies, procedures and processes of the subject banks to streamline banking systems and align operations with best practices of international commercial banks. Subject institutions will include Al-Rashid Bank, Rafidain Bank and commercial banks the CPA may designate.

III. Specific Tasks and Deliverables

Bank Operations

The Operations Managers will complete the following tasks in their assistance to the banking sector:

- Complete bank operations diagnostic review including back office operations, level of automation and control mechanisms for: overall risk management (credit, market, operations, etc.), bank transactions management, disbursement and payment processes, loan and deposit operations, correspondent banking, and treasury and accounting operations. Review branch operations and interaction with home office. Determine work plan for strengthening the efficiency, the reduction of cost and the management of operations and control risks in bank operations.
- Work with BearingPoint colleagues in other banking disciplines to integrate back office operations with improvements in processes and procedures recommended for credit, loan, deposit, treasury, accounting, information systems and human resources management.

- Work with senior management and BearingPoint colleagues to determine the appropriate role and structure of branch operations.
- Redesign bank operations to reflect best practices in risk management and control practices and procedures.
- Work with bank internal audit functions to test operations management and control mechanisms.
- Develop training for back office staff in redesigned bank operations.
- If necessary, construct a comprehensive Business Process Model to rationalize and streamline operations and define user requirements as input to the development of IT systems reengineering and expansion.
- Work with IT specialists in determining the most effective means to automate bank operations, including branches, and improve management information systems.

Accounting/MIS/Audit

The Accounting Specialists will complete the following tasks in their assistance:

- Complete accounting reform diagnostic review including analysis of the Banks' financial position according to existing Iraqi Accounting Standards. Evaluate the financial management structure of the Banks to determine weaknesses in the accounting organization or reporting systems. Ascertain the level of compliance with International Accounting Standards (IAS) in the Banks' accounting policies and procedures. Review the format and content of the internal financial reports to determine compliance with best practice reporting standards.
- Recommend and implement changes to the organizational structure of the Banks' financial management functions to ensure best practice standards and appropriate risk control mechanisms.
- Complete Iraqi Accounting Standards and IAS comparison so appropriate modifications can be made to the Banks' accounting policies and procedures.
- Redesign the Banks' Charts of Accounts (COA) to accommodate the new policies and procedures and improved financial reporting. This latter objective will likely require the addition or development of a new sub-account structure.
- Determine the adjustments needed in the financial records to conform financial statements to IAS.
- Develop statements of cash flow (if currently not produced) and institutionalize this report as part of the Banks' ongoing financial statement preparation.
- Develop internal system to accrue interest income and expense monthly in order to prepare monthly financial statements.
- Revise the format of the monthly and quarterly internal financial statements so they are presented on a basis consistent with IAS.
- Manage the documentation of revised policies and procedures consistent with IAS through a new Policies and Procedures Manual.
- Develop and deliver a comprehensive training program in IAS policies and procedures, financial statement preparation.
- Assist the Banks in developing an annual budgeting process and implement monthly variance analysis for MIS reporting.
- Assist the Banks in implementing financial forecasting capacity for sound financial planning.
- Initiate the implementation of profit and cost center reporting for financial performance analysis.
- Work with BearingPoint IT counterparts in enhancing IT systems to accommodate best practices in IAS accounting and management information reporting.

Credit Specialists

The Credit Specialists will complete the following tasks in their assistance:

- Complete credit diagnostic review and evaluate the entire existing credit organization of the banks including: credit processes and procedures for credit origination, underwriting, risk rating methodologies, approval processes, limits and controls, monitoring and recovery. Review and evaluate credit strategy, retail and wholesale loan portfolio composition and loan portfolio performance. Review and evaluate credit organizational structure, branch organization, credit risk management practices and credit control and review practices. Determine work plan for strengthening the Banks' credit organization.
- Develop an appropriate credit management strategy for industry and, both retail and wholesale client selection (with particular emphasis on the SME sector), including product mix, pricing, profitability targets and portfolio composition.
- Develop an efficient and effective organizational structure for the entire credit process (including the branch organization), evaluate existing skill levels and assessing training needs.
- Develop sound credit policies and procedures and credit risk management and control systems for credit appraisal, loan underwriting, loan processing, approval authority, loan disbursement, loan concentration and risk exposure limits, monitoring, reporting, early warning for problem loans, loan recovery, provisioning and the range of processes required of best practices' credit management and guidelines established by Basle II.
- Develop guidelines and procedures for improving credit initiation, credit and risk analysis and underwriting capabilities of loan officers/relationship managers in extending credit to targeted enterprises and individuals, with particular emphasis on the SME sector.
- Develop sound procedures for appraising the value and adequacy of underlying collateral used in the extension of credit, developing and documenting collateral acceptance criteria and developing creative methods to secure loans when traditional collateral is unavailable.
- Develop risk rating methodologies in line with Basle II requirements and those of international banking practices.
- Establish policies and processes designed to monitor outstanding loans, identify potential problem loans and develop strategies designed to assist the bank in working with enterprises before loans become non-performing.
- Document and institutionalize recommended credit policies and procedures through the development of a Credit Policy and Procedures Manual. Initiate a training program to train loan officers on new policies and procedures including a training-of-trainers program for internal staff training.
- Design and deliver a range of training courses and seminars to teach skills in performing credit analysis, structuring loans, monitoring loan portfolios and developing debt workout methodologies.
- Build institutional capacity through on-the-job training in credit appraisal, loan recovery mechanisms and improvements in credit management policies and processes.
- Work with operations and information systems specialists to improve information management throughout the credit process.

Information Technology

The IT Specialists will complete the following tasks in their assistance:

- Assess the current environment to determine the availability of technology and technology-associated processes in the banking system.

- Define the IT infrastructure plan to support the strategic objectives and business goals established by senior bank management and BearingPoint Advisors. Include items such as the network, hardware, software, applications, staffing, training, and on-going maintenance and support.
- Work with banking specialists to prioritize IT implementations in areas such as payment systems, real time gross settlement systems, automated clearing houses, back office operations, loan and deposit operations, treasury and accounting operations, risk management, and SOB management.
- Determine what applications are available off-the-shelf or need to be custom build to support the prioritized banking applications. .
- As requested - prepare and manage the procurement of the necessary goods and services to implement the prioritized banking applications.
- Create an organizational structure for IT staff and/or local firms that reflect the needs of the banking locations as well as the off-the-shelf and custom application decisions reflected in the procurement process.

IV. Timing – the assignment dates and LOE

The program will provide technical experts for a series of short-terms assignments over the next 12-month period.

V. Reading Material

Commercial Banking Law
Central Bank of Iraq Law
Iraqi Banking Regulations

VI. Reporting Requirements

The advisor is required to submit:

1. An exit report at the end of the assignment summarizing accomplishments and progress against the tasks and deliverables prior to departure. The report should include annexes providing a bank supervision organization chart, briefs of the major bank supervision regulations and written meeting recaps of all major management discussions.
2. Reporting according to the contract shall include at least monthly reports.
3. Monthly statements of fees and costs shall be submitted for work performed under this Scope of Work.

All final documents, laws and policy papers must be included with the trip report as attachments

All reports and attachments may be sent electronically to Alex Seleznyov and David Bourne in the Project Office.

Approved:	Concur:
Coalition Provisional Authority Advisor	BearingPoint – Iraq Economic Governance And Sustained Growth Program
Date	Date

(b)(6)

From: (b)(6)
Sent: Tuesday, December 23, 2003 8:16 PM
To: (b)(6)
Cc:
Subject: Re: FW: World Bank Board Approves IFC's Iraq Small Business Fund Facility Unconditionally

Iraq oral report 121803.pdf (2... | IFC SBFF Iraq 121803.pdf (100 ... | IFC PEP-ME 121803.pdf (2 MB)

the IFC Board approved the SBFF operation that includes both TA & an eventual fund facility. No specific timeframe was announced; they need to get partners lined up. Same on TA. There are a number of uncertainties, including with the security situation, that affect timing. See attached project doc for a description of what they have in mind. (please hold this & all World Bank docs closely as they are not all released publicly.)

another IFC project was approved at the Board on Dec 18 that will involve TA focused on private sector to Iraq (and to three other countries in the region). Timing & specifics are also not clear for this project. The IFC has to raise donor funding for the TA involved, and security considerations also at play here. But you should take a look at what they have planned - project doc attached.

with respect to the Amman meeting, Olin Wethington and I believe some others from CPA participated. You should talk with them about specifics; they heard more about it there than we have heard here. Meanwhile I attach a statement that World Bank country director Joe Saba delivered at the Board December 18 that provides some information on what happened in Amman, and where the World Bank is headed. We will know more when the World Bank circulates its interim strategy for Iraq, which they hope to get around to the World Bank Board by the end of the year.

On point of contact, you should go through this office, cc'g Karen Mathiasen at Treasury, on any Iraq issues relating to the World Bank group, including IFC.

(See attached file: Iraq oral report 121803.pdf)(See attached file: IFC SBFF Iraq 121803.pdf)(See attached file: IFC PEP-ME 121803.pdf)

(b)(6)
Senior Advisor to the U.S. Executive Director, World Bank (b)(6)
(b)(6)

(b)(6)

To: (b)(6)
cc:
Subject: FW: World Bank Board Approves IFC's Iraq Small Business Fund Facility Unconditionally

12/23/2003 08:45 AM

Hi (b)(6)

I work in the CPA Private Sector Development Directorate under Tom Foley. Carole had visited our office in the past. Can I ask some basic questions regarding the IFC facility:

- what was actually approved at the IFC board? Technical assistance or approval to proceed on the actual credit fund for Iraq
- for IFC technical assistance what are the details. What, When...
- what is the IFC timeline for getting the Iraqi fund launched? What are the major milestones? What can we do at the CPA to help?
- regarding the World Bank, I understand that in Jordan, the World Bank offered technical assistance for Iraq. Can I get more details on this?

Do you have a point of contact?

Thanks

Happy Holidays
(b)(6)

(b)(6)

-----Original Message-----
From: (b)(6)
Sent: Friday, December 19, 2003 10:45 PM
To: Bent, Rodney G. (SES); (b)(6) ; McDonald, Anthony (AUS); (b)(6)
(b)(6)
Cc: (b)(6) Mercier, Eric (CAN)
Subject: FW: World Bank Board Approves IFC's Iraq Small Business Fund Facility Unconditionally

FYI -

Stefan J. Medina
(b)(6)

-----Original Message-----
From: (b)(6)
Sent: Friday, December 19, 2003 10:35 PM
To: Goledzinowski, Andrew (AUS); (b)(6) (GS13E); EB-A-Iraq-Task-Force-DL
Subject: FW: World Bank Board Approves IFC's Iraq Small Business Fund Faci lity Unconditionally

-----Original Message-----
From: (b)(6)
Sent: Friday, December 19, 2003 2:12 PM
To: (b)(6)
(b)(6)
Subject: FW: World Bank Board Approves IFC's Iraq Small Business Fund Faci lity

Unconditionally

FYI

-----Original Message-----
From: (b)(6)
Sent: Thursday, December 18, 2003 7:34 PM
To: (b)(6)
Cc:
(b)(6)
Subject: World Bank Board Approves IFC's Iraq Small Business Fund Facility Unconditionally

The Board unconditionally approved the IFC's proposed Small Business Fund Facility for Iraq, after lengthy debate. While most chairs expressly supported the proposal, nearly all had tough questions. Two chairs tried to condition approval on changing the terms. While Germany supported the TA/capacity building project phase, it sought to condition implementation of the finance component on progress on the security situation, stabilization of the business environment, and the existence of a legitimate government, with Board discussion on these points to precede implementation. Russia asserted that its approval was conditional on adding language to the project document such that financing projects under the facility would be subject to Board review on a no-objection basis. Apart from an Austrian statement supporting Germany, neither chair gained much Board support. IFC management were very clear that only with unconditional approval could they raise donor money for TA and attract investors' participation. When IFC Vice President Woicke made it clear that neither condition would be accepted, Russia backed down and joined the near-consensus support. Germany is awaiting instructions from capital but may end up abstaining.

Key issues raised by Board members

Security Situation: Nearly every chair expressed serious concern about the security situation in Iraq, and the extent to which it could affect IFC staff's ability to go into Iraq and impact on investors' interest. But apart from Germany and Austria most chairs thought that management could evaluate the risks as appropriate.

Why now: Many Chairs questioned why this operation was brought to the Board now, and why it could not have waited until the anticipated mid-January Board discussion of the World Bank's interim strategy for Iraq. IFC management reiterated that completing arrangements on the facility framework, getting funding squared away, finding partner financial facilities, and doing the capacity building and training necessary will all take a long time. Therefore Board consideration of this operation was urgently needed so that the facility will be ready to go when the situation is ripe. IBRD country director Joe Saba noted that the original plan was for the interim strategy to be on the Board calendar for today as well. However the Iraqi governing council and CPA were not ready as fast as anticipated on determining assistance priorities. Therefore he expects the Board to take up the interim strategy in mid-January.

Distinguishing between IFC and IBRD on dealings with a de facto government:
Many Board members welcomed the joint IBRD/IFC legal note circulated late December 17 clarifying that the operational policy on dealings with de facto governments does not apply to the IFC. Nonetheless, France insisted that any external communication make clear that IFC engagement through this facility does not mean that the World Bank Group accepts the de facto government for IBRD operational purposes.

Consensus that private sector support is the right priority: Virtually every Board member that spoke (and nearly all did) welcomed the IFC's focus on supporting the private sector with TA that will support a stronger financial sector. Many expressed particular appreciation for focusing financing on micro and small businesses, in keeping with the Needs Assessment and because of their importance in grassroots revival of the private sector. Many joined us in noting the high potential development impact of IFC's early engagement with the private sector.

Chairs that were particularly helpful: The UK joined us in making a very positive statement of support, with no quibbles, as were statements by Japan & the Spanish Alternate. Australia supported US on putting faith in IFC management on when to engage, and said that he was making sure his developed country authorities (Australia, New Zealand and Korea) were aware of the project for possible participation. He acknowledged that it was a high wire act, but asked what in Iraq would not be? Canada called for the IFC to start the facility ASAP. Other chairs expressing unambiguous support for the operation and timing: China, both Africans, Brazil, Kuwait, the Nordics, and the Saudis.

Talking points delivered by USED Carole Brookins follow.

U.S. Talking Points: Proposed IFC Iraq Small Business Finance Fund

* We very strongly support the proposed IFC investment in the Iraq Small Business Finance Fund.

* It is very timely that the Board is taking up this issue today. The developments of recent days underscore the urgency of supporting Iraq's reconstruction and growth. The World Bank Group's early engagement is essential.

* We believe that approving this facility now will give IFC management the authority that they need to engage as soon as possible to support small and micro business in Iraq, which has been identified as a critical priority by the World Bank and Iraqi authorities. Engagement with the private sector in a challenging business climate such as the present situation in Iraq is in our view one of the best possible uses of the IFC's resources. Similar facilities have done very well in other post conflict environments with uncertain business and political environments.

* We agree with the document's assertion that this project has the potential for high developmental impact. Providing micro and small businesses access to commercial financing will support the revival of grassroots economic activity in Iraq. This will help to reduce poverty by supporting the creation of new jobs by the micro and small borrowers, and indeed by the financial institutions that facilitate their funding.

* Moreover, through the Small Business Finance Fund the IFC will nurture a constituency to support a sound business climate to bring out the country's great potential for economic growth.

* As the Iraq SBFF moves forward, we believe that it is vital to maintain a focus on the micro and small business clients that this project is designed to support. Great care should be taken to ensure that the private financial institutions that are selected to handle the SBFF on-lending are those that are truly dedicated to this segment of the market.

* Our belief is so strong that the Iraq SBFF is the right thing for the IFC to be doing now that the U.S. Overseas Private Investment Corporation is involved to the level of $65 million in this program. The United States is also contributing $10 million to support the TA needed to advance these objectives, and urge other donors to do the same, as they have in other IFC SME facilities.

* Finally, we want to commend IFC staff for the hard work that they have done in designing this project. They have built on the IFC's successful engagement in other challenging post-conflict situations and they are adapting lessons learned to the situation in Iraq. We wish them every success in implementing this program expeditiously and fully. We look forward to IFC working quickly to finalize the first project under this facility in early 2004.

* With regard to the German ED's statement, we acknowledge the obvious: that there are security issues and that the security environment is fluid. The events that have transpired since distribution of this document have underscored how very fluid the situation is in Iraq. We therefore believe that it is entirely appropriate to leave Management all of the room it needs to determine how to move forward with respect to evolving security conditions. We have confidence in Management's judgment to proceed as appropriate in implementing the facility.

* We don't believe that further Board second-guessing conditions on the ground and their effect on the content and timing of specific actions to be taken by the facility is appropriate. Moreover, we believe that IFC's financial commitment to the facility is important to attract investment by others and that it has properly addressed the sequencing of its engagement.

* Finally I note that Bank Group management generally and IFC specifically have demonstrated prudent judgment in managing the Bank's engagement with Iraq and with a wide range of other conflict and post-conflict situations around the world.

(b)(6)

Senior Advisor to the U.S. Executive Director, World Bank (b)(6)

(b)(6)

Wood, Christopher N.W. (GBR)

From: Wood, Christopher N.W. (GBR)
Sent: 16 December 2003 14:57
To: (b)(6)
Cc:
Subject: RE: Research on 4th Geneva Convention

Colonel,

Some thoughts on this.

Art 55 of the Hague Regulations is clear that the occupying power can only use public property in accordance with the rules of usufruct, and thus cannot alienate it. Furthermore there is general agreement in the literature that any arrangements for the use of public property (such as leases) cannot outlast the occupation, unless they are specifically ratified by the incoming government at the end of occupation. Therefore any leases granted for a period of five years would have to contain a clause stating that on its assumption of office the incoming Iraqi Government can cancel or re-negotiate the terms without having to pay compensation or penalties.

It does not make much difference whether it is the CPA or an interim ministry which enters into such an agreement since a similar clause would still have to appear in the lease in either case. Ultimately it is a question of the responsibility of the occupying power, and the fact that an interim ministry signs the document does not affect this. It is difficult to see how the interim ministries would have wider authority in this respect than the occupying power itself.

Hope this helps!

Chris

Wg Cdr Chris Wood UK (RAF)
Office of the General Counsel
Tel: (b)(6)

-----Original Message-----
From: (b)(6)
Sent: 14 December 2003 11:40
To: Wood, Christopher N.W. (GBR)
Subject: Research on 4th Geneva Convention

Chris,

Question concerns proposal to work toward "privatization" of state owned enterprises by entering into a 5 year lease with option to purchase. Would this violate the 4th Geneva Convention (or any other law of occupation dealing with transfer of property)? Would answer be different if the Iraqi Interim Ministry did this? Does the interim ministry have authority to enter into a deal of this duration with property transfer as the end state?

Thanks!

(b)(6)

16/12/2003

قانون الشركات العامة

Document ID: FTS19970915001177
Entry Date: 09/15/1997
Version Number: 01
Region: Near East/South Asia

Sub-Region: Near East
Country: Iraq
Topic: DOMESTIC, ECONOMIC

Source-Date: 08/24/1997
Law No. 22 of 1997 on State Companies

JN1509155497 Baghdad al-Jumhuriyah in Arabic 24 Aug 97 p 2

["Text" of Law No. 22 of 1997 on State Companies]

[FBIS Translated Text] In the name of God the merciful, the compassionate

The Republic of Iraq

In the name of the people

The president of the republic

As decided by the National Assembly and approved by the Revolution Command Council, and in accordance with the provisions of Article 53 of the constitution, we issue the following law:

Law No. 22 of 1997 on State Companies

Chapter One: The Aims of the Law and the Requirements of Establishment

Article 1: For the purposes of this law, the following terms shall have the meanings stated hereunder:

The minister: The minister concerned or the head of an organization which is not linked to a ministry.

The state company: The economic unit which is self-financed, fully owned by the state, enjoying a corporate status, independent financially and administratively, and functioning on economic bases.

The registrar: The registrar of companies at the Department for the Registration of Companies in the Ministry of Trade.

Article 2: This law is aimed at organizing state companies, with regard to their establishment, management, and liquidation, under unified financial and administrative bases and rules so as to enable them to attain a high level of growth

in their work and production and to adopt the principle of proper economic accounting, competent investment of public funds, and efficiency in achieving state aims and improving the performance of the national economy.

Article 3: The ministry shall submit an application to the cabinet for the establishment of a state company supported by a study which states the economic and technical reasons for its establishment, provided the application includes the following:

First: The company's name, location, and head office.

Second: The company's aims and activity.

Third: The company's capital and sources of financing its activity.

Fourth: Any other information deemed essential by the ministry.

Article 4: Once the cabinet has approved the application for the establishment of the company, the ministry shall prepare the contract or statement, which shall include the following details:

First: The company's name, location, and head office. The name must reflect its activity and include the word "state."

Second: The company's aims.

Third: The company's activity.

Fourth: The company's capital.

Fifth: The names of the founders.

Sixth: Any other information deemed essential by the ministry.

Article 5: For the purposes of statistical records and documentation, the ministry shall submit.the establishment contract or statement, which has been approved by the cabinet, to the registrar so he can register the company.

Article 6: The registrar shall register the company and issue a certification of establishment. The ministry shall publish this certificate and contract or statement in the Official Gazette and in the bulletin which is issued by the registrar.

Article 7: The company shall acquire a corporate status as of the date of the issuance of its certificate of establishment.

Chapter Two: The Company's Capital

Article 8: The company's capital shall be fixed in the decision which shall be issued by the cabinet approving its establishment.

Article 9: First: The State Treasury shall pay the company's capital as a lump sum or in installments, whose amounts and due dates shall be fixed in accordance with a timetable which shall be drawn up by the company in coordination with the Ministry of Finance.

Second: The value of the company's movable and immovable property shall be considered part of the paid up capital.

Third: When two or more self-financed state corporate persons participate in the establishment of a state company, the partners shall pay their share of the capital and submit to the same rules which are set forth in the provisions of this law.

Article 10: First: Whenever there is a need to increase or reduce the company's capital, the ministry, in coordination with the Ministry of Finance, shall submit an application to the cabinet supported by a financial study on the reasons for taking such a step and its impact on the company's activity, rights, and obligations.

Second: Once the cabinet has approved the increase or reduction of the company's capital, the ministry shall take the necessary steps to implement that as well as the contract or statement on the establishment of the company.

Third: The ministry shall inform the registrar to amend the registration and publish it in the Official Gazette.

Chapter Three: Profits and Losses

Article 11: For the purposes of this law, net profit means the increase in the revenues over the expenditures, as shown in the profit and loss account for the company's fiscal year, organized according to existing rules and regulations and approved accounting procedures, audited by the Financial Control Bureau, and endorsed by an authorized legal quarter.

Second: Capital profits and losses and any other profits and losses resulting from any extraordinary activity by the company shall be separated from the profits which are to be distributed among the employees.

Third: The profits which are to be distributed must not be more than 30 percent of the value of current activity. Any excess shall be transferred to the Ministry of Finance.

Fourth: The profits stipulated in Clause (III) of this article shall be distributed as follows: i) Forty-five percent to the State Treasury. ii) Thirty-two percent as incentives to company employees and to those who excel in their work, including members of the board of directors and ministry employees according to the percentages which will be fixed by the board of directors with the approval of the ministry. iii) Five percent for research and development. iv) Five percent for social services for the employees. The remainder shall go to the capital reserve.

Fifth: The cabinet may increase or reduce the percentages in Clauses (III) and (IV) of this article depending on the economic activity and circumstances.

Article 12: Twenty-five percent of the net profit before its distribution shall be deducted for covering recurrent losses from previous years, if there are any.

Article 13: If the company's losses amount to 25 percent of the nominal capital, the company's board of directors shall make an economic appraisal, indicating the causes of the losses and suggesting solutions. The appraisal shall be referred to the ministry so it can make the appropriate decision on it.

Article 14: If the company's losses amount to 50 percent of the nominal capital, the ministry shall make an economic appraisal, which shall be referred to the cabinet so that it can make the appropriate decision on whether to maintain or liquidate the company.

Chapter Four: Investments and Loans

Article 15: First: The company may invest its surplus funds in joint ventures with other partner companies, provided the ventures are relevant to the company's aims inside Iraq. The company has to obtain the approval of the cabinet if the ventures are outside Iraq.

Second: The cabinet's approval has to be obtained also when funds from partner Arab and foreign companies or establishments are to be used in joint ventures that are relevant to the company's aims outside Iraq.

Third: The company has the right to participate with Arab or foreign companies and establishments in joint ventures that are relevant to the company's aims inside Iraq.

Article 16: First: The company may invest its surplus funds as fixed deposits in banks inside Iraq for a period of not more than 180 days, provided a special account is opened in the company's records to record the interest on these deposits and to also show them in the final accounts so that it will be easy to determine the company's performance in this sector.

Second: i) Insurance and re-insurance companies and banks may invest their funds in the different investment fields. ii) The cabinet may decide to include any other investment quarter under the provisions of Paragraph (i) of this clause.

Article 17: The company may give or obtain loans, or obtain funds to finance its activity from national financial institutions and state companies under contracts and terms which shall be agreed upon, provided the loan does not exceed 50 percent of the company's paid-up capital.

Article 18: The approval of cabinet must be obtained when the loan is being obtained from outside Iraq in order to finance the company's investment or current activity.

Chapter Five: The Company's Management and Board of Directors Administrat

Article 19: The company's board of directors shall assume the task of drawing up the management, financial, organizational, and technical policies and plans for conducting the company's activity, and achieving its aims, and supervising and following up on their implementation. It shall also exercise all the pertinent rights and powers. It may authorize the company's general manager with any powers it deems appropriate.

Article 20: The board of directors shall consist of the company's general manager as chairman and eight members who shall be appointed as follows:

First: Four members shall be chosen by the minister from the among the heads of the company's various units for their experience and specialized knowledge in their fields.

Second: Two members shall be elected from among the company's employees.

Third: Two members, who are experienced and specialized in their fields, shall be selected by the minister from outside the company with the approval of the "Opinion Board."

Fourth: The board of directors shall have three reserve members. One shall be elected by the employees and two appointed by the minister.

Fifth: The board of directors shall elect during its first meeting a vice chairman from among its members. He will replace the chairman in his absence.

Article 21: The company's basic law shall determine the method of electing the representatives of the company's employees in the board of directors and the qualifications they must have.

Article 22: The term of the board of directors shall be three years, which is renewable. The term shall begin from the date of the first meeting of the board.

Article 23: First: The board of directors shall meet once a month at the invitation of its chairman.

Second: The board of directors may hold an extraordinary meeting at the invitation of its chairman or a written request by two of its members stating the reasons for it.

Third: The quorum for the board of directors is achieved by the attendance of the majority of its members, including the chairman or his deputy. Decisions shall be

made by the majority vote of those attending. In the case of a tie vote, the side getting the chairman's vote wins.

Article 24: If a vacancy occurs in the board of directors, the chairman shall invite a reserve member to cover up for the remainder of the board's term.

Article 25: The board of directors' decisions shall be implemented as soon as they are issued. However, those dealing with the issues mentioned below shall be implemented after obtaining the minister's approval:

First: Annual plans and budgets.

Second: The final accounts and the company's annual report.

Third: Legislations.

Fourth: The production incentive system, since it is considered part of the cost of production.

Article 26: The board of directors' decisions on the issues mentioned in Article 25 of this law shall be considered endorsed unless the minister objects to them within 15 days from the date of their submission to his office. If he objects to them, they shall be re-submitted to the board of directors as soon as it meets. If the board of directors insists on its opinion, a meeting shall be held under the chairmanship of the minister in order to examine the subject. The decision made by the majority of the members present shall be final.

Chapter Six: The Company's General Manager

Article 27: The company shall be run by a general manager who is experienced, specialized, and holds at least a first university degree. The general manager shall be appointed under a decision by the cabinet. He shall be the highest authority in the company and he shall undertake all the necessary work for managing and running its activity in accordance with the powers granted to him by the board of directors.

Chapter Seven: Internal Control

Article 28: Internal control is aimed at establishing effective control on the company's funds. In the achievement of this aim, the company shall conduct its activity according to programs that ensure the application of all control systems.

Article 29: The Financial Control Bureau shall prepare monthly reports containing the results of its activity for the previous period. The report shall be submitted to the company's general manager. The company's board of directors shall then take the necessary steps to tackle any problems raised by the report within 30 days from the date the report is submitted to the office of the general manager.

Article 30: The Internal Control Department shall be attached to the general manager. It is impermissible to transfer or punish any member of this department without obtaining the consent of the board of directors and stating the reasons.

Chapter Eight: Merger of Companies

Article 31: First: It is permissible under a decision by the cabinet to merge two or more state companies into a new state company, provided they engage in a similar or integrated activity.

Second: The ministry shall prepare a technical and economic feasibility study of the merger and submit it to the cabinet so it can make the appropriate decision.

Article 32: Once the cabinet has approved the merger, the ministry will amend the original contract or draw up a new one. The board of directors will also amend the basic law or draft a new one.

Article 33: The ministry shall inform the registrar of the amended contract or provide him with a new one. The merger shall be considered valid as of the date of the cabinet's approval, or as of any other date set by cabinet. On that date, the corporate status of the old company shall expire. The registrar shall issue a new certification of establishment.

Article 34: First: The ministry shall publish the merger decision in the Official Gazette and in the bulletin which is issued by the registrar.

Second: The old company's rights and obligations shall revert to the new company.

Chapter Nine: Change of the State Company

Article 35: It is permissible to change a state company to a shareholding company with the approval of the cabinet.

Article 36: The ministry shall prepare a study on the economic and technical reasons for the change, the method of assessing the value of the shares in the capital, and the method of selling the shares. The study shall be submitted to the cabinet so it can make the appropriate decision on them.

Article 37: First: Once the cabinet has approved the change, the ministry shall prepare a new contract for the company and submit it to the registrar with the approval of the cabinet.

Second: The minister shall publish the decision on the change in the Official Gazette and in the bulletin which is issued by the registrar.

Third: The shareholding company shall acquire a corporate status as of the date of the publication of the decision.

Fourth: The cabinet may, following the transformation of a state company into a shareholding company, fix a certain percentage of the company's nominal capital so the company employees can buy shares in the shareholding company.

Article 38: The socialist sector's share in the new company shall be determined under the provisions of existing laws.

Chapter Ten: Liquidation of Companies

Article 39: First: Once the reasons mentioned in Article (14) of this law become valid, the ministry shall seek the approval of the cabinet to liquidate the company.

Second: If the cabinet decides to liquidate the company, the ministry must take the following steps: i) Form a liquidation committee representing the Ministry of Finance and the Financial Control Bureau, define its powers and jurisdictions, and send a copy of the formation of the committee to the registrar. ii) As soon as it is informed of the liquidation decision, the company shall stop assuming any new obligations. However, it can continue its activity in so far as fulfilling its obligations and retaining its corporate status during the liquidation period. iii) The liquidation committee shall seize all the company's records and documents, make an inventory of its assets, and prepare an initial report, which will be submitted to the ministry. iv) The committee will liquidate the company's rights and obligations and what is mentioned in the liquidation decision, taking into consideration the provisions of this law. v) The liquidation committee shall prepare the final accounts and a report on the results of the company's liquidation once the liquidation has been carried out or at the end of every fiscal year, if the company's liquidation work continues for more than one year, and submit them to the ministry. vi) Once the liquidation work has been completed, the committee shall submit its final report to the ministry backed by the report of the accounts controller. vii) If the results of the liquidation show a balance in the company's funds, this balance shall be paid to the State Treasury or to the companies subscribing to the newly established company. The minister has the powers to transfer assets at the approximate value. viii) The liquidation period must not exceed three years in all cases. Otherwise, the matter should be referred to the cabinet so it can make the appropriate decision. ix) Once the ministry is satisfied that the liquidation has been carried out in accordance with the provisions of this law, it shall notify the registrar to this effect so he can issue his decision to cancel the name of the company and publish that in the Official Gazette and in his bulletin.

Chapter Eleven: General and Final Rules

Article 40: Within a period of one year from the implementation of this law, all existing self-financed economic organizations must adjust their conditions in harmony with the provisions of this law.

Article 41: The cabinet may, whenever necessary, exempt any mining companies belonging to the Oil Ministry from the provisions of this law.

Article 42: The company's activity shall be subject to the control and auditing of the Finance Control Bureau.

Article 43: The minister shall issue an internal system for the company which shall be prepared by its board of directors in accordance with the provisions of the law within 60 days from the its formation. The system shall include the following:

First: The duties and powers of the board of directors.

Second: The method electing the representatives of the employees in the board of directors.

Third: The required qualifications for a member of the board of directors.

Fourth: The management structure of the company and the descriptions of the management and organizational units' jobs and duties.

Fifth: The organization of the procedures for following on the company's activity and internal control.

Sixth: Any other matters relating to the tasks and activity of the company.

Article 44: The existing employment rules shall apply to the employees of the companies covered by this law until new employment rules are issued.

Article 45: This law shall be implemented as of the date of its publication in the Official Gazette. Any public or private provisions contrary to its provisions are considered invalid.

Written in Baghdad on 15 Rabi' al-Thani 1418 Hegira corresponding to 18 August 1997.

[Signed] Saddam Husayn, president of the republic

Reasons for issuing this law: This law was enacted for the purpose of organizing the activity of self-financed state economic organizations and unifying the laws organizing the activities of these organizations by establishing national state companies and organizing their work in such a way as to contribute to the advancement of the national economy and to achieve the social aims of the socialist sector.

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(b)(6)

From: (b)(6)
Sent: Wednesday, December 10, 2003 10:58 AM
To: (b)(6)
Subject: answers of your questions

Civil Service Law
No. 24 of 1960

Article 33(1) apparently states that a committee of supervisors (somehow appointed by or reporting to the Minister of Finance) shall assist in the investigation of which jobs are needed and which are excess. Article 33(2) apparently states that the Minister of Finance shall do what is necessary to transfer the "excess" employees in any ministry to other offices or to cancel their posts according to the Staff Law.

Staff Law
No. 25 of 1960

Article 7 states that Council of Ministers has the authority to cancel "excess" posts based on a proposal by the Minister of Finance. It further states that the proposal by the Minister of Finance shall list the name of excess post and the name of the employee.

RCC Resolution
No. 150 of 1987

This resolution converted all workers in the "*public sector (*state offices)" and the "social sector" (including employees of state-owned enterprises) who were not already treated as civil servants to the status of civil servants. It afforded them the same rights as civil servants and assigned to them the same duties. This resolution also required them to submit to all of the laws, regulations and rules that apply to civil servants.

M of Finance -

COALITION PROVISIONAL AUTHORITY

BAGHDAD

ACTION MEMO

December 11, 2003

FOR: The Deputy Administrator

FROM: Office of the General Counsel

SUBJECT: KAC v. IAC: Litigation & Liquidation

Issues for Decision:

- Funding further Iraqi Airways Company (IAC) Litigation in London
- Liquidation of IAC

There appears to be a general consensus that Iraqi Airways is unlikely to be revived as a going concern and may ultimately be put out of business. However, litigation in the UK continues and therefore another decision on participation must be made now, regardless of any action relative to IAC liquidation. Furthermore, Iraqi law would have to be amended to allow for, and to clarify the ramifications of, an IAC liquidation. For example, under current Iraqi law, it is not clear whether IAC creditors would have recourse against GOI assets generally. Amending the law would require difficult and controversial decisions, and probably would not stop pending litigation.

In keeping with your instructions, we have not funded any recent court participation by IAC's British legal team, with relatively minor financial consequences (only about $65 million additional liability, most of which would have been incurred even if IAC had been represented).

We are now at a major decision point in the litigation. Further non-participation will probably add some $600 million to Iraq's other debts. If we fund litigation counsel, which we expect will require approximately $2 million, there is an excellent chance that we can reduce the expected judgment against Iraq Airways (and potentially the Government of Iraq) by $400 million. An IAC decision to participate is always reversible. Additionally, such an IAC decision could be overtaken by Kuwait Airways Corporation (KAC) putting IAC into involuntary bankruptcy in the UK. This could result in KAC, as major creditor, selecting the liquidator and making its own decision on the future of the UK litigation (as the liquidator then speaks for IAC in the London courts). In light of the ambiguity of Iraqi law, KAC may believe that initiating liquidation will give it a better shot against Iraqi State assets, make a political resolution more likely, or allow it to inflate its claim, as filed with the liquidator.

Investing $2 million to save $400 million in adverse judgments seems rational, financially. Nonetheless, competing demands for financial and other resources may dictate a different

decision, as might the fact that there are billions in outstanding Iraqi debts, public and private, so it is unclear the extent to which this additional amount would materially alter the landscape.

The question of liquidation may also be ripe for decision. The UK court may ask at the December 18, 2003 hearing about IAC plans for paying outstanding judgments. Also, action by the CPA may help protect IAC and perhaps State assets abroad from KAC or other creditors that might pursue involuntary liquidation or seizure of such State assets. Initiating liquidation in Iraq could give Iraq greater control over the winding up of IAC affairs. There are three main options:

1. **Overhaul Iraq's law applicable to the liquidation of SOEs**, addressing, among other things, procedures for initiating, creditor rights (including recourse against State assets) and impact on pending litigation.
2. **Adopt a law specific to the liquidation of IAC** that would provide meaningful recourse for foreign creditors, including an orderly liquidation process consistent with international norms of non-discrimination, fairness and transparency in dealing with assets and claims, to increase the likelihood of foreign court deference to an Iraqi proceeding. Although the U.S. Department of Justice has not studied Iraqi law in depth, it believes that it could prepare a draft text relatively quickly.
3. **Issue an order accomplishing the first stages of liquidation** (freezing all litigation, marshaling assets and collecting claims), but reserving for the future government of Iraq decisions on disposition of claims and assets. A down-side: the lack of a claim adjustment and distribution mechanism may render this insufficient for a non-Iraqi court to give deference and, consequently, the "freeze" may be ignored outside of Iraq.

A background paper attached at Tab A provides additional detail.

For Decision

Options: Whether funds should be made available for IAC participation in the Spares Action.

_____ Do not fund active participation by IAC in Spares Action in light of other demands for CPA resources.

_____ Fund active participation by IAC (estimated legal cost $2 million) to save $400 million in expected adverse judgments.

Options: Whether preparations should be made for liquidation of IAC.

_____ Amend Iraqi law generally on liquidation of SOEs.

_____ Draft new law specific to liquidation of IAC, including mechanisms for liquidation of claims and distribution of IAC assets.

_____ Order freeze of IAC litigation, marshaling of assets and collection of claims, preserving for a new Iraqi government final decisions on disposition of claims and IAC assets.

Background

The UK litigation. In the above-referenced litigation, KAC has, thus far, been awarded in excess of $90 million in judgments against IAC. There are no appeals pending with respect to these judgments. With respect to the most recent hearings, IAC Counsel withdrew as counsel of record and IAC did not defend itself. However, no representation was made as to IAC intentions for related proceedings.

KAC's claim is divided into four pieces. Two are completed, leaving balances in excess of US$65 million payable. This sum includes various costs awards – there will be more costs awards, some of which could be quite substantial when interest is added. The third is an "all or nothing" – type claim, which could be worth as much as US$135 million or zero. A Defence is being filed by 12 December, which will buy time. This action is very unlikely to come to trial before June 2004.

The remaining major piece of litigation is the "Spares Action," involving the alleged seizure by IAC of spare parts belonging to KAC in 1990-1991. This claim is due to go to trial in June 2004. Should IAC not defend the claim, our litigators anticipate an adverse judgment that could reach US$600 million. If defended, the anticipated judgment could realistically be reduced to around US$200 million. The anticipated cost of preparing the Spares Action for trial and taking it through trial is of the order of US$2 million. We have already obligated over $300K on this case. With respect to all of Iraq's foreign litigation caseload, we have $700K remaining for this year and the Ministry of Justice was allocated approximately $2.6 million for next year.

A pre-trial conference in the Spares Action is scheduled for December 18, 2003. At the conference, the Judge will press IAC on their long-term intentions relative to this case. Our lawyers need to know by December 12th at the latest what decision has been taken in relation to this action in order to be able to prepare for the pre-trial conference.

Iraqi Law:

Liquidation procedures. Section 39 of the Law on State Companies establishes a liquidation process implemented primarily by a state-appointed liquidation committee. When an SOE's losses amount to 50 percent of its nominal capital (it is safe to assume this test is met for IAC), the appropriate ministry conducts an economic appraisal and the cabinet of ministers may decide to liquidate the company.[1] The supervising ministry forms a liquidation committee, which takes over the company, conducts assessments, sells assets, and pays creditors.

Because Section 39 requires a decision of the now-defunct Council of Ministers, an amendment may be necessary to liquidate IAC. An amendment might also attempt clarify other ambiguous

[1] Law on State Companies, art. 14.

issues, such as creditor recourse against State assets and the impact of liquidation on foreign litigation (although foreign courts may not abide by any such provisions). Iraqi law also defines options for the liquidation or reorganization of private companies. It is not clear that these laws are relevant *per se* to liquidation of an SOE, but they might be considered in any revision of Section 39.

Recourse against State assets. The Law on State Companies addresses disposition of liquidation proceeds in excess of creditor claims, but not of deficiency. One might read this to preclude recourse against State assets generally, but the law is not explicit. We understand the GOI may have covered SOE losses in the past, but have no sense whether that was on the basis of policy or law.

We cannot predict whether a foreign court would allow IAC creditors to execute on overseas Iraqi assets. Factors may include:

- whether the court defers to any new orders or laws promulgated by CPA that purport to freeze foreign litigation;
- how the court interprets the above-referenced Iraqi law on State Companies;
- whether/how the State has implemented UNSCR 1483 and whether it applies;
- if tangible assets are at issue, whether the national law extends UNSCR 1483's requirements for "financial assets and economic resources" to tangible assets; and
- whether a liquidation proceeding is initiated in that State and the court's interpretation of the rights of creditors to assets within the court's jurisdiction

IAC has some property in the UK, most significantly, a lease-hold interest in real property valued at one million pounds. We do not have a full accounting of other IAC assets abroad.

Impact of Iraqi liquidation on foreign litigation: Nothing in Iraqi law explicitly requires forebearance on claims by creditors or prohibits the company from making payments as they come due. We cannot provide absolute protection against action by foreign courts on pending or future claims against IAC, but the pendency of a liquidation proceeding in Iraq pursuant to procedures consistent with international norms on non-discrimination, fairness and transparency in dealing with assets and claims, would increase the likelihood of foreign court deference to an Iraqi proceeding. Whether such deference would extend to all assets, or just the assets outside of the foreign court's jurisdiction, might depend upon the particular nature of the Iraqi liquidation proceeding. Although the U.S. Department of Justice has not studied Iraqi law in depth, it is prepared to draft appropriate statutory language relatively quickly.

As Iraqi law stands now, in response to a creditor claim, a court in any state where IAC assets are present might allow a liquidation proceeding for distribution of the IAC assets located in that jurisdiction. It is even possible that such court might attempt to extend the liquidation of IAC in a way which purports to have more world wide effect (although the direct jurisdiction of that court over extra-territorial assets is limited) including the possibility of determining whether GOI assets can be reached. In any event, as noted above, we cannot predict whether the court might proceed to allow recourse against assets of the GOI.

Options. With respect to IAC posture in the pending UK litigation, IAC did not participate in one hearing, but made no representation about future hearings. That was reasonable in light of the limited amount at issue. However, the pre-trial set for December 18, 2003 involves a very substantial sum. The numbers can be summarized as follows, based on the views of retained counsel: an investment of US $2 million could reduce a likely $600 million adverse judgment to a likely $200 million. While IAC assets are limited, the judgment size would have significance if KAC had recourse against GOI assets abroad (unlikely an Iraqi court would entertain KAC claims against GOI assets). However, we are unable to estimate the value of IAC or at-risk GOI assets abroad.

With respect to the future of IAC, we have suggested three possible approaches:

(1) to amend Iraqi law generally for liquidation of SOEs

(2) to adopt a new law liquidating IAC and establishing IAC specific terms and procedures; or

(3) issue an order freezing all claims litigation, marshaling assets and establishing a mechanism for receiving claims against IAC, while reserving for the future government of Iraq decisions on disposition of claims and assets.

The above options are further discussed below:

1. **General amendment of Iraqi law.** A general overhaul of Iraqi law on liquidation of SOEs would require the development of larger policy objectives, based on a review of the situations of current SOEs and views on the future of SOEs in Iraq. Some of the bigger issues, like State responsibility for SOE liabilities, may raise significant economic and political issues. These factors suggest this is a long-term project and militate against such a general approach to resolving the IAC situation. However, one possibility would be to make the terms described below, in the context of option 2, applicable to all SOE liquidations.

2. **Adopting a law for IAC's liquidation.** Recognizing the unusual circumstances, including the UNSCR 1483 restrictions on disbursement of certain Iraqi assets abroad, it may be appropriate, and expeditious, to limit changes to Iraqi law to IAC. The amendment could clarify the procedures for initiating liquidation, the rights of creditors, and whether there is recourse to State assets. The US Department of Justice is prepared, in short order, to draft relevant legislation based on international norms for non-discrimination, fairness and transparency in dealing with assets and claims. Adoption and implementation of such legislation for IAC would to increase the likelihood of foreign court deference to an Iraqi proceeding. Again, however, we cannot predict how KAC would respond or the impact of this on the UK litigation. However, to the extent claims are brought in Iraq, rather than foreign courts, the CPA has greater control over execution on the claims and would reduce exposure of Iraqi State assets abroad.

3. **Freezing IAC.** CPA could issue an order imitating the first stages of liquidation (freezing all litigation, marshaling assets and collecting claims), but reserving for the future government of Iraq decisions on disposition of claims and assets. This minimalist approach should minimize CPA resource commitment, at least in the short term. This would support an IAC decision not to participate in the UK or other litigation and would be consistent with UNSCR 1483 restrictions on disbursement of certain Iraqi assets abroad. However, inasmuch as courts in foreign jurisdictions would see this as failing to provide a mechanism for the adjudication and payment of creditor claims, they would be unlikely to defer to the order's requirement to freeze proceedings.

In this approach, the CPA order might impose:

- a freeze on all claims litigation;
- marshaling all IAC assets;
- a procedure for creditors to submit claims and relevant documentation within a specified time;
- appoint a trustee/auditor to implement the order

The Ministry of Transport might be tasked with administering the law, the express purpose of which would be to organize IAC for decisions to be made by the future Government of Iraq.

(1) Intro

(2) Our Mission: CA LNO to Ministerials
Report to CJ9
Work to Assist Minist.

(3) ORGANIZATION: • How you were chosen
• Military Bearing & Decorum
See Chart
Admin Cell: Rept Management
Meeting Coordination
Message Center, ETC

(4) MINISTERS (See sheet)

(5) CPA

(6) IRDC

Mission
Help create goverment structure + services in provinces; will shift to constituency assembly work as well.

- 140 pp; soon 180

[redacted]

(6) IRDC Continued.

All Iraqi Origin
All Speak Iraqi Arabic
Some US Citizens
From all over.

(7) Other Players

< HIU

< OSAID/OTI
Grant Program/ $15,000 - 150,000
Quick Hits!

- Support Civil Society Organizations, Artists, Unions, Students
- Good Governance
  Education, debates, panel discuss.
- Conflict Mitigation / Management
  "Flashpoint" areas
- Transitional Justice & Human Rights
  Abuse Prevention Center

(7) Cont.

INTERACTION

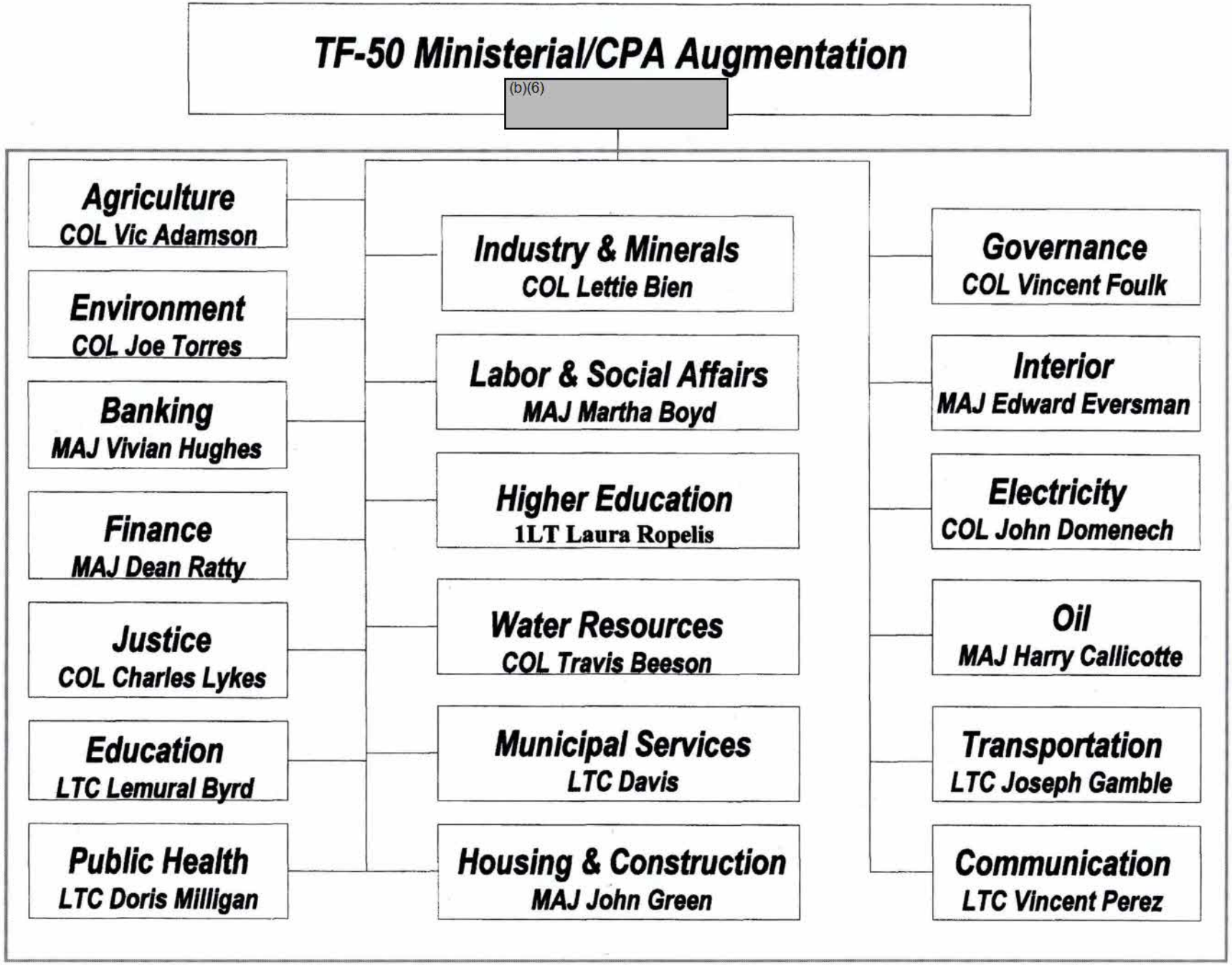
- 170 NGO's in Consortium.
- Coordination
- Handouts / CD's

CPA
Civil Affairs Requirements
JMD add

##	COUNTER	DEPT	DIV	LINE NUM	SVC	MOS/DESIG	GRADE	DESCRIPTION
	CA 001	CPA	Min of Culture			38A	O-3	Mil LNO
	CA 002	CPA	Min of Education			38A	O-3	Infrastructure
	CA 003	CPA	Min of Higher Ed			38A	O-4	Education Background
	CA 004	CPA	Min of Housing			38A	O-5	Senior Advisor
	CA 005	CPA	Min of Industries/Minerals			38A	O-5	State Owned Enterprise
	CA 006	CPA	Min of Industries/Minerals			38A	O-3	Advisor (finance experience)
	CA 007	CPA	Min of Industries/Minerals			38A	O-3	Advisor (finance experience)
	CA 008	CPA	Min of Public Works			38A	O-5	Mil LNO
	CA 009	CPA	Min of Justice			38A	O-5	Prison Advisor
	CA 010	CPA	Min of Justice			38A	O-3	Prison Advisor
	CA 011	CPA	Min of Justice			38A	O-2	Prison Advisor
	CA 012	CPA	Min of Justice			38A	E-7	Prison Advisor w/training background
	CA 013	CPA	Min of Justice			38A	E-7	Prison Advisor w/admin and budget background
	CA 014	CPA	Min of Oil			38A	O-4	Task Force shield
	CA 015	CPA	Min of Youth and Sports			38A	O-4	Mil LNO
	CA 016	CPA	Min of Finance			38A	O-5	LNO for Economic Policy
	CA 017	CPA	Min of Finance			38A	O-4	Stock Market analyst
	CA 018	CPA	Min of Health			38A	O-3	Disease Surveillance
	CA 019	CPA	Min of Interior			38A	O-3	Fire and Rescue Advisor
	CA 020	CPA	Min of Interior			38A	O-3	Border Policy Advisor
	CA 021	CPA	Min of Interior			38A	O-3	Police Policy Advisor
	CA 022	CPA	Min of Labor			38A	O-4	Advisor for ops and logistics
	CA 023	CPA	RSO - Baghdad			38A	O-5	Operations Officer/CoS
	CA 024	CPA	RSO - Baghdad			38A	O-4	Program Manager
	CA 025	CPA	RSO - Baghdad			38A	O-4	Operations Officer
	CA 026	CPA	RSO - North			38A	O-5	Operations Officer/CoS
	CA 027	CPA	RSO - North			38A	O-4	Program Manager
	CA 028	CPA	RSO - North			38A	O-4	Operations Officer
	CA 029	CPA	RSO - North			38A	O-4	Civil Affairs Assistant
	CA 030	CPA	RSO - North			38A	O-3	Civil Affairs Assistant
	CA 031	CPA	RSO - North			38A	E-7	Civil Affairs Assistant
	CA 032	CPA	RSO - North			38A	E-5	Civil Affairs Assistant
	CA 033	CPA	RSO - Central South			38A	O-5	Operations Officer/CoS
	CA 034	CPA	RSO - South			38A	O-4	Program Manager
	CA 035	CPA	RSO - South			38A	O-4	Operations Officer
	CA 036	CPA	Baghdad Ops			38A	O-5	Civil Affairs Assistant

CPA
Civil Affairs Requirements
JMD add

##	COUNTER	DEPT	DIV	LINE NUM	SVC	MOS/DESIG	GRADE	DESCRIPTION
	CA 037	CPA	Baghdad Ops			38A	O-4	Civil Affairs Assistant
	CA 038	CPA	Baghdad Ops			38A	O-2	Civil Affairs Assistant
	CA 039	CPA	Baghdad Ops			38A	O-2	Civil Affairs Assistant
	CA 040	CPA	Baghdad Ops			38A	E-5	Civil Affairs Assistant
	CA 041	CPA	Ministry of Justice			31B	O3	Prisons Advisor
	CA 042	CPA	Ministry of Oil			45A	O4	Finance Assistant
	CA 043	CPA	Ministry of Oil			O1A	O5	Chief of Staff
	CA 044	CPA	Ministry of Transportation			O1A	O4	LNO
	CA 045	CPA	Ministry of Transportation			92A	O4	Trans Ports
	CA 046	CPA	Ministry of Transportation			88A	O4	Surface Security
	CA 047	CPA	Ministry of Finance			45A	O5	Budget Analyst
	CA 048	CPA	Ministry of Finance			45A	O4	Bureau Supreme Audit
	CA 049	CPA	Ministry of Finance			45A	O5	Bureau Supreme Audit
	CA 050	CPA	Ministry of Agriculture			01A	O-3	LNO
	CA 051	CPA	Ministry of Communication			25A	O-4	Advisor - frequency spectrum management
	CA 052	CPA	Ministry of Communication			31Z	E-8	Advisor - frequency spectrum management
	CA 053	CPA	Ministry of Communication			31P	E-6	Advisor - Microwave Systems
	CA 054	CPA	Ministry of Communication			31S	E-5	Advisor - Satellite Communications Systems
	CA 055	CPA	Ministry of Electricity			01A	O-5	Executive Officer
	CA 056	CPA	Ministry of Electricity			92A	O-4	Contract Coordinator
	CA 057	CPA	Ministry of Housing			21A	O-4	Program Manager - roads
	CA 058	CPA	Ministry of Water & Irrigation			21A	O-4	Advisor
	CA 059	CPA	Ministry of Justice			55A	O-3	Advisor
	CA 060	CPA	Ministry of Justice			55A	O-4	Advisor
	CA 061	CPA	Ministry of Justice			55A	O-5	Advisor
	CA 062	CPA	Ministry of Science & Tech			01A	O-4	Advisor
	CA 063	CPA	Baghdad Ops			01A	E-6	Operations
	CA 064	CPA	Baghdad Ops			01A	O-4	Operations


TF-50 Ministerial/CPA Augmentation
(b)(6)
Agriculture
COL Vic Adamson
Environment
COL Joe Torres
Banking
MAJ Vivian Hughes
Finance
MAJ Dean Ratty
Justice
COL Charles Lykes
Education
LTC Lemural Byrd
Public Health
LTC Doris Milligan
Industry & Minerals
COL Lettie Bien
Labor & Social Affairs
MAJ Martha Boyd
Higher Education
1LT Laura Ropelis
Water Resources
COL Travis Beeson
Municipal Services
LTC Davis
Housing & Construction
MAJ John Green
Governance
COL Vincent Foulk
Interior
MAJ Edward Eversman
Electricity
COL John Domenech
Oil
MAJ Harry Callicotte
Transportation
LTC Joseph Gamble
Communication
LTC Vincent Perez

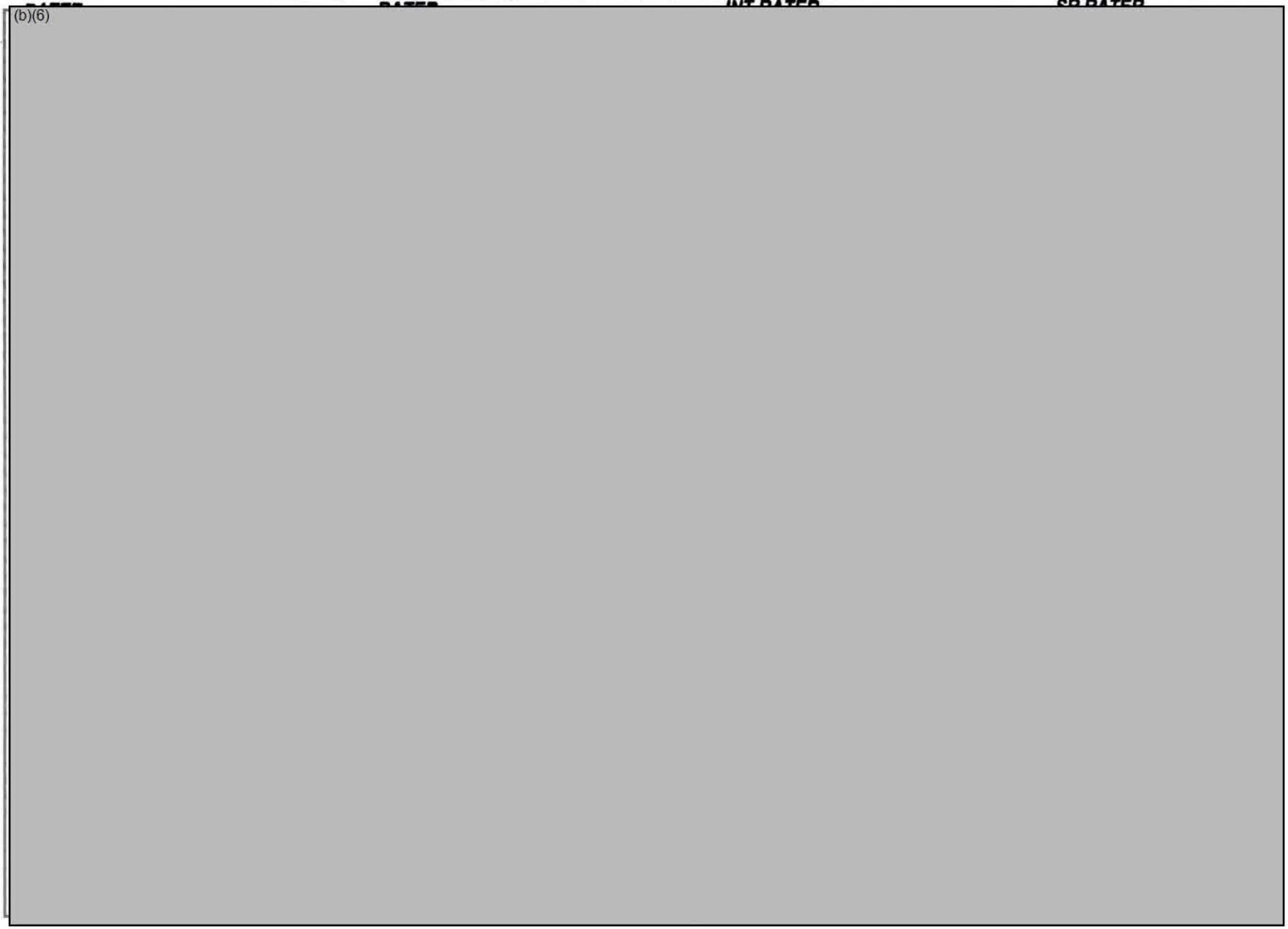
RATING SCHEME FOR MINISTERIAL AUGMENTATION

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RATING SCHEME FOR MINISTERIAL AUGMENTATION (CONTINUED)

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COALITION PROVISIONAL AUTHORITY
NORTHERN REGION
CONTACTS LIST

CPA NORTH (REGIONAL)

ARBIL

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CPA NORTH (REGIONAL)

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CPA REGIONAL & GOVERNATE COORDINATORS		
NAME	LOCATION	EMAIL
(b)(6)		

CPA NORTH
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1/15/2004

OTHER OFFICES-CPA

Baghdad Central

Name	Room #	DSN Phone	Direct #
(b)(6)			

[redacted] OFFICES-CPA		OTHER OFFICES-CPA	
Private Sector Development			
[redacted] Name [redacted]	**Room #**	**DSN Phone**	**Direct #**
(b)(6)			

Security Affairs (Diwan)				
[redacted]	Name [redacted]	Room #	DSN Phone	Direct #
(b)(6)				

OTHER OFFICES-CPA	
Strategic Communications	1

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CPA-NORTH (GTS) CONTACTS

CPA-NORTH (GTS)(ARBIL)										
Surname	Forename	Title/Function	Country	Ministry/ Dept.	Thuraya#	DNVT	Local Phone#	Cell#	EXT #	Email address
Saunders	Dr. Liane	GC	UK	CPA	8821621707178					Liane.saunders@us.army.mil
Panico	Chris	POLAD	US	CPA						panicoc@mail.ru chris.panico@us.army.mil
Sodaro	Anthony	Comm/IT	US	CPA	8821621707663					tsodaro@awsoda.net
Standaert	Tim	PAO	US	CPA						Timstandaert@yahoo.com
Swords	Ransome	Admin Ast.	US	CPA						swords@1stcounsel.com

CPA-NORTH (ARBIL) Coalition Forces										
Surname	Forename	Title/Function	Country	Ministry/ Dept.	Thuraya#	DNVT	Local Phone#	Cell#	EXT #	Email address
Schute	LTC. Harry	Commander 404th. CA						760-6137 760-6139		Harry.schute@us.army.mil
Adams	MSG Harry	404th.LNO		CMOC			2250229			
Wells	Cpt.			CMOTF			2259044			
Keyes	MAJ Thomas	CMOC Company Commander?		CMOC?				760-1710		thomas.keyes1@us.army.mil

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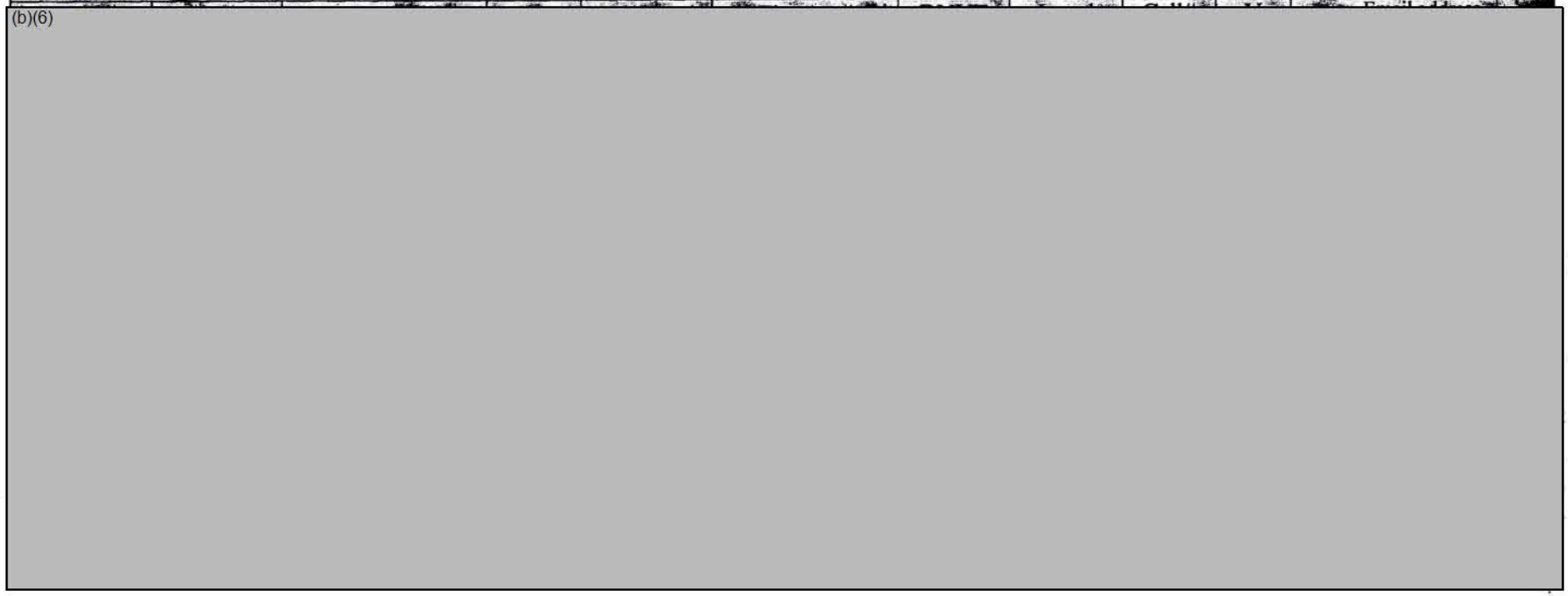
(GPA-NORTH (GTS) Tamim (Kirkuk)

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		PSD		CPA/GC						
		PSD		CPA/GC						
		Gurkha								
		Gurkha								
		Gurkha								
		Gurkha								
		Gurkha								

CPA-NORTH (GTS) Ninawa (Mosul)

(b)(6)



CPA-NORTH (GTS) Salah ad Din (Tikrit)

Surname Dep	Forename	#Title/ Function	Country Phone	Ministry/ Dept.	Thuraya#	DNVT	Local Phone#	Cell#	SAT#	Email address
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ARBIL & DOHUK CONTACTS (page 2)

Surname	Forename	Title/Function	Country	Phone#	Phone#	Phone#	Email address
Agriculture and Irrigation				(b)(6)			
Mustafa	Falah Bakir	Dep. Minister of Agriculture and Irrigation					
Reconstruction and Development							
Sadiq	Nasreen Mustafa	Minister of Reconstruction and Development					
Maraan	Fakhir	Deputy Minister of Reconstruction and Development					
		Minster of R & D's Office Manager					
Labor and Housing							
Waso	Nazanin	Minister					
Akram	Nahro	Dep. Minister					
Justice							
Abdul-Kareem	Hadi Ali	Minister					
Culture							
Mahmood	Mahmood Mohammad	Minister					
Khalid	Barzan Mala	Dep. Minister					
Education							
Tayyib	Abdul-Aziz	Minister					
Ishmael	Muhammad	Dep. Minister					
Economic and Finance							
Aghajan	Sekis	Minister					
		Secretary of Minster					
Halo	Mahmoud	Dep. Minister					

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ARBIL & DOHUK CONTACTS (page 3)

Surname	Forename	Title/ Function	Country	Phone#	Phone#	Email address
Humanitarian Aid and Cooperation (MOHAC)						
		Office				
Quazzaz	Dr. Shafiq	Minister				
Siwaily	Hoshyar A.	Dep. Minister				
Human Rights						
Sulivany	Dr. Muhammad Ihsan	Minister				
Industry and Energy						
Hana	Yonan Marqus	Minister				
Ghazli	Noori Suleiman	Dep. Minister				
Communications and Transportation						
Feili	Heider Sheikh Ali	Minister				
Mawlood	Nawzad Hadi	Dep. Minister				
Hawler Governorate						
	27	Central Bank				
	72	Adham Central Bank Manager				
Governorates						
Mantik	Akram	Govenor of Arbil				
Ahmed	Nechirvan	Governor of Duhok				

(b)(6)

CPA-NORTH (ARBIL) NGO'S							
Surname	Forename	Title/ Function	Local Company	Thuraya#	Local	Cell #	Email address
Russell	Iskander	MEDS Program Director	Middle East Development Company	88-216-6775-3131	222-5659		Meds-erbil@yahoo.com

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ARBIL & DOHUK CONTACTS (page 4)

KDP CONTACTS - ARBIL								
Surname	Forename	Title/Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address
Barzani	Massoud	Governing Council Member						
Ghafour	Nasih	KDP Bloc						
Mirani	Fadhil	KDP Poliburo						
		KDP Political Bureau				242-2781		
		KDP Guest house (Salahaddin)				242-2327		

Hotels and Services ARBIL					
Name	Phone#	Phone#	Phone#		Email Address
Chware Chra Hotel	2231508	2231509	2222079		
Hawraman Hotel	2230800				
Dim Dim Hotel	2231507				
Erbil Tower Hotel	2230716				
Darin Dry Cleaner (Salahaddin)	2423407				
Naza Palace Restaurant					
Hawler Restaurant					

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Political Parties							
Mirani	Fadhil	KDP Politburo					
Warda	William	ADM					
Abbawi	Labeed	Former communist					
Mufti	Adnan	PUK Representative Arbil					
		Iraqi Turcoman Front					
		Bayt Nahrain Party					
		Kurdish Islamic Union Sisters Organization					
		Iraqi Communist Party Arbil Branch					
		Communist Party of Iraqi Kurdistan					
		Turcoman Brotherhood					
		Turcoman Cultural Society					
		Chaldean Cultural Association					
		Chaldean Democratic Party					
Sinjari	Hussain	Iraqi Institute of Democracy					
Hardi	Mrs. Chilura	Khatuzeen Women's Center for Social Affairs					
Kirkuki	Adnan	High Committee of Combating Arabisation					
Sadiq	Tawfiq Karim	Kurdistan Jurist Union					
		Farmers Union					
		Women's Union					
		Journalist Union					
		Writers Union					
		Engineers Union					
		Medical Professionals Union					
		Doctors Union					
		Accountants Union					
		Auditors Union					
		Contractors Union					
Mirani	Jiyan	Ronahee Foundation					
		Tribal Council					

Political Parties							
		Mayor of City Council					
		Arbil Chamber of Commerce					
		Dohuk Chamber of Commerce					

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MEDIA CONTACTS

CPA NORTH PRESS CONTACTS -ARBIL					
Surname	Forename	Title/Function	Phone#	Phone#	Email Address
Berwary	Abdul-Salam	Khabat Newspaper			
		Khabat Establishment (Daily Newspaper)			

(b)(6)

CPA NORTH PRESS CONTACTS -ARBIL					
Surname	Forename	Title/Function	Phone#	Phone#	Email Address
		Kurdistan TV			
		Kurdstat TV (Arbil)			
		KTV			
		Turkman Elli TV			

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ARBIL & DOHUK CONTACTS (page 6)

ARBIL UNIVERSITY CONTACTS							
Surname	Forename	Title/ Function	Location Ministry/ Dept.	Email Area	Local Phone#	Home #	Email address
Barzinji	Dr. Sa'adi	President	Salahaddin University	Arbil	2230411, 008821651104 521		(b)(6)
Tawfiq	Dr .S.Ali	Director of Academic Relations	Salahaddin University	Arbil			

DOHUK UNIVERSITY CONTACTS						
Surname	Forename	Title/ Function	Location Ministry/ Dept.	Email Area	Local Phone#	Home #
Khalid	Dr. Asmat Mohammad	President	Dohuk University	Dohuk		
Salah	Dr. Amad	Vice Chancelor	Dohuk University	Dohuk	722-0823	
Dohuki	Dr. Mosleh	Dean	College of Agriculture	Dohuk	724-0078	
Ahmad	Dr. Mohammad	Dean	College of Law and Politics	Dohuk	722-3516	

ARBIL & DOHUK CONTACTS (page 7)

[redacted] CONTACTS			UNITED NATIONS AGENCIES CONTACTS
Surname	Forename	Title/Function	Min/Dept
UNOHCI			UN
Maru	Tesfaye	Dep. Coordinator.	UN
Brancovan	G.	Dep. Dir. OIG	UN
Jonah	Benjamin	Legal Officer	UN
WFP			UN
Breivik	Arnt	Northern & Logistics Coordinator	UN
WHO			UN
Hamasha	Mohammad	WHO Erbil OIC	UN
FAO (Through UNOHCI)			UN
Ghebrary	Tekele	HOSO Suleimanya	UN
		Fraidoon	UN
UNDP			UN
Vilonen	Steve	OP Plan	UN
Toyberg	Jens A.	Program Director	UN
Abdulla A.	Abdul-Aziz	Sr. Program Officer	UN
HABITAT			UN
Noro	Monica	OIC Planning	UN
Ahmed Ali	Bassim	HABITAT Sr. Civil Engineer	UN
Bhandari	R.K.	Chief Technical Advisor	UN

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ARBIL & DOHUK CONTACTS (page 8)

UNITED NATIONS AGENCIES CONTACTS			
Surname	Forename	Title/Function	Min/Dept
UNOPS			UN
Salema	Jose Xavier	Project Coordinator IDP's	UN
Redall	David	Sr. Program Coordinator	UN
Labi	Werner	Program Manager	UN
Dufort	Michel	Chief of OPS	UN
Peiris	Mohanial	UNOPS Field Manager	UN
Nieuwoudt	Jacobus	UNOPS MAP	
UNHCR			
UNESCO			
Koach	Joseph	OIC UNESCO North	UN
Balmores	Dr. Nestor R.	Head of Unit UNESCO Suleimanya	UN

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ARBIL & DOHUK CONTACTS (page 9)

UNITED NATIONS AGENCIES CONTACTS					
Surname	Forename	Title/Function	Min/Dept'n	Phone#	Email Address
UNICEF				(b)(6)	
Behre	Etsegenet	Project Officer	UN		
Nooraddin	Paula Abdulkadeer	APO (Health)			
Chowddhury	Kiriti	Supply & Logistics Officer	UN		
Usmani	Akbar	Dep. Program Director	UN		
ITU					
Shlimon	Shlimon E.	Telecom Engineer			
UNGCI					
Perkash	[illegible]	Head of UNGCI	UN		

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DIYALA CONTACTS

BA'QUBAH CONTACTS								
Surname	Forename	Title/ Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address

BA'QUBAH UNIVERSITY CONTACTS							
Surname	Forename	Title/ Function	Education Ministry/ Dept	Email address	Local Phone#	Home #	Email address
Mahmoud	Dr. Alaa S.	Vice President		Ba'qubah	532360		
Alomat	Prof. MK	Dean	College of Education	Ba'qubah	2180-2104		
Ibrahim	Dr. P. M.	Dean	College of Engineering	Ba'qubah			
Bassan	Eng. Ghalib Farman	Dean	College of Pharmarcology	Ba'qubah	0255-31704		

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AT' TAMIM CONTACTS

KIRKUK CONTACTS								
Surname	Forename	Title/ Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address

KIRKUK UNIVERSITY CONTACTS							
Surname	Forename	Title/ Function	Location/ Ministry/ Dept.	Email Address	Local Phone#	Home #	Email address
Khorshid	Dr. Bahram	Ast. President		Kirkuk	411-645		
Najmadin	Dr. Omer			Kirkuk			

CPA NORTH
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NINAWA CONTACTS

MOSUL CONTACTS								
try Surname	Forename	Title/ Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address

MOSUL UNIVERSITY CONTACTS					
Surname	Forename	Title/Function	Location / Ministry/ Dept	Email Address	(b)(6)
AL-Layla	Dr. M Mohammad Tayyab	Dean 6	College of Engineering	Mosul	
AL-Azzawi	Mohammad Basil	Dean 5	College of Arts	Mosul	
Sallomi	Dr. Isam J.	5	College of Education	Mosul	
AL-Dabbagh S.	Dr. Samim	Dean 0	College of Medical Sciences	Mosul	

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SALAH AD DIN CONTACTS

[redacted] TIKRIT CON [redacted] 15				TIKRIT CONTACTS				
Surname	Forename	Title/ Functiona	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address

DRAFT

SULAIMANIYA CONTACTS

PUK CONTACTS – SULAIMANIYA								
Surname	Forename	Title/ Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address
Talabani	Jalal	General Secretary	N. Iraq	PUK	(b)(6)			
Talabani	Qubad	Son of Gen. Sec.	N. Iraq	PUK				
Jangi	Aras Sheick	Nephew-Secretary	N. Iraq	PUK				
Talabani	Hero	Wife of Gen. Sec.	N. Iraq	PUK				
Minister	Office	Thoraya Phone #	Country	Ministry/ Dept.				
Talibani Offices In Sulimaniyah		13 531						
Qala Chowlan Office		42						

DRAFT

SULAIMANIYA -MEMBERS OF THE POLITICAL BUREAU								
Surname	Forename	Title/ Function	Country	Min/ Dept.	Thoraya #	Local Phone#	Cell #	Email address
						(b)(6)		
Kosrat	Rasoul Ali	Member -Political Bureau	N. Iraq	PUK	008821621243708			
Masoom	Dr. Fouad	Member -Political Bureau	N. Iraq	PUK				
Mustafa	Nusherwan	Member -Political Bureau	N. Iraq	PUK				
Fouad	Dr. Kamal	Member -Political Bureau	N. Iraq	PUK				
Fatah	Omar	Member -Political Bureau	N. Iraq	PUK				
Ali	Omar Said	Member -Political Bureau	N. Iraq	PUK				
Qadir	Fereidoon Abdul	Member -Political Bureau	N. Iraq	PUK				
Bayeez	Arsalan	Member -Political Bureau	N. Iraq	PUK				
Qadir	Mustafa Said	Member -Political Bureau	N. Iraq	PUK				
Mufti	Adnan	Member -Political Bureau	N. Iraq	PUK				
Bakhtiyar	Mala	Member -Political Bureau	N. Iraq	PUK				

DRAFT

[redacted] SULAIMANIYA -MEMBERS OF THE POLITICAL BUREAU								
Surname	Forename	Title/ Function	Country	Min/ Dept.	Thoraya #	Local Phone#	Cell #	Email address
Jawhar	Jalal	Member -Political Bureau	N. Iraq	PUK	(b)(6)			
Ahmad	Imad	Member -Political Bureau	N. Iraq	PUK				
Salih	Dr. Barham Ahmed	Member -Political Bureau	N. Iraq	PUK				

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SULAIMANIYA -MEMBERS OF THE LEADERSHIP								
Surname	Forename	Title/ Function	Country	Ministry/ Dept.	Thoraya Phone #	Local Phone#	Cell #	Email address
Pira	Sa'di Ahmad	Member - Leadership	N. Iraq	PUK				
Rushdi	Arif	Member - Leadership	N. Iraq	PUK				
Juniyani	Azad	Member - Leadership	N. Iraq	PUK				
Abas	Shakhawan	Member - Leadership	N. Iraq	PUK				
Askari	Shalaw Ali	Member - Leadership	N. Iraq	PUK				
Qara	Safin Mala	Member - Leadership	N. Iraq	PUK				
Shera	Khasraw	Member - Leadership	N. Iraq	PUK				
Hawezi	Chato	Member - Leadership	N. Iraq	PUK				
Murad	Adil	Member - Leadership	N. Iraq	PUK				
Mahmud	Osman Haji	Member - Leadership	N. Iraq	PUK				
Muhamad	Dr. Khasraw Gul	Member - Leadership	N. Iraq	PUK				
Qadir	Hakim	Member - Leadership	N. Iraq	PUK				
Shekh	Jafar	Member - Leadership	N. Iraq	PUK				
Ali	Rizaar	Member - Leadership	N. Iraq	PUK				
Yousif	Jamal	Member - Leadership	N. Iraq	PUK				
Doski	General Khalil	Member -Leadership	N. Iraq	PUK				

(b)(6)

SULAIMANIYA - MEMBERS OF THE LEADERSHIP							
Rush	Mustafa Chaw	Member - Leadership	N. Iraq	PUK		(b)(6)	
Qasim	Kurdo	Member - Leadership	N. Iraq	PUK			
Ali	Aso	Member - Leadership	N. Iraq	PUK			
Asasard	Farid	Member - Leadership	N. Iraq	PUK			
Ismael	Shorish	Member - Leadership	N. Iraq	PUK			
Almani	Aso	Member - Leadership	N. Iraq	PUK			
Abdullah	Raf'at	Member - Leadership	N. Iraq	PUK			

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[redacted] REGIONAL GOVERNMENT (SULAKURDISTAN REGIONAL GOVERNMENT (SULAIMANIYA) MINISTERS					(b)(6)	
Surname	Forename	Title/ Function	Country	Ministry/ Dept.		Email address
		Regional Minister for the Council if Ministers Affairs	N. Iraq			
Muhammad	Usam Haji Mahmud	Interior Minister	N. Iraq			
Talabani	Shekh Bayeez	Financial Minister	N. Iraq			
Jawhar	Jalal	Industry Minister	N. Iraq			
Abd-AL-Wafa	Shamal	Minister of Agriculture and Irrigation	N. Iraq			
Othman	Narmeen	Education Minister	N. Iraq			
Aziz	Rushdi	Justice Minister	N. Iraq			
Muhamad		Islamic Affairs Minister	N. Iraq			
Zakhoyee	Fatah	Culture Minister	N. Iraq			
Khoshnaw	Dr. Muhamad	Health Minister	N. Iraq			
Masti	Nawshirwan Fu'adi	Minister of Peshmerga Affairs	N. Iraq			
Rasul	Fatih	Municipality Minister	N. Iraq			
Dizayee	Sa'di	Renovation Minister	N. Iraq			
Akbar	Mushin Ali	Social Affairs Minister	N. Iraq			
Shafiq	Dr. Jalal	Higher Education Minister	N. Iraq			
Rashid	Salah	Human Rights Minister	N. Iraq			
Doski	Khalil	Trans. Minister	N. Iraq			
Faily	Abdul Razaq	Humanitarian Assistance & Cooperation Minister	N. Iraq			
Hazar	Birzo Ali	Regional Minister	N. Iraq			

CPA NORTH
RDS

1/15/2004

NORTH

Following the Senior Ba'ath news conference and goat grab, several former Ba'ath officials showed up with a truck full of weapons for turn in to Coalition forces and publicly professed allegiance to New Iraq denouncing the old Ba'ath Party and Saddam Hussein. Mosul, Tal Afar, Baghdad, and French reporters and media captured the entire affair.

Celebrated the Iraqi Army Birthday in conjunction with the activation ceremony of two ICDC Battalion Headquarters and a Border police. The NIA Brigade Commander was formally introduced to the troops, and he is establishing his command post in the Tal Afar fort. Several retired Iraqi Generals, and senior leaders from the KDP and PUK attended along with the Governor, Vice Governor, and leadership from the Division.

Delivered 6 CERP funded Computers with all accessories to the Hareer Sub-District Government in Irbil. Hareer Sub District is the Largest Sub District within the District of Shaqlawa. The Computers will assist the government and the police chief in information organization, enhance their capabilities in running the area, and transition the local government into the automation age.

NORTH CENTRAL

To date coalition forces have spent $186,290 on six health clinics and one hospital rehabilitation project in Baqubah. Work being done includes replacement of windows, door fixtures and general repair work.

CPA approved funding for rebuilding the Military Hospital into the Sa'adia General Hospital for civilians. Al Warka'a Construction Company is the contractor for this project. This new general hospital will replace the aged and overcrowded Jalawla General.

Initiated a micro-lending program throughout the TFIH AO in conjunction with CPA. The program will provide $3 million in micro-lending funds from USAID to private banks. The private banks in Salah ah Din and Diyala will provide matching funds. The program will begin lending money to the public on 17 Jan 04.

BAGHDAD

Task Force Wisdom will oversee the refurbishment of 40 schools per month during school months and 120 schools per month during the summer break at a cost of $32 million in CERP funds. Iraqi Engineers will do the assessments, deconfliction, and quality reviews. Baghdad DGs and Planners have revised the Baghdad schools database and prioritized schools for refurbishment.

Nutrition Research Institute, World Food Program and UNICEF plan on setting up school feeding programs similar to the program already running in the rural Kurd region feeding 360,000 school children. WFP provided copies of the assessments done in August for a multiagency school feeding program in Iraq and the potential manufacture of school feeding products locally.

WEST

Integrating the second Border Police class with coalition forces in three phases. Phase I is familiarization with checkpoint procedures and orientation by coalition forces. Phase II is joint daytime customs procedures and Phase III incorporates nighttime operations. All of the graduates appeared motivated and willing to work to conduct border operations.

Repairing 51 unused fuel tankers in Al Qa'im to transport fuel within the Al Anbar region and increase employment. The tankers are on flatbeds or lying on the ground. Before the war these trucks were used to transport fuel from T-1 to Jordan. However, the operators are currently unemployed.

Repaired cranes at the Super Phosphate Plant and purchased repair parts for the remaining cranes, bucket loaders and forklifts so that they will have heavy material handling equipment capable to move large amounts of raw materials necessary to support production of fertilizer.

MND (CS)
The Religious (Hillah) University began a CPA funded project to translate non-controversial books such as American and English literature from English to Arabic.

Began $175,000 renovation of the Hillah soccer stadium. The soccer stadium in Hillah is in a complete state of disrepair. The renovation of the soccer stadium will be a highly visible project. The benefits will be realized by all segments of the community and will receive positive coverage from local and regional media. Most importantly, the young people will have an appropriate place to enjoy competitive sports. The stadium will also be used for community ceremonies and gatherings.

MND (SE)
Dhi Qar Health Department Director plans on building a maternity hospital in place of the former MSU compound damaged by 12th November terrorist attack.

Completed the sanitation project of the Entissar school and the High school for boys in As Samawah.

The Netherlands State Secretary of Defense conducted grand openings for the Free Women Union building, Department of Sport and the Motorola project AM. The Motorola project AM gives full coverage of highway 8 for public service organizations (police, fire, ambulance).

ISSUES

ECONOMY/SECURITY
Delivery of Funds to Banks/Movement of Currency
(CJTF7 CPT Ward/CPA Olin Wethington)

Issues:
- Units continue to provide escort for money deliveries in their regions from Central Bank.
- CPA/CBI has not developed an adequate plan to provide security for currency movement post ICE.

Recommendations:
- MoF and CBI must develop, initiate and implement an adequate security system for delivery/movement of currency post ICE.

Background:
Units continue to provide escort (not at the request of CBI/ICE – but rather to ensure delivery within their AO) for money deliveries in their regions from Central Bank. Security for CBI/ICE is being provided by Global Risk, which is currently under contract until 28 February 2004 to provide security for all currency movements. Global Risk appears to be adequately armed (crew-served weapons/5 escort vehicles per 2 transport vehicles). Excluding banks in Baghdad, security provided by Global Risk is being augmented by military units (82nd , 101st and 4ID) in the field. Out of over 700 deliveries, only 8 convoys have been attacked (about 1%). If units in the field continue to augment security when contract security is being provided, the MoF/CBI will never develop the capabilities to do this for themselves when the Global Risk contract expires. MoF in conjunction with CBI must develop, initiate and implement an adequate security system for delivery/movement of currency post ICE/end of contract with Global Risk. CBI's suggestion that currency can be moved unescorted as it was prior to the war is simply unacceptable.

[redacted]

1. **DATE OF REPORT AND TIME PERIOD COVERED: 1500Z07JAN04**

2. **LTC DERAVIN**

3. **MISSION:**

4. **SIGNIFICANT CMO EVENTS (LAST 24 HOURS):**

5. **HOT CMO TOPICS (FUTURE EVENTS): >24 Hours**

6. **RFI'S: CJTF-7 C9 responds to this**

7. **SUMMARY OF CMO CONDUCTED FOR THE REPORTING PERIOD: (U)** 352 CACOM (Main) continues to focus on the reestablishment of Iraqi national level ministries (through functional team support) and management of the Iraqi Assistance Center (through dedicated IAC team). Members of 352 CACOM continue to resource positions in CJTF-7 C9. The Commander, 352 CACOM is dual-hatted as the CJTF-7 C9.

7.B. **CENTRAL REGION:**
7.B.1 **BAGHDAD:**

7.B.1.1 FOOD:
7.B.1.2 WATER:
7.B.1.3 POL:

7.B.1.4 POWER:

352nd Public Facilities Team Update

7.B.1.5 SANITATION:
7.B.1.6 PUBLIC HEALTH:
7.B.1.7 SECURITY:

7.B. 1.8 GOVERNMENT:

352nd E & C Team Update

7.B.1.9 MUNICIPAL SERVICES:

7.B.1.10 COMMUNICATIONS:

352nd Public Facilities Team Update
Science & Technology.
The Ministry of Science and Technology is processing 2 personnel who arrived today from the US contractor Weston to work with the ministry for one week. The personnel will be assisting MoST in non radiological hazardous material collection and storage. The MoST received word today that the State Department NP Non Polifiration team consisting of three personnel would be returning around 19 January 2004. There is initial indication that funding has been provided to expedite the NP process.

[redacted]

7.B.1.11 EDUCATION:
7.B.1.12 COMMERCE:
7.B.1.13 TRANSIT:
7.B.1.14 EMPLOYMENT:

7.B.1.15 OTHER:

352nd Public Facilities Team Update

7.B.1.16 PLANNED CMO NEXT 24-48 HOURS:

[redacted]

CJTF-7 DAILY CMO SITREP

DTG: 080700JAN04

FROM: CJTF-7 C-9
TO: CCJ5 CMO

AS OF: 080950JAN04, PERIOD COVERING: 060700JAN04 - 070700JAN04

(b)(6)

HIGHLIGHTS OF CMO ACTIVITIES IN EACH GOVERNORATE OVER THE PAST 24 HOURS

1. NORTH REGION:

1.A. ARBIL: (GENERAL)

NO REPORT

1.B. DAHUK. (GENERAL)

NO REPORT

1.C. DIYALA. (GENERAL)

NSTR

1.C.1. SECURITY:

MET WITH CONTRACTOR WATHEK SADOON ABAS AT THE ICDC CHECKPOINT IOT START THE INSTALLATION OF THE LIGHTING AND ELECTRICITY. THE CONSULTATION LED TO THE ADDITION OF FOUR ADDITIONAL LIGHT SETS AT NO COST OR CHANGE TO THE ORIGINAL ESTIMATE. THE WORK WILL BE COMPLETE IN ABOUT 13 DAYS AND WILL PROVIDE MORE THAN ADEQUATE COVERAGE FOR THE SECURITY OF SOLDIERS AT THE SITE.

PREPARATION FOR ICDC RECRUITING OF 75 ADDITIONA L PERSONNEL FOR AL GHALEBIYA PLANNING IS COMPLETE AND T OOK PLACE AT 070900CJAN04 AT THE ICDC HEADQUARTERS IN AL GHALEBIYA.

KHALIS, ABU SEIDA, A L ABBARAH, AND UDAIM: ICDC TRAINING HAS BEGUN IN KHALIS AND ABU SEIDA AND WILL CONTINUE FOR THE NEXT TWO WEEKS. ICDC MEDICAL SCREENING WILL BEGIN IN AL ABBARAH ON 7 JAN. CURRENTLY THERE ARE 61 CANDIDATES. THAT WILL BE CUT TO 48 IN THE SCREENING AND TRAINING PROCESS.

HUSSEINIA, RSHIDIYAH, JEDEDHA, BANI SA'AD, MOHAMMAD SACRAN, SHEIK SAAD: FINISHED ICDC PAY. CONDUCTED THIRD DAY OF ICDC TRAINING WITH 118 TRAINEES PRESENT; COMPLETED ICDC PAYROLL FOR JANUARY B CO AND E CO; SENT MEMO TO BDE FOR REPLACEMENT OF POLICE VEHICLE FOR THE CITY OF HUSSEINIA.

1.C.2. ESSENTIAL SERVICES:

CONDUCTED FOLLOW UP CHECKS ON ALL CLINICS B EING REMODELED OR BUILT IN THE WESTERN AOR. RESULTS FOLLOW:
GEDIDA AL SHAT: COMPLETE 3JAN04
MANSURIA AL SHOT: COMPLETE 6JAN04

[redacted]

AL GHALEBIYA: COMPLETE 8-9JAN04
HIBHIB: COMPLETE UNKNOWN (NO WORKERS PRESENT)
GEZANI: COMPLETE MID FEBRUARY
HASHMIA: COMPLETE 6JAN04
AL HADID: COMPLETE 28DEC03

CONDUCTED ASSESSMENTS OF LOCAL POWER SUPPLY IN ALL VILLAGES WITHIN THE AOR WHILE LOOKING AT THE CL INICS. ALL VILLAGES REPORT ONLY RECEIVING ABOUT 2 -3 HOURS OF POWER ON A DAILY BASIS. THEY ALL REPORT THA T THIS IS SIGNIFICANTLY LESS THAN 1-2 MONTHS AGO AND WANT TO KNOW WHAT THE CAUSE OF THE INCONS ISTENT POWER IS. DESPITE THE PROBLEMS WITH POWER ALL PEOPLE SEEMED HAPPY ENOUGH TO SEE US, BUT THEIR FIRST COMMENTS WERE ALWAYS ABOUT HAVING NO POWER. WATER SUPPL Y STILL REMAINS MINIMAL DUE TO THE INCON SISTENT SUPPLY OF ELECTRICITY. THE ADDITION OF THE WATER PROJECT ELECTRIC GENERATORS WILL GREATLY AI D IN ALLEVIATING THIS PROBLEM. WAITING FOR FURTHER GUIDANCE TO ALLOW CONTRACTOR TO PURCHASE GENERATORS.

RECONSTRUCTION OF THE MILITARY HOSPITAL INTO THE SA'ADIA GENERAL HOSPITAL FOR CIVILIANS HAS BEEN APPRO VED FOR FUNDING BY CPA. AL WARKA'A CONSTRUCTION COMPANY HAS BEEN SELECTED BY OPEN BID AS THE CONTRACTOR FOR THIS PROJECT. AS ORIGINALLY CONCEIVED, THIS NEW GENERAL H OSPITAL WOULD REPLACE THE AGED AND OVERCROWDED JALAWLA GENERAL HOSPITAL AND IT WOULD BE CONVERTED INTO A PHC. HOSPITAL STAFF AND EQUIPMENT WOULD BE TRANSFERRED TO THE NEW GENERAL HOSPITAL (ABOUT 12 KM AWAY FROM THE PRESENT LOCATION). DR. FAIZA OBJECTS TO T HE CLOSURE OF THE JALAWLA GENERAL HOSPITAL. IT SITS IN THE CENTER OF THE COMMUNITY, ONE THAT IS INCREASING IN POPULATION BECAUSE OF THE RELOCATION OF DISPLACED PERSONS.

THERE HAS BEEN A SHORTAGE OF RABIES VACCINE IN DIYALA. (b)(6) CPA -MOH, STATED T HAT 15,000 DOSES OF RABIES VACCINE HAVE BEEN ORDERED AND SHOULD ARRIVE SHORTLY. DR. FAIZA HAS BEEN INSTRUCTED TO ASSESS THE AMOUNT OF VACCINE AND RABIES IMMUNOGLOBULIN NEEDED AT PRESENT AND TO CONTACT CPA -MOH TO REQUEST SHIPMENT.

CPA-MOH WILL BE OFFERING MANAGEMENT TRAINING SEMINARS TO THE DGS AND STAFF IN THE NEAR FUTURE, ONCE IT RECEIVES OMB CLEARANCE. SUCH TRAINING IS VITAL TO THE FUTURE DELIVERY OF HEALTH CARE SERVICES IN IRAQ.

CPA-MOH HAS BEEN WORKING WITH THE CENTERS FOR DISEASE CONTROL AND PREVENT ION, ATLANTA, GA, TO DEVELOP EPIDEMIOLOGY SEMINARS FOR THE PUBLIC HEALTH STAFF. WHILE EFFORTS AT DISEASE INVESTIGATION AND SURVEILLANCE HAVE GONE ON IN THE PAST, THEY HAVE LACKED SCIENTIFIC RIGOR. SUCH ACTIVITIES ARE ESSENTIAL TO HELP THE COUNTRY CONTROL AND/OR ERADICATE DISEASES LIKE POLIO, RABIES, CHOLERA, MEASLES, AND LEISHMANIASIS. WHO HAS FUNDED PROGRAMS IN THE PAST AND PROVIDED TRAINING FOR PUBLIC HEALTH PHYSICIANS? HOWEVER, MORE TRAINING IS NEEDED FOR THESE PROFESSIONALS AS WELL AS FOR THE ANCILLARY DISEASE CONTROL STAFF TO ENSURE PROMPT AND ACCURATE REPORTING OF SERIOUS DISEASES AND QUICK TURN AROUND FOR RESPONSE.

LABORATORY SUPPLIES ARE AVAILABLE IN KIMADIA. THE CENTRAL LABORATORY IN DIYALA REPORTS SHORTAGES. THE LACK OF INFORMATION ABOUT WHAT SU PPLIES ARE AVAILABLE IN KIMADIA -BAGHDAD CONTINUES TO BE A PROBLEM FOR THE HEALTH DIRECTORATES. THE SAME PROBLEM EXISTED LAST APRIL. IT DOESN'T APPEAR THAT ANY EFFORTS TO COMMUNICATE WITH THE HEALTH DIRECTORATES HAVE BEEN MADE.

THE MOH MEETS WITH DGS, QUA RTERLY. IN LIGHT OF THE PRESENT PROBLEMS WITH HEALTH CARE MANAGEMENT IN MOST DIRECTORATES, SUCH MEETINGS ARE WAY TOO

INFREQUENT. THE MOH SHOULD BE IN COMMUNICATION MONTHLY TO HELP RESOLVE SOME OF THE PRESENT PROBLEMS THAT EXIST IN THE GOVERNORATES. THE MOH WOULD ALSO GAIN A BETTER UNDERSTANDING OF THEIR PRESSING HEALTH CARE NEEDS IN A TIMELIER MANNER.

1.C.3. **GOVERNANCE:**

CONDUCTED VISIT TO THE FUTURE HIBHIB AREA GOVERNMENT BUILDING BEING REBUILT BY AN RTI FUNDED PROJECT. PROGRESS WAS VAST BASED ON ORIGIN AL CONDITION OF BUILDING. THE BUILDING WILL BE COMPLETE AND READY FOR OCCUPATION APPROX 20JAN04. WILL FOLLOW-UP WITH RTI IOT VERIFY THAT ONCE COMPLETE AND OCCUPIED, THAT ALL THE DIRECTORATES AND GOVERNMENT LEADERS FOR THE HIBHIB AREA WILL HAVE ALL THE AS SETS ON HAND TO COMMUNICATE TO HIGHER AND FULFILL ALL THE OBLIGATIONS TO THEIR POSITION.

KHALIS, ABU SEIDA, AL ABBARAH, UDAIM: THERE WAS A MEETING WITH TF 3 -67 COMMANDERS, S5 REPRESENTATIVES, AND UDAY IBRAHIM, THE MAYOR OF KHALIS TO DISCUSS ELECTIONS IN A ZIM. THE LEADERS OF THE TOWNS WILL COMPILE A LIST OF CANDIDATES FOR THE NAHIAH COUNCIL NLT 14 JAN. AT THAT POINT, A DATE WILL BE SET TO HOLD THE ELECTIONS.

1.C.4. **ECONOMIC DEVELOPMENT:**

CONDUCTED MEETINGS WITH LOCAL BUSINESSES IN HUWEISH, IQSARINE, AND MANSURAH AL SHAT. PUT OUT THE RELEVANT INFORMATION REGARDING THE SMALL BUSINESS GRANT PROGRAM TO ONE BUSINESS IN EACH VILLAGE THAT COULD BE IMPROVED IF GIVEN FUNDING FOR ADDITIONAL CAPITAL. THE BUSINESSES WERE A TIRE REPAIR AND REPLACEMENT BUSINESS, AN AUTO MECHANIC, AND A FURNITURE MAKER. OTHER BUSINESSES WILL BE SCOUTED BUT A SPECIFIC MISSION DATE IS NOT PLANNED AS OF YET.

CONDUCTED RESEARCH FO R UPCOMING MICRO -LOAN PROGRAM. IT WAS DETERMINED THAT THE DESIGNATED BANK (MIDDLE EASTERN BANK) IS LOCATED A DJACENT TO THE MAIN MARKET. THIS LOCATION WILL MAKE IT VERY DIFFICULT FOR U.S. OFFICERS TO OPERATE WITHOUT A LARGE SECURITY PRESENCE AN ALTERNATE PLAN IS BEING WORKED THAT WILL ENABLE USE TO MEET WITH BANK OFFICIALS WITHOUT REGULAR TRIPS TO THE BANK.

REVIEWED A BUSINESS GRANT APPLICATION FROM THE OWNER OF AN INTERNET CAFE'. GAVE THE OWNER TRAINING ON HOW TO GENERATE A BALANCE SHEET FOR HIS BUSINESS. SUBMITTED HIS GRANT APPLICATION TO 2ND BCT.

HUSSEINIA, RSHIDIYAH, JEDEDHA, BANI SA'AD, MOHAMMAD SACRAN, SHEIK SAAD: AWARDED CONTRACT TO RASHIDIYAH CONSTRUCTION FOR $289,000 TO REBUILD HUSSEINIA POLICE DEPARTMENT DESTROYED IN VBIED; CONSTRUCTION WILL BEGIN TODAY.

CONDUCTED DAYLONG MISSION TO ASSESS ALL PROJECTS IN PROGRESS WITHIN THE AOR. WAS ABLE TO ALS O CONDUCT ON THE STREET ASSESSMENTS OF MANY VILLAGES. TALKED WITH MANY LOCALS ON THE STREETS OF THE TOWNS AND WAS IMPRESSED BY THE SCOPE OF INF LUENCE WE'VE GAINED WITH ICDC. IN ALL COMMUNITIES WE WERE KNOWN ON SIGHT AND MANY OFF SHIFT ICDC WERE PROUD TO GR EET ME AND TALK WITH COALITION SOLDIERS.

1.D. **NINAWA. (GENERAL)**

NO REPORT

1.E. SALAH AD DIN. (GENERAL)

NSTR

1.E.1. SECURITY:

HACC-N WILL CONDUCT TRAINING FOR THE SECURITY FORCE AT THE MILITARY HOUSING AREA OF BALAD SE AIRBASE

1.E.2. ESSENTIAL SERVICES:

DST 1 ARRANGED TO MEET THE IRAQI FEST TEAM ON SATURDAY MORNING TO ASSES THE NEEDED REPAIRS AT LOCAL FUEL STATIONS AND WATER STATIONS.

VISITED MUNSHAA VILLAGE ELECTRIC DISTRIBUTION CENTER TO REVIEW THE DISTRIBUTION OF ELECTRICITY IN AD DAWR AO.

HACC-N TEAM DELIVERED MEDICAL SUPPLIES TO THE BALAD CITY HOSPITAL.

AO-WIDE: THE AL TAMEMI TRIBAL LEADERS IN SALAH AD DIN AND DIYALA GOVERNATES ARE THE GRANTEES FOR AN $8.8 MILLION USAID GRANT TO ESTABLISH CLEAN WATER SOURCES IN RURAL AREAS UNDER THE REC ONSTRUCTION EFFORT. UNFORTUNATELY, THESE LEADERS CONTINUE TO BE TURNED AWAY FROM THE AS SINDYAH BRIDGE BY THE 2BCT/4 ID DURING OFFICIAL DUTIES EVEN WITH NOTES WRITTEN BY HACC -N. THE CLOSING OF THE BRIDGE MAY SEVERELY IMPACT THE COMPLETION OF THIS GRANT A ND CONTINUE TO DENY THOUSANDS OF IRAQIS CLEAN WATER.

1.E.3. GOVERNANCE:

DST 1 MET WITH MR. HASSAN KASSABA OF RTI TO DISCUSS GOVERNMENT BUDGET ISSUES. MR. KASSABA IS CONTINUING TO WORK WITH LOCAL OFFICIALS TO BRING THE RECORDS UP TO DATE WITH ACCURATE I NFORMATION AND TO HELP THEM SPEND THEIR REMAINING FUNDS.

MET WITH AD DAWR MAYOR SHEIK KASSIEM AND DISCUSSED IN DETAIL THE UNPAID CITY COUNCIL SALARIES. HE AGREED TO PAY THE UNPAID MEMBERS THE $300 DOLLARS OWED TO TH EM THIS SATURDAY AT FOB ARROW. HE ALSO ADMITTED TO PAYING SOME PEOPLE ONLY $280 DOLLARS RATHER THAN THE FULL $300. HE WAS ADVISED THAT THIS IS A CORRUPTIVE PRACTICE FROM THE FORMER REGIME AND THAT HE SHOULD NOT KEEP A NY OF THEIR MONEY FOR HIMSELF. IN AN EFFORT TO IMPROVE HIS PUBLIC IMAGE AND T O GAIN LEGITIMACY FOR HIM AS THE MAYOR HE WILL ACCOMPANY THE CA ELEMENT TO AREA VILLAGES AND PARTICIPATE IN GRAND OPENINGS IN THE AD DAWR AREA.

HACC-N TEAM HAS BEEN NOTIFIED THAT AMBASSADOR BREMMER HAS RESCINDED THE 5% IMPORT TAX THAT HACC-N HAD BEEN TRYING TO GET RESCINDED.

DST 3 MET WITH CPA REP BOB SILVERMAN AT RAIDER MAIN TO DISCUSS THE NEED FOR FOUR NEW MEMBERS OF THE PROVINCIAL COUNCIL. ATTENDEES INCLUDED RAIDER 6, STRIKER 6, IRON KNIGHT 6 AND SEVERAL OTHER BATTALION COMMANDERS FROM THE SALAH AD DI N PROVINCE. SILVERMAN BRIEFED ATTENDEES ON THE NEED FOR ADDITIONAL PROVINCIAL COUNCIL (PC) MEMBERS DUE TO (I) EXPANSION AND (II) THE RESIGNATION OF SEVERAL MEMBERS. PLEASE NOTE THAT SAMARRA HAS A TOTAL NEED FOR FOUR NEW MEMBERS. ONE OF THE SLOTS IS NEW AND DUE TO THE EXPANSION OF THE PC. THE REMAINING THREE SLOTS ARE DUE TO RESIGNATIONS FROM (I) GENERAL WAFIQ AL SAMARRAI, (II) DR. HATEM AL ABASS, AND (III) SHAKR MAHMOUD. GENERAL WAFIQ WAS ASKED TO LEAVE THE COUNCIL FOR FAILING TO ATTEND FOUR CONSECUTIV E MEETINGS. DR. HATEM RESIGNED WHEN HE STATED THAT HE WOULD NO LONGER WORK

[redacted]

WITH COALITION FORCES (PRESUMABLY DR. HATEM WAS COERCED BY FRE TO TAKE THAT STOP COOPERATING). FINALLY, SHAKR MAHMOUD WAS ASKED TO RESIGN BY CPA DUE TO ALLEGED CORRUPTION. CPA US ED A MUTUALLY BENEFICIAL REASON, STATING THAT SHAKR NEEDED MORE TIME TO SPEND IN HIS DAILY JOB AS THE MAYOR OF SAMARRA. PLEASE NOTE THAT WHILE U.S. FORCES ARE AWARE OF ALLEGATIONS OF CORRUPTION, THERE IS NO IMMEDIATE PLAN TO REPLACE HIM DUE TO (I) HIS STA BILIZING INFLUENCE ON RELIGIOUS LEADERS, (II) HIS WILLINGNESS TO WORK WITH U.S. FORCES, AND (III) THE LACK OF A SUITABLE REPLACEMENT. U.S. FORCES, RECOGNIZING HIS FALLACIES, HAVE MARGINALIZED HIM AND ARE MOSTLY LIAISING WITH THE PRESIDENT OF THE CITY COUNCIL FOR CITY ISSUES.

1.E.4. ECONOMIC DEVELOPMENT:

DST 1 DELIVERED BANK PROCESS DOCUMENTATION TO LOCAL CPA REPRESENTATIVES WORKING ON BANK MODERNIZATION ISSUES AND DISCUSSED PLANS FOR IMPLEMENTING AN ELECTRONIC FUNDS TRANSFER SYSTEM.

A PROJECT ADVERTISEMENT BOARD IS BEING CONSTRUCTED TO AID IN THE REQUEST -FOR-PROPOSALS (RFPS) FROM AREA CONTRACTORS. IT WILL BE COMPLETED ON 7JAN04 AND BE DISPLAYED NEAR THE FOB ARROW CMOC.

1.F. SULAYMANIYAH. (GENERAL)

NO REPORT

1.G. TAMIN. (GENERAL)

NSTR

2. CENTRAL SOUTH REGION:

2.A. ANBAR. (GENERAL)

AO DENVER MET WITH LOCAL OFFICIALS IN RAWAH TO PROVIDE FUNDING FOR SEVERAL NEW PROJECTS INCLUDING, PURCHASE OF A POLICE VEHICLE, CONSTRUCTION OF TWO POLICE CHECK POINTS, A COMPUTER SYSTEM FOR THE POLICE DEPARTMENT, AND REFURBISHING THE FIRE STATION. THE TOTAL COST OF THESE PROJECTS IS $26,000. THE POLICE AND FIRE STATION REPAIRS ARE SCHEDULED TO BEGIN ON 12 JAN 04. THESE MUCH NEEDED UPGRADES WILL HELP IMPROVE THE SECURITY POSTURE OF THE COMMUNITY OF RAWAH.

AO TOP EKA CONDUCTED AN ASSESSMENT ON TWO SCHOOLS IN ABU SHABAN. THE AL TA'AWIN PRIMARY SCHOOL EDUCATES 352 BOYS AND GIRLS, AND THE AL RAID TAKADUMY BOYS PRIMARY SCHOOL EDUCATES 680 BOYS. BOTH OF THE SCHOOLS REQUIRE MAJOR REPAIRS TO THE INFRASTRUCTURE SINCE THEY HAVE NOT BEEN MAINTAINED SINCE INITIALLY CONSTRUCTED. THE SCOPE OF REPAIR FOR BOTH SCHOOLS IS $31,000 AND WORK IS SCHEDULED TO BEGIN ON 14 JAN 04.

AO RALEIGH SUBMITTED TO THE OFFICE OF TRANSITION INITIATIVES (OTI) 10 PROJECTS FOR FUNDING AT A TOTAL COST OF $1,076,380. THE OFFICE OF TRANSITION INITIATIVES (OTI) IS A COMPONENT OF USAID'S RELIEF AND RECONSTRUCTION PLAN AND DEMONSTRATES OUR COMMITMENT TO THE PEOPLE OF IRAQ. OTI FUNDING IS FLEXIBLE AND DESIGNED TO RESPOND TO NEEDS AS THEY ARISE. THE F OCUS OF THESE PROJECTS WILL BE IN AL KARMAH.

[redacted]

2.A.1. **SECURITY:**

CATA21 MET WITH ANAH POLICE CHIEF MOHAMMED. DISCUSSED FUNDING FOR ADDITIONAL UNIFORM NEEDS AND OVERVIEWED HIS RESPONSIBILITIES FOR THE UPCOMING LEADERS MEANING. POLICE CHIEF NOW HAS A FULL AWARENESS OF HIS RESPONSIBILI TIES FOR THE UPCOMING MEETING. ALSO IS COMPILING A FINAL UNIFORM BREAKDOWN LIST FOR FUTURE NEEDS.

CATA 24 MADE ID CARDS AT THE POLICE STATION IN MUHAMMADI. S5/REMAINDER OF CATA 24 WORKED ON 3/3 LEADERS MEETING PRESENTATION AN D PROJECTS AT THE 3/3 HEADQUARTERS.

CATA21 MET WITH HADITHAH AREA FPS SUPERVISOR MOHAMMED MAHMUD ABDUL AZIZ MAHMUD. WE ALLOCATED $6,900 FOR DECEMBER 2003 HAZARDOUS DUTY PAY FOR 138 FPS EMPLOYEES. FPS EMPLOYEES WILL BE PAID THEIR HAZARDOUS DUTY PAY AND A SIGNED PAY ROSTER WILL BE RETURNED TO COALITION FORCES.

THE CATA COMPLETED FPS TOA FOR FIVE SITES. TO LEGITIMIZE IRAQI -LED INSTITUTIONS AND REDUCE CF PRESENCE IN ADMINISTRATIVE ACTIVITIES POSITIVE. FPS GUARDS ARE LOOKING FORWARD TO NEW LEADERSHIP.

CATA REMAINED INSIDE FOB MERCURY TO WORK PROJECT ISSUES, TOA FPS, AND ATTEMPT TO ARMOR LAST VEHICLE. COMPLETED TOA FOLDER AND SUBMITTED TO BDE -5. ESCORTED S-5 TO FOB ST MERE AND LINKED UP WITH CAT -B. CONTRACTORS COULD NOT ARMOR VEHICLE DUE TO NUMBER OF VEHICLE S BEING WORKED ON AT THAT TIME. THE TEAM CHECKED ON STATUS OF PROJECT SUBMITTALS FOR 9 SCHOOLS.

THE TEAM MET WITH THE FPS MANAGEMENT FOR EACH OF THE LOCATIONS, WHICH ARE TRANSFERRING AUTHORITY TO THE MINISTRIES. THEY RESTATED THAT THE FPS WAS TO RECEIVE THEIR SALARIES AND EQUIPMENT NEEDS FROM THEIR RESPECTIVE DEPARTMENTS AND MINISTRIES. ALSO RESTATED THAT THEY SHOULD EXPECT TO RECEI VE A HAZARDOUS DUTY PAY BONUS. CONTINUED TO REFINE THE COLLECTED NAMES AND PICTURES OF ALL THE FPS WORKERS IN ISKANDARIYAH. IN ADDITION, THE TEAM MET WITH THE FPS LEADERSHIP FOR BABIL PROVINCE. THEY BROUGHT MANY OF THE NEW ID CARDS FOR THE FPS WITHIN ISKANDARIYAH. WILL NEED TO FOLLOW UP NEXT WEEK TO INSURE THAT EVERYONE HAS THE NEW ID CARD (400+ FPS WORKERS). WILL CONTINUE TO ME ET WITH THEM AND ASSIST WITH THE DEPARTMENT MANAGEMENT DURING THE TRANSFER OF AUTHORITY.

CATA26 TRAVELED TO THE BORDER CHECKPOINT TO RUN THE SQUADRON CIVILIAN LIAISON OFFICE. TO PROVIDE A POINT OF CONTACT FOR LOCAL CIVILIANS TO CONDUCT INQUIRIES ON DETAIN ED RELATIVES, SUBMIT DAMAGE CLAIMS AND TO VOICE ISSUES WITH THE COALITION . THE BORDER CHECKPOINT WAS CLOSED TODAY IN RESPONSE TO A MORTAR ATTACK LAST NIGHT.

PUBLIC SAFETY TAUGHT THE HUMAN RIGHTS CLASS TO THE FIFTH IBP CLASS (FOURTH CLASS TO GO THROUGH RIF LES ACADEMY). IN CONJUNCTION WITH CLASSES ON POLICE CODES OF CONDUCT, THIS CLASS CONTINUES TO LAY THE GROUNDWORK FOR EXPLAINING THE RESPONSIBILITIES OF LAW ENFORCEMENT OFFICIALS IN THE NEW CLIMATE OF IRAQ. DEVELOPMENT OF A PROFESSIONAL AND ETHICAL IBP FO RCE. QUESTIONS TODAY MAINLY CENTERED ON PRIOR TREATMENT OF IRAQI CITIZENS AT THE HANDS OF COALITION FORCES AND HOW THAT RELATED TO PROTECTING HUMAN RIGHTS (AMONG OTHERS).

RAMADI GST

- THE RAMADI GST COORDINATED WITH THE TREASURER TO PROVIDE PAYROLL NUM BERS OF THE POLICE DEPARTMENT TO COMPARE WITH THOSE PROVIDED BY STA TION AND

SUBSTATION MANAGERS. THIS SHOULD BE THE FIRST STEP TOWARD ULTIMATELY RECONCILING THESE NUMBERS.

- THE RAMADI GST VA OFFICER MET WITH THE DIRECTOR OF THE VA AND THE SECURITY MANAGER FOR THE MINISTRY OF HEALTH TO DISCUSS SECURITY ISSUES. CONTROL OF 1,000 FPS GUARDS WILL TRANSITION FROM CPA TO THE MINISTRY OF HEALTH. THE MANAGER OF SECURITY WILL SCREEN THE CURRENT GUARDS FOR THE BEST CANDIDATES AND WILL ENSURE THAT 700 FPS GUARDS WI LL BE EX-SOLDIERS. 1 BCT WILL BEGIN RECRUITING FOR THE ICDC IN THE NEW VA/NIA BUILDING ON 7 JAN 04. THE VA WILL RELOCATE INTO THE BUILDING LATER THIS WEEK.

THE RAMADI GST COORDINATED WITH THE TREASURER TO PROVIDE PAYROLL NUMBERS OF THE POLICE DEPARTMENT TO COMPARE WITH THOSE PROVIDED BY STA TION AND SUBSTATION MANAGERS. THIS SHOULD BE THE FIRST STEP TOWARD ULTIMATELY RECONCILING THESE NUMBERS.

2.A.2. ESSENTIAL SERVICES:

THE RAMADI GST MEDICAL OFFICER MET WITH DR. TALIB HAMMAD HUSSEIN, THE NEW DIRECTOR O F THE AL ANBAR MEDICAL SOCIETY. DR. HUSSEIN IS REQUESTING OUR ASSISTANCE FOR FUNDING THE RENOVATION OF THEIR NEW OFFICES LOCATED IN DOWNTOWN AR RAMADI. A SCOPE OF WORK HAS BEEN DONE ON THE FACILITY.

CA AND 101ST FSB AND VISITED THE AL HUDDAH PRIMARY SCHOO L FOR GIRLS TO CONDUCT A SCHOOL IMPROVEMENT PROJECT. WORK THAT WAS COMPLETED TODAY INCLUDED A SCHOOLYARD CLEAN UP DONE BY LOCAL CITIZENS WITH THE ASSISTANCE OF THE 101ST FSB. ALSO, SEVEN PODIUMS AND ONE 7 -FOOT BENCH BUILT BY THE 101ST FSB WERE GIVEN TO THE AL HUDDAH PRIMARY SCHOOL FOR GIRLS.

THE CATA MET WITH THE MAHMUDIYAH WATER DEPARTMENT MANAGER, MR. QUAIS AND TWO SEWAGE PROJECT CONTRACTORS, MR. NAJAM ABDULA (REPRESENTING MR. HUSSEIN WAHAB MOHAMED) AND MR. MOHAMED KUDHAIR HIMAD. MR. NAJAM ABDULA HAS TH E $8,300 MAHMUDIYA RAINWATER DRAINAGE STATION #4. MR. MOHAMED KUDHAIR HIMAD HAS THE $9720 ISKAN RAIN DRAINAGE STATION. IMPROVE BASIC SERVICES - SEWAGE AND RAIN WATER RUNOFF.

STATUS OF PROJECTS. BOTH CONTRACTORS WERE TOLD THE TEAM WOULD MEET THEM AT THE W ORK SITE TO VIEW THE WORK BEING DONE AND THE PROJECT NEEDED TO BE COMPLETED THURSDAY 8 JAN 04. THE CATA MET WITH THE MAHMUDIYAH WATER DEPARTMENT MANAGER, MR. QUAISS, AND TWO CONTRACTORS WHO ARE WORKING WATER PROJECTS IN THE CITY OF MAHMUDIYAH TO DISBURSE P ARTIAL PAYMENT FOR WORK COMPLETED. IMPROVE THE WATER DISTRIBUTION NET FOR THE JEDAIDA AND HUSSEIN QUARTER OF MAHMUDIYAH. INCREASED QUANTITY AND EFFICIENCY OF THE WATER DISTRIBUTION NET. MAHMUDIYAH WATER DEPT MANAGER IS SATISFIED WITH THE WORK OF THESE CONTRACTORS AND EACH WAS PAID 50% OF THEIR PROJECT CONTRACT.

THE $3,020 HUSSEIN AND JEDAIDA QUARTER WATER NET IMPROVEMENT PROJECT CONTRACTOR (AMIR ABDUL KITHUAN) RECEIVED $1,500 AND IS NEAR COMPLETION (WITHIN THE WEEK). THE $9,725 SHISHIBAR WATER PUMPING STA TION CONTRACTOR (OMAR MARWAN) RECEIVED $5,000 AND IS NEAR 50% COMPLETE, HE WILL COMPLETE THE WORK IN FOUR TO SIX WEEKS.

CATA25 MET WITH TELEPHONE REPAIR CREW FOR AL ASAD / BAGHDADI AND DISCUSSED THE INTERCOM SYSTEM ON AL ASAD. THE INTERCOM CONNECTIVITY TO THE PERIMETER GUARD TOWERS WAS EXPLORED. THAT CAPABILITY IS AVAILABLE WITH THE 200 LINE SWITCH AND WILL BE PURSUED RATHER THAN BUILDING TO BUILDING INTERCOM. TELEPHONE CAPABILITY TO THE DETAINEE SITE IS UNAVAILABLE WITHOUT SIGNIFICANT

[redacted]

REPAIRS TO THE DAMAGED AND BURNED PANELS / CABLE AT THAT LOCATION. CONTINUE TO IMPROVE THE LOCAL COMMUNICATIONS ON RIFLES BASE

THE CATA WENT TO AL KARMAH TODAY TO VISIT TWO ONGOING PROJECTS, ONE WAS THE SCHOOL, SAID WAKI AKIS AT AND THE COURTHOUSE. THE DIRECTORS TOOK THE D AY OFF FOR THE ANNIVERSARY OF THE IRAQI ARMY HOLIDAY. THE HEADMASTER OF THE SCHOOL WAS COMPLAINING THAT THE SCHOOL REPAIRS WERE NOT DONE WELL. THE TEAM SPOKE TO THE CONTRACTOR ABOUT MAKING SOME IMPROVEMENTS, HE AGREED. THE COURTHOUSE WAS COMING ALONG NICEL Y. THE TEAM SPOKE WITH THE CONTRACTOR AND HE IS PLEASED WITH THE PROGRESS THUS FAR. THERE IS A GREAT IMPROVEMENT IN DEMEANOR FROM WHEN WE STARTED GOING THERE.

2.A.3. GOVERNANCE:

CATA21 MET WITH ANAH CITY COUNCIL OF ANAH TO DISCUSS PROJECTS, GET PICTURES FOR ID CARDS, AND EDUCATE ON UPCOMING MEETING. COUNCIL HAS BEEN GIVEN FULL BRIEFING ON 10 JAN MEETING IN AL ASAD AND THEIR RESPONSIBILITIES, AND INITIATED THE FOLLOWING PROJECTS:

a. (2) POLICE CHECKPOINTS FOR $10,000
b. FIRE TRUCK REPAIR FOR $1,270
c. ANAH MAIL AND COMMUNICATION BUILDING REPAIR FOR $1,400
d. ANAH SEWER PLANT REPAIR FOR $8,000
e. ANAH ELECTRIC GENERATION STATION FOR $2,600
f. ANAH FIRE STATION REPAIR FOR $12,000
g. POLICE VEHICLE FOR $4,000
h. COMPUTER SYSTEM FOR POLICE/CITY COUNCIL FOR $5,000

CATA-11 CONDUCTED THREE MEETINGS AT CAMP JUNCTION CITY WITH THREE SEPARATE SHEIKS/CONTRACTORS, TO INCLUDE SHEIK ABID NAIF (ABU RAYAT -ZANGOORA) AND ENG MOHAMMED JASEM, SHEIK UDAY MUTLICK AL JASM AND MOHAMMED BIZAE ABU RISHA. THE MEETING WITH ENGINEER MOHAMMED JASEM AND SHEI K ABID NAIF HAD BEEN SCHEDULED TO INITIATE THE ZANAB PRIMARY SCHOOL PROJECT. HOWEVER, THE CERP FUND DRAW WAS DELAYED 24 HOURS AND THE CONTRACT SIGNING HAD TO BE RESCHEDULED FOR 8 JAN. THE TEAM INFORMED MR. JASEM OF THE CIP PROGRAM AND ASKED HIM FOR SUGGEST IONS. MR. JASEM WILL ALSO BRINGS IN A MORE DETAILED TENDER FOR THE WATER PUMP STATION OVERHAUL. CATA-11 MET WITH SHEIK UDAY MUTLICK AL JASM AND TOURED THE ICDC BUILDINGS UNDER CONTRACT. HIS COMPANY IS DOING A RAPID AND GOOD JOB. HE PROVIDED UPDATED TENDERS FOR THE BUAALI -JASM ROAD, THE UM SALAMA SCHOOL AND THE AL JASM MEDICAL CLINIC. SHEIK MUTLICK IS INTERESTED IN SCRAP METAL LOCATED AT THE 1 -124 IN COMBAT OUTPOST. SHEIK MUTLICK ALSO CONDUCTED ICDC BUSINESS WITH CPT BOUDIN (1/16 IN). THE TEAM WILL INITIATE THE CONTRACT ON THE UM SALAMA SCHOOL ON 10 JAN. THIS IS A RESCHEDULE DUE TO THE CERP CHANGE. THEY MET WITH MOHAMMED BIZAE ABU RISHA TO DISCUSS POTENTIAL CIP NOMINATIONS. DISCUSSED SEVERAL LONG -TERM AGRICULTURAL PROJECTS THAT WOULD EMPLOY MANY PEOPLE. MOHA MMED WILL RE -LOOK A SHORT -TERM PUBLIC WORKS OPTION FOR US. THE AGRICULTURAL PROJECTS LOOK PROMISING AND WOULD BENEFIT APPROXIMATELY 40,000 PEOPLE AND 70,000 DONOM (17,500 HA) NORTH OF RAMADI, ALONG THE RIVER. MOST OF THESE PROJECTS INVOLVE IRRIGATION OR SU RFACE WATER DRAINAGE TO ALLEVIATE SALT BUILD UP. MOHAMMED WILL DELIVER A TENDER ON THE AL QUTINIYAH WATER PROJECT ON 9 JAN. HE IS CURRENTLY DOING A STUDY ON THE WATER DISTRIBUTION SYSTEM IN ABO AL JEER. SOME OF MOHAMMED'S CONTRACTS ARE JOINT PROJECTS WITH AHMED ABOUD (ABU CHLAIB) . POSITIVE FEEDBACK. ALL ARE EAGER TO PRESS ON WITH THE RECONSTRUCTION EFFORT.

THE MEETING WITH MR. JASEM WAS REDUNDANT D UE TO THE CERP DRAW CHANGE. CERP PROCEDURES, DATES AND TIMES CHANGE EVERY WEEK. IT IS A LONG LABORIOUS

[redacted]

PROCESS, WHICH TOTALLY RELIES ON FINANCE PERSONNEL. THE PROCEDURES ASSOCIATED WITH THE CERP DRAW ARE NOT VERY EXPEDIENT .- THERE IS ONLY 2 HOURS OF ELECTRICITY/DAY IN THE ABU RISHA AO. THIS AO IS JUST NORTH OF THE CITY ON THE WEST SIDE OF THE RIVER. ELECTRICITY I S A MAJOR CONCERN. THERE IS LITTLE TO NO KEROSENE, BENZENE AND DIESEL ARE SHORT. THERE IS SOME LPG, BUT NOT AN OVER ABUNDANCE. THE BLACK MARKET KEROSENE PRICE IS 250ID/L.

- CEMENT PRICES ARE RISING. CEMENT IS BEING IMPORTED FROM JORDAN AND LEBANON. THE PRICE ONE CONTRACTOR QUOTED WAS 150,000ID/T TO 185,000ID/T. ANOTHER QUOTE WAS 240,000ID/T FOR LEBANESE CEMENT (NOT SURE HOW RELIABLE).
-

THE TEAM MET WITH HATEEN COUNCIL LEADERS, FADHIL ABD AL -ZAH'HARAH MOHAMMED, AND MAMOOD NE'MAH ABDULA (LPG STATION MANAGER) TO DISCUSS THE PROBLEMS OF THE HATEEN WORKERS COMPLEX AT FOB CHOSIN. THE TEAM EXPLAINED TO THEM THAT ACF ACTIVITIES ARE CAUSING THE LACK OF POWER AND CF DESIRE TO HELP THEM REPAIR THEIR BACKUP GENERATORS AND MAIN POWER LINE. CF WILL TRY TO PROVIDE FUN DING, BUT AFTERWARDS THE PEOPLE OF HATEEN ARE RESPONSIBLE FOR PROVIDING SECURITY TO THEIR POWER SUPPLIES. THE TEAM INFORMED THE GENTLEMEN THAT CF WAS DIRECTLY INVOLVED WITH TRYING TO SOLVE THE PROBLEM AND DEMAND FROM THE LATIFIYAH FUEL DEPOT, LPG IN SUFFIC IENT QUANTITIES FOR THE FAMILIES OF ISKANDARIYAH. HATEEN REQUIRE 210 CANISTERS DAILY. THEY ALSO AGREED TO TRY TO HAVE ALL THE FUEL STATION MANAGERS, THE MAYOR, THE CITY COUNCIL, AND FUEL MANAGER OF ISKANDARIYAH TO SIGN A PETITION FOR SUPPLYING ISKANDARIYA H WITH THE APPROPRIATE AMOUNT OF FUEL. THEY WILL PROVIDE A COPY OF THE REQUEST TO CF AND THE MINISTRY OF OIL IN HILLAH AND BAGHDAD. IN ADDITION, THEY WILL GO TO LATIFIYAH AS WELL ON FRIDAY TO DEMAND MORE FUEL. FINALLY, THEY INFORMED US THAT ALL THE SCHO OLS CURRENTLY UNDER CONTRACT ARE BEING REPAIRED (18,000 PEOPLE OF THE COMPLEX). AMPLE SUPPLY OF POWER AND LPG TO THE HATEEN PEOPLE. IN ADDITION, THE HATEEN COUNCIL ORGANIZES A NEIGHBORHOOD WATCH AND THE PEOPLE TAKE A MORE ACTIVE ROLE IN MAINTAINING ORDER AND CLEANLINESS IN THEIR AREA. THE HATEEN COMPLEX IS ONE OF THE MOST SUPPORTIVE AREAS IN ISKANDARIYAH AND IS WILLING TO ATTEMPT TO TAKE MORE INITIATIVE IN HELPING THEMSELVES. THEY HAVE MIXED FEELINGS ABOUT THE QUALITY OF WORK PROVIDED BY THE CONTRACTORS.

THE RAMADI GST LEGAL OFFICER SCHEDULED A MEETING WITH THE CHIEF JUDGE AND THE CHIEF OF POLICE FOR WEDNESDAY TO DISCUSS PROCESSING OF CRIMINALS FROM ARREST THROUGH THEIR INITIAL HEARING. THERE HAVE BEEN ONGOING COMPLAINTS OF POOR COMMUNICATION BETWEEN THE POLICE AND THE COURTHOUSE. THE GST LEGAL OFFICER HOPES TO RESOLVE THIS BY HAVING BOTH THE PARTIES TOGETHER AT ONE TIME. THE GST LEGAL OFFICER IS ALSO GOING TO DISCUSS A SERIES OF NEW MOES THAT THE CF WILL BE TRACKING TO MEASURE THE EFFECTIVENESS OF THE CRIMINAL JUSTICE SYSTEM. THE GST LEGAL OFFICER HAS A MEETING SCHEDULED FOR THURSDAY WITH ABOUT TWENTY (20) INDIVIDUALS INTERESTED IN PARTICIPATING IN THE NEW HUMAN RIGHTS SOCIETY THAT IS BEING STOOD UP. THIS MEETING MAY BE RESCHEDULED DUE TO COMPETING GS T OBLIGATIONS AT JUNCTION CITY.

THE RAMADI GST MET WITH SHEIKH MAHMOUD IBRAHIM, WHO HAD ASKED FOR THE MEETING TO DISCUSS SOME ISSUES. HE INDICATED THAT HE MIGHT BE ABLE TO PROVIDE SOME USEFUL INFORMATION TO THE CF, ALTHOUGH HE WOULD NOT SPECIFY AT THIS T IME. HE ALSO ASKED ABOUT THE CLAIM THAT HE HAS DISCUSSED AT LEAST TWICE WITH CPA REPRESENTATIVES. IN THE CLAIM HE APPARENTLY ASKS TO BE GIVEN BACK THE LAND THAT WAS TAKEN FROM HIM BY THE FORMER REGIME. THE RAMADI GST WILL DISCUSS THIS MATTER WITH THE CPA REPRESENTATIVES.

CATA-11 MET WITH THE AL TASH REFUGEE CAMP COUNCIL TO DISCUSS THE REFUGEE STIPEND AND OTHER SIGNIFICANT ISSUES. A TENTATIVE PAYMENT DATE OF 13 JAN WAS ESTABLISHED. THE IRON RANGER CMO TEAM WILL LINK UP WITH AL TASH COUNCIL

REPRESENTATIVES AND DRAW THE STIPEND FROM THE BANK. THE AL TASH REPRESENTATIVE WILL SIGN AND RECEIVE THE STIPEND MONEY AND PROCEED TO AL TASH TO BEGIN DISPERSAL. THERE ARE 894 FAMILIES (5450 PEOPLE) TO RECEIVE A STIPEND. THE COUNCIL ESTIMATES THIS PROCESS TO TAKE 2 -3 DAYS. THE DISPERSAL WILL BE DONE BY TRIBE (1 -2 AT A TIME) AND CONDUCTED BY THE COUNCIL. THE COUNCIL MEMBERS WILL SECURE THE FUNDS OVERNIGHT, WITH THE HELP OF THE LOCAL POLICE. THE IRON RANGER CMO TEAM AND CROSSBOW ELEMENT WILL OBSERVE THE PROCESS AND PROVIDE SECURITY IF NEEDED. THERE WILL BE A FINAL COORDINATION MEETING AT AL TASH ON 9 JAN. THE COUNCIL WILL PROVIDE THE NAMES OF STIPEND REPRESENTATIVES AND THEIR FINAL PLAN FOR DISPERSAL TO THE IRON RANGER CMO TEAM. ALSO DISCUSSED ELECTRICITY, CONTRACTING, SECU RITY AND REFUGEE STATUS/EMIGRATION ISSUES. POSITIVE FEEDBACK. WE HAVE PROVIDED RESULTS TO THIS COMMUNITY AND HAVE GAINED THEIR TRUST. THEY ARE VERY SUPPORTIVE OF THE COALITION.

THEY HAVE NO PROBLEMS WITH RECEIVING PAYMENT IN IRAQI DINARS. COORDINATION FOR THE MONEY DRAW THROUGH THE GST IS THE CHALLENGE FOR THIS MISSION. WE WOULD LIKE TO GET THE STIPEND MONEY IN THE MOST EXPEDITIOUS WAY POSSIBLE, AND STILL KEEP THE AL TASH COUNCIL RESPONSIBLE. THIS IS A MAJOR IO/PAO OPPORTUNITY IF THE EVENT GOES WELL. ELECT RICITY CONTINUES TO BE A PROBLEM. THERE IS ONLY 2 HOURS/DAY. THE LOCAL POLICE ARE DOING A BETTER JOB. THEY ARE ACTIVELY FOOT PATROLLING THE CAMP. THE COUNCIL WILL DISCUSS VOLUNTEERS TO ATTEND THE POLICE ACADEMY AND ALTERNATIVE MEANS OF ELECTRICITY. THE AL TASH RESIDENTS ARE ALWAYS INTERESTED IN EMIGRATING OUT OF THE CAMP, TO ANOTHER COUNTRY. WHAT IS THEIR STATUS? IS THE UN OR UNHCR COMING BACK IN THE FORESEEABLE FUTURE? THERE IS ALSO A SHORTAGE OF KEROSENE (30,000ID/200L). THEY NEED A BETTER MEDICAL FACILIT Y AND/OR OFFICIAL AMBULANCE SERVICE. ARABS TARGET THE KURDS, ESPECIALLY AT NIGHT.

2.A.4. ECONOMIC DEVELOPMENT:

THE RAMADI GST RECEIVED SALARY INFORMATION AND DOCUMENTATION OF PUBLIC WORKS PROJECTS FROM VICE GOVERNOR BASSIL. THE TEAM THEN TURNED IT OVER TO FUNCTIONAL TEAM FOR EVALUATION OF TEMPORARY EMPLOYMENT PROGRAM.

THE TEAM MET WITH MR. ABDUL AZIZ SAUD, SPP MAINTENANCE MANAGER, REFERENCE STATUS OF VARIOUS HEAVY MATERIALS HANDLING EQUIPMENT REPAIR PROJECTS. IN FIVE BUSINESS DAYS CRANES HAVE BEEN REPA IRED AND PLACED INTO OPERATION. SPP IS PURCHASING PARTS FOR THE REMAINING CRANES, BUCKET LOADERS AND FORKLIFTS AND IS IN THE PROCESS OF REPAIRING THE EQUIPMENT. SPP WILL HAVE HEAVY MATERIAL HANDLING EQUIPMENT CAPABLE TO MOVE LARGE AMOUNTS OF RAW MATERIALS NECESSARY TO SUPPORT SPP PRODUCTION OF FERTILIZER.

THE TEAM MET WITH MR. ABDUL AZIZ SAUD REFERENCE REPAIR OF ROOFS ON BUILDINGS IN UNIT 100 AND AKASHAT INTERMEDIATE WATER PUMPING STATION. MR. AZIZ STATED THE ROOFING MATERIALS WERE ORDERED FROM SUPPLIER AND WORK WILL BEGIN NEXT WEEK. SPP ENGINEERS FABRICATED AN ELECTRICAL INSTRUMENT CONTROL PANEL FOR THE PUMPING STATION AND, THE PUMPS AND PANEL WILL BE INSTALLED ONCE THE ROOF CONSTRUCTION IS COMPLETE, 7 -10 DAYS. AKASHAT MINE WILL HAVE CAPABILITY TO SUPPLY SPP WITH PHOSPHATE ROCK AT 35% OF PLANT DESIGN CAPACITY, OR "PRE-CONFLICT" LEVELS. PUMP STATION RECONSTRUCTION WORK WILL BE COMPLETED IN TIME AND IS NOT CRITICAL AS SPP HAS AN ESTIMATE 3 MONTHS SUPPLY OF PHOSPHATE ROCK IN INVENTORY. THE ROOF CONSTRUCTI ON AND MECHANICAL EQUIPMENT PLACEMENT WILL BE COMPLETED IN 2 -3 WEEKS. THE INTERMEDIATE STATION WAS COMPLETELY DESTROYED DURING THE WAR(S) AND HAD A $3.5 MILLION REPAIR COST ESTIMATE. IN NOVEMBER CATB40 CHALLENGED SPP ENGINEERS TO DEVELOP A TEMPORARY SOLUT ION SO AKASHAT MINE COULD WORK AT MINIMUM LEVELS TO SUPPORT SPP PRODUCTION.

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THE TEAM MET WITH MR. ABDUL AZIZ SAUD, SPP MAINTENANCE MANAGER, REFERENCE FABRICATION AND RETROFITTING OF UNIT 400 BURNERS TO BE CAPABLE OF BURNING MULTI-GRADE FUEL. HE STATED THAT THE BURNERS COULD BE OPERATIONAL IN 4 DAYS. THE FABRICATION AND RETROFITTING IS ONCE AGAIN, ONLY A TEMPORARY SOLUTION BY SPP ENGINEERS AND SHOULD NOT BE A LONGER ANSWER TO; 1) MINISTRY OF OIL SUPPLY OF NATURAL GAS AND, 2) MINISTRY OF INDUSTRY PURCHASE OF COMPLETE/NEW BURNERS. FERTILIZER PRODUCTION UNIT 400 WILL HAVE THE CAPABILITY TO BURNER MULTI -GRADE FUELS IN 5-10 DAYS AND PRODUCTION WILL NOT BE SOLELY DEPENDENT ON NATURAL GAS THROUGH PIPELINE. ON 30 DEC 03 CATB40 CHALLENGED SPP ENGINEERS TO FABRIC ATE BURNERS FOR UNIT 400. ONCE AGAIN SPP ENGINEERS AND WORKERS CONTINUE EFFORTS (WORKING NATIONAL HOLIDAYS) TO AFFECT REPAIRS AND REHABILITATION OF MAJOR PRODUCTION LINE EQUIPMENT AND FACILITIES WITH NO (ZERO) SUPPORT FROM BAGHDAD. THE ONLY MAJOR ITEM TO DATE IS A CPA CONTRACTED 2.5 MW GENERATOR DELIVERED ON 27 NOV 03 WITHOUT CONSULTATION OF SPP. THE VENDOR HAS FAILED TO DELIVER ON 8 DEC 03 AS PROMISED A DROPDOWN TRANSFORMER WITH CONNECTING HARDWARE. IN ADDITION THE ENGINE IS DESIGNED FOR 3MW PRODUCTION AND ATTACHED TO A 2.5 MW GENERATOR.

2.B. HILLAH. (GENERAL)

G9 REPS PARTICIPATED IN CPA AL HILLA INFRASTRUCTURE SECURITY MEETING. THE EVENT WAS HELD TO EVALUATE CURRENT SITUATION AND TO PLAN FURTHER ACTIVITY.

MND CS MED CAP EVENT WAS CONDUCTED BY G9 , PHIL BN, PIO AND IZ DOCTORS IN VILLAGES ALONG MSR TAMPA IVO AL MADHATIYAH:

- MEDICAL CHECK AND DIAGNOSIS OF 522 LOCAL PATIENT
- HUMANITARIAN DELIVERY OF FOOD, HYGIENE ITEMS AND MEDICINES
- FUN GAMES AND COMPETITIONS FOR CHILDREN
- PRIMARY SCHOOL TEACHERS CONFERENCE CONDUCTED BY G9 FSP
- INSPECTION OF WATER&SEWAGE PROJECTS

THE TOTAL ABOUT 700 PEOPLE ATTENDED THE EVENT.

2.B.1. SECURITY:

NSTR

2.B.2. ESSENTIAL SERVICES:

NSTR

2.B.3. GOVERNANCE:

NSTR

2.B.4. ECONOMIC DEVELOPMENT:

NSTR

2.C. KARBALA. (GENERAL)

NSTR

[redacted]

2.C.1. **SECURITY:**

MEETING WITH MAYOR OF AL HINDIYAH CONCERNING SECURITY

2.C.2. **ESSENTIAL SERVICES:**

POWER:

LOAD	MAX (MW)	MIN (MW)	ON - HOURS
54	55	33	6

GST KARBALA RECEIVED REPORTS ABOUT COMPLETED WORKS OF TWO PR OJECTS: THE EXTENSION OF TELEPHONE NETWORK IN AL HUSSANIA REGION AND AL NASSAR REGION. THE CONTRACTOR FINISHED 50% OF WORKS OFTHE SECOND PROJECT.

PURCHASE OF MEDICAL EQUIPMENT FOR HOSPITAL FOR CHILDREN IN KARBALA.

2.C.3. **GOVERNANCE:**

PURCHASE LAST PART OF COMPUTER FOR COMPUTER LABORATORY IN TEACHER INSTITUTE IN KARBALA.
PROJECT OF REBUILDING OF SCHOOL IN AL KEARAT WAS FINISHED. THIS PROJECT WAS CONTROLLED BY MINISTRY OF EDUCATION REPRESENTATIVE AND MAYOR OF AL HINDIYAH.

2.C.4. **ECONOMIC DEVELOPMENT:**

NSTR

2.D. **NAJAF. (GENERAL)**

THE WFP IS FINISHING ITS TURN OVER WITH THE TRADE DEPARTMENT; IT WOULD BE POSSIBLE PROBLEMS OF DISTRIBUTION. BESIDES, THE FOOD STAFFS HAVE LACK OF THE FOLLOWINGS ITEMS:

BABY'S MILK	- 300 TONS
SOAP	- 750 TONS
RICE	- 3000 TONS
TEA	- 200 TONS

2.D.1. **SECURITY:**

MEETING AMONG MNB PU DEPUTY COMMANDER, BG HONDURAS CHIEF, BG EL SALVADOR CHIEF AND GENERAL CHIEF OF AN NAJAF'S POLICE, THEY DISCUSSED FUTURE COLLABORATION BETWEEN POLICE AND MILITARY FORCES.

2.D.2. **ESSENTIAL SERVICES:**

MUHAMMED ABADI, NAJAF FUEL DEPOT MANAGER, HAS BEEN RECONSTITUTED AGAIN ON HIS CHARGE AFTER BEING REMOVED FROM IT, DUE TO THE PRESSURES RECEIVED "BY MINISTRY OF OIL REPRESENTATIVES".

VISITED TO AL HYDERIA TO CHECK THE WORKS OF THE NEW PRIMARY HEALTH CLINIC.

2.D.3. **GOVERNANCE:**

GST CHIEF AND CPA REPRESENTATIVE MET WITH MR. ABUTHER YOUSIF, MAYOR OF KUFA. HERE YOU ARE THE MAIN POINTS OF THE CONVERSATION:
- KUFA COMPRISES AROUND 200.000 INHABITANTS; IT IS THE SECOND LARGEST

[redacted]

DISTRICT IN IRAQ (!). THE PEOPLE ARE PEACEFUL AND HAVE HEAVILY SUFFERED DURING SADDAM REGIME.

- KUFA AND NAJAF ARE NOT THE SAME; KUFA IS THE SITE OF AND OLD CITY, WITH NUMEROUS ARCHAEOLOGICAL ANTIQUITIES. THE POPULATION OF KUFA BELONGS TO ARABIC RACE AND NAJAF POPULATION IS COMING FROM IRANIAN RACE.

- MR. YOUSIF TOLD THAT THE SO CALLED "MAHDI ARMY "IS A MYTH: IT DOES NOT EXIST.

- MR. YOUSIF COMPLAINED ABOUT THE EFFECTIVENESS OF THE POLICE: THEY DO NOT ACT AGAINST THE CRIMINALS AND THEY DO NOT CONTROL THE DIS TRIBUTION OF FUEL IN THE GAS STATIONS.

- BESIDES SECURITY ISSUES, THE MAIN PROBLEMS OF THE CITY ARE: WATER DISTRIBUTION, ILLEGAL BUILDING CONSTRUCTION (SQUATTERS) AND THE CLEANNESS OF THE STREETS (THEY NEED MORE GARBAGE TRUCKS AND CONTAINERS).

- MR. YOU SIF REQUESTED FOR HELP TO ENFORCE THE POLICE TO DO THEIR JOB AND ALSO DEMANDED THAT COALITION FORCES PATROL THE CITY IN ORDER TO EASE THE MOOD OF THE POPULATION ABOUT THEIR SECURITY CONCERNS.

2.D.4. ECONOMIC DEVELOPMENT:

THE MANAGER OF AGRICULTURE BANK HAS INFORMED AGAIN ABOUT THE LACK OF NEW CURRENCY TO CARRY OUT THE EXCHANGE PROGRAM. THE PROBLEM CAN BE SOLVED IN A FEW DAYS.

2.E. QADISIYAH. (GENERAL)

NSTR

2.F. WASIT. (GENERAL)

UKRAINIAN HUMANITARIAN AID HAS BEEN DELIVERED (SCHOOL FURNITURE) TO THE SCHOOLS IN AL KUT, NUMANIAH, SUWEYRAH AND AL HAYY BY CIMIC REPRESENTATIVES. TWO CONSTRUCTION SITES OF CPA FUNDED PROJECTS OF SCHOOLS RENOVATION WERE VISITED BY 3GST REPRESENTATIVES.

2.F.1. SECURITY:

FIVE BORDER POLICE RENOVATED FORTS WERE HANDED OVE R TO THE IRAQI BORDER POLICE.

PAYMENT FOR CERF PROJECTS OF PURCHASING BLANKETS AND GRAVEL FOR ICDC.

PURCHASE OF FURNITURE FOR BORDER POLICE FORTS.

2.F.2. ESSENTIAL SERVICES:

[redacted]

FUEL CONVOY FROM BASRAH REFINERY STATION WENT BACK TO AL KUT FUEL DEP ORT ON 07JAN04 ESCORTED BY 2BCT UP.

TYPE OF POL	IN STOCK	DELIVERED	DISTRIBUTED
DIESEL	231	0	21
KEROSENE	4399	502	377
BENZENE	559	96	403
LPG	0	72	72

ON 07JAN04 OLD IRAQI DINARS (123 BAGS) WERE PICKED UP FROM THE RAFIDIN BANK IN AL KUT AND DELIVERED TO THE BIAP AS PART OF THE DINAR EXCHANGE PROGRAM.

2.F.3. GOVERNANCE:

NSTR

2.F.4. ECONOMIC DEVELOPMENT:

NSTR

3. SOUTH REGION:

3.A. BASRAH. (GENERAL)

NSTR

3.B. DHI QAR. (GENERAL)

180 BLANKETS AND A SATELLITE PHONE HAVE BEEN DELIVERED TO AD D AWWAYA CITY COUNCIL.

3.B.1. SECURITY:

THE FOLLOWING PROJECTS ARE ON-GOING:

PURCHASING OF FURNITURE FOR IRAQI HIGHWAY POLICE.

3.B.2. ESSENTIAL SERVICES:

THE FOLLOWING PROJECTS ARE ON-GOING:

- FIXING WORKS FOR WATER PUMPS IN ASH SHATRAH;
- LAYING A WATER PIPELINE NET FOR DUMB AND MUTE SCHOOL IN AN NASIRIYAH;
- FIXING OF ONE UNSERVICEABLE VEHICLES TYPE "HYUNDAY" AND "RENAULT 487" BELONGING TO AN NASIRIYAH WATER DEPARTMENT;
- MAINTENANCE WORKS OF A VEHICLE TYPE "IVECO" BELONGING TO AD DAWWAYAH WATER DEPARTMENT;
- FIXING PUMPS AND REPLACING VALVES AND ELECTRICAL COMPONENTS OF "EL UMARAT" WATER PUMPING STATION OF AN NASIRIYAH.
- SUPPLYING MATERIALS AND LAYING A NEW LOCAL LINE TO PROVIDE DRINKABLE WATER TO "AL SABIAAH" QUARTER IN SUQ ASH SHUYUKH;
- SUPPLYING MATERIALS AND LAYING A NEW PIPELINE TO PROVIDE DRINKABLE

[redacted]

WATER IN "AL VASHAAH" IN AL FUDLYAH SUB DISTRICT.

- PURCHASING MATERIALS FOR WATER PIPELINE NET IN AL SIKAR QUARTER IN AN NASIRIYAH.
- FIXING WORKS FOR WATER PIPELINE NET LAY IN AL SIKAR QUARTER IN AN NASIRIYAH.
- SUPPLYING MATERIALS AND LAYING A NEW LOCAL PIPE LINE TO PROVIDE DRINKABLE WATER IN AL FADLIYAH.

PROPANE FACTORY: PRODUCTION 280, DISTRIBUTION 249 STORAGE 127.
MAINTENANCE WORKS OF AN NASIRIYAH GAS FACTORY PRODUCTION LINE ARE ON-GOING.

THE DAILY PRODUCTION, DISTRIBUTION AND STORAGE VALUES ARE THE FOLLOWING:

UNIT N.	LOAD		PRODUCTION*
	MAX	MIN	MWH
1	150	135	3272
2	165	150	3752
3	180	160	4008
4	0	0	0
TOTAL	495	460	11032

THE TOTAL PRODUCTION FOR TODAY: 460 MW
POWER STATION FUEL RESERVE: MAZUT: 5818 M^3
CRUDE OIL: 6000+6000 M^3
UNIT FOUR IS STOPPED FOR MAINTENANCE WORKS FOR ONE MONTH SINCE THE END OF DECEMBER.

THE DAILY PRODUCTION, DISTRIBUTION AND STORAGE VALUES ARE THE FOLLOWING:

	GAS OIL	KEROSENE	BENZENE
PRODUCTION	160	106	114
DISTRIBUTION	143	124	110
STORAGE	41	20	48

CRUDE OIL: THE FLOW OF CRUDE OIL IN THE PIPELINE IS GOOD.

3.B.3. GOVERNANCE:

NSTR

3.B.4. ECONOMIC DEVELOPMENT:

NSTR

3.C. MAYSAN. (GENERAL)

NSTR

3.D. MUTHANNA. (GENERAL)

NSTR

3.D.1. SECURITY:

[redacted]

ICDC

TRAINED STRENGTH - 168 PAX.
RECRUITS IN TRAINING - 79 PAX AT AL KHIDR.
ICDC IS STILL MONITORING THE SITUATION AT THE AL MUTHANNA GAS STATIONS

A 105 IZ POLICEMEN TIP TRAINING IS RUNNING.
THE PRACTICAL PART OF A 60 IZ POLICEMEN "HIGHWAY PATROL COURSE" IS STILL RUNNING. THE THEORETICAL PART WAS CONDUCTED EARLIER. THIS IS A COMBINED USMP AND NLMP EFFORT.

COMBINED OPERATIONS WITH ICDC AND NL CF ARE CONDUCTED FM AS SALMAN.
A MOTOROLA RADIO NETWORK IS ESTABLISHED IOT SUPPORT BP ACTIVITIES.

3.D.2. ESSENTIAL SERVICES:

THE QUALITY OF DRINKING WATER REMAINS A CONCERN IN THE AL MUTHANNA PROVINCE.

OIL:
- THE 30-LTR-FUEL SUPPLY RULE IS STILL IN USE.
- LONG QUEUES WERE REPORTED FROM THE AL MUTHANNA GAS STATIONS. ICDC AND IZ POLICE MONITOR THE SITUATION.

3.D.3. GOVERNANCE:

NSTR

3.D.4. ECONOMIC DEVELOPMENT:

NSTR

4. BAGHDAD: (GENERAL)

NSTR

4.A.1. SECURITY:

THERE WAS AN IED ATTACK ON A KBR CONVOY. ONE VEHICLE WAS DISABLED, BUT NO INJURIES WERE REPORTED.

THERE WAS A DRIVE BY SHOOTING BY UNID ENTIFIED ATTACKERS IN A RED SEDAN . TWO TO THREE ROUNDS WERE FIRED AT FTCP GUARDS. THE GUARDS RETURNED FIRE BUT WE RE UNABLE TO DETAIN ATTACKERS. NO INJURIES WERE REPORTED.

AN IED EXPLODED AS A THUNDER SCOUT SECTION WAS DRIVING PAST. THUNDER SEARCHED THE AREA FOR A SECOND IED WITH NEGATIVE RESULTS. NO INJURIES OR DAMAGE TO EQUIPMENT WAS REPORTED.

ICDC GUARDS RECEIVED SMALL ARMS FIRE . THE GUARDS RETURNED FIRE WITH UNKNOWN RESULTS AND CONDUCTED A SEARCH OF THE AREA. THE GUARDS DISCOVERED AND DETAINED TWO ME N IN POS SESSION OF A DISASSEMBLED RPK. THERE WERE NO CASUALTIES OR DAMAGES SUSTAINED IN THE ATTACK.

THE TEAM RECEIVED INFORMATION THAT A SECOND ATTEMPT BY COALITION FORCES TO PROPERLY PAY THE FPS GUARDS UNDER THEIR CONTROL WILL BE MADE. THE PLANNED FPS PAYMENT OPERATIONS FOR 7JAN04 HAVE BEEN POSTPONED PENDING THE ATTEMPT TO

[redacted]

GET THE MINISTRIES TO PAY THEIR EMPLOYEES.
VISITED KADHIMIYA PRISON, IN ORDER TO UPDATE THE AREA ASSESSMENT. THE RESULTS OF THE ASSESSMENT WERE SENT TO MAJ SPRUIEL, CPA GST.

THE TEAM WILL BE SEEKING BIDS TO REBUILD THE PERIMETER FENCE OF THE MUNICIPAL GARAGE.

FPS GUARDS HAVE NOT RECEIVED THEIR DECEMBER PAY AS OF THIS DATE.

TEAM MET WITH CONTRACTOR TO OBSERVE PROGRESS CLEARING DEBRIS FROM ROUTE ARROWS. TEAM MET WITH CONTRACTOR TO O BSERVE PROGRESS IN EMPLACING SIDEWALK ALONG ROUTE ARROWS. INITIAL CLEARING OF GROUND CONTINUES. TEAM CONDUCTED INSPECTION OF PROGRESS TO NEW I PF STATION . CONTRACTOR CONTINUES TO GUT THE INTERIOR. PERIMETER WALL, WHICH HAS TO BE APPROXIMATELY 25 FEET HIGH IN SPOTS, IS ¾ COMPLETE.

4.A.2. ESSENTIAL SERVICES:

CONTACTED JEFF NORMAN OF CPA (MINISTRY OF ELECTRICITY). RECEIVED INFORMATION THAT THE POWER DISTRIBUTION PROBLEM IN BAGHDAD IS A POLITICAL DISTRIBUTION PROBLEM, THIS IS WHY MANY OF THE MORE IMPOVERISH ED ZONES ARE BEING IGNORED. THE MINISTRY IS AWARE OF THIS PROBLEM AND WORKING ON RECTIFYING IT. THE MINISTRY OF ELECTRICITY RECEIVED 18 BILLION DOLLARS FROM CONGRESS TO RECONSTRUCT BAGHDAD'S POWER PLANTS AND SUB STATIONS. THE RECONSTRUCTION OF POWER PLANTS AND SUB STATIONS IN BAGHDAD SHOULD BEGIN TO TAKE PLACE IN MARCH 2004. COORDINATED WITH 203RD ENGINEERS TO MAKE A TOY DROP IN ZONE 23 ON 08 JAN 04.

THE TEAM VISITED THE KADHAMIYAH MAINTENANCE GARAGE TO ASSESS THE STATUS OF THE COMPACTOR TRASH TRUCKS. 35 OF THESE TRUCKS ARE IN OPERATION AND 34 ARE I N NEED OF SOME TYPE OF REPAIR. THE PRODUCTION DEPARTMENT IS IN THE PROCESS OF WORKING THE DISABLED TRUCKS INTO THE MAI NTENANCE CYCLE TO BE REPAIRED. THE TEAM WAS NOT GIVEN A TIMETABLE ON WHEN ALL THE REPAIRS WOULD BE COMPLETED.

MET WITH ALI, CHIEF ENGINEER OF ADHAMIYA, ABOUT PROJECTS TO TURN INTO DFI AND JAPANESE FUNDING. A COUPLE OF WATER PROJECTS HAVE BEEN PICKED UP BY 16 TH BN ENG. THE PROJECT IN SECTOR 321 OF ADHAMIYAH TO BRING PURIFIED WATER TO A NEIGHBORHOOD OF 700 HOMES. ALSO, HAVE TAKEN ON SUBMERSIBLE PUMP STATION IN SECTOR 357. THE TOTAL COST OF THESE PROJECTS IS 350,000.

THERE IS S TANDING SEWAGE NEXT TO THE KADHAMIYAH MAINTENANCE GARAGE. FPS LT AIMIR HAMAD HAS MADE A REPORT OF THIS SEWAGE TO HIS SUPERVISOR WITH THE KADHAMIYAH PUBLIC WORKS AND HAS RECEIVED NO RESPONSE AS OF THIS DATE.

IN JIHAD 6500 CUSTOMERS OF 6750 HAVE WORKING PHONE SERVICE. PHONE SERVICE IS STILL LIMITED AND THERE IS NO PUBLISHED PHONE BOOK SINCE 1991 ACCORDING TO HIRED LINGUISTS.
THE TEAM VISITED THE KARKH CIVIL DEFENSE/FIRE ADMINISTRATIVE FACILITY TO MEET DR. ALI. THE TEAM WAS ABLE TO OBTAIN THE PROPOSED LOCATIONS FOR NEW FIRE STATIONS WITHIN NW BAGHDAD IN ARABIC. DR. ALI PROPOSES 1 TYPE A STATION AND 5 TYPE B STATIONS W ITH 1 STATION BEING PLACED IN EACH MUNICIPALITY IN NW BAGHDAD. DR. ALI WAS NOT AT THE MEETING DUE TO A DEATH IN THE FAMILY. THE ARCHITECTURAL PLANS FOR THE STATIONS WERE NOT AVAILABLE BUT WILL BE AVAILABLE DURING THE WEEK OF 12-17JAN04.

MET WITH THE N EW ASSISTANT DEAN AT THE PHYSICAL EDUCATION COLLEGE FOR GIRLS IN ZONE 17N. THE MAIN REASON FOR THE VISIT WAS TO ASK PERMISSION TO USE THEIR

[redacted]

GYM TO HOUSE 160 DISPLACED FOR 24 HOURS AROUND THE MIDDLE OF THE MONTH. WE NEED TO RENDER TWO BOMBS SAFE AND THE PE OPLE NEED TO BE PROVIDED SHELTER. HE STATED THAT HE IS NOT IN A HIGH ENOUGH POSITION TO GRANT US PERMISSION. WE WILL BE MEETING WITH THE DEAN ON WEDNESDAY AND IT WAS ALSO ASKED PERMISSION THROUGH THE MINISTRY OF HIGHER EDUCATION. DURING OUR MEETING, WASASKED WHY THE LAST ASSISTANT DEAN WAS REMOVED FROM HER POSITION, WE DID NOT RECEIVE A SATISFACTORY ANSWER. WILL BE FOLLOWING UP WITH THE MINISTRY OF HIGHER EDUCATION. IT WAS ALSO INQUIRED ON WHAT THEIR NEEDS ARE. CURRENTLY, IRD IS WORKING ON RECONSTRUCTI ON AND WILL BE SUPPLYING SOME SPORTS EQUIPMENT. HE STATED THAT IRD IS NOT GOING TO PROVIDE ALL OF HIS NEEDS. HE GAVE A LIST OF WHAT ELSE THEY WOULD LIKE TO HAVE. THEY COMPLAINED ABOUT THEIR SALARIES EVEN THOUGH THEY STATED IT WAS HIGHER THAN DURING SADD AM'S ERA. THEY ALSO MENTIONED THAT THEY HAVE NO OFFICE SUPPLIES AND NO BUDGET FOR THEM AS WELL. I FIND THAT HARD TO BELIEVE AND THE MINISTRY ALSO STATED THEY HAVE FUNDS FOR SUCH ITEMS.

THE TEAM ASSESSED SCHOOLS FOR PROJECT PROGRESS AT:

•14 RAMADAN SCHOOL: THE PROJECT IS BEING DONE BY THE KAR COMPANY AND IS 90% COMPLETE. THEY SAID THAT THEY WOULD BE FINISHED WITHIN THREE DAYS. THEY HAVE DONE A COMPLETE MAKEOVER OF THE BUILDINGS TO INCLUDE WINDOWS, DOORS, LATRINES, ROOFING, AND PAINTING.

• AL-MAMOON PRE SCHOOL: THE PROJECT IS COMPLETE.

• HOATEN INTERMEDIATE FOR GIRLS: NO ONE IS DOING THE PROJECT AS THE PROJECT WAS DROPPED BY OTI AND IRD.

• AL-KINDE SECONDARY FOR BOYS : KARO COMPANY FINANCED BY IRD IS DOING THE PROJECT. THE FOREMAN IS CHAZI FAISA L. THEY ARE 30% COMPLETE WITH THE PROJECT. IT INCLUDES WINDOWS, DOORS, LATRINES, ROOFING, AND PAINTING.

•JULAN PRIMARY SCHOOL: THE PROJECT IS COMPLETE.

•SAMUD AL-ARABEE PRIMARY SCHOOL FOR GIRLS : THE PROJECT WAS DONE BY THE RISE COMPANY AND WAS FINISHED TWO DAYS AGO. THEY DID A COMPLETE MAKEOVER OF THE BUILDINGS AND THE PRINCIPAL WAS VERY PLEASED WITH THE RESULTS.

•AL-FIDA INTERMEDIATE FOR BOYS : THE PROJECT WAS COMPLETED FOUR MONTHS AGO AND WAS FINANCED BY BECHTEL. THE WORK WAS VERY SHODDY AND ONLY I NCLUDED REWIRING AND PAINTING. THE WIRING AND PAINTING WERE DONE IS SUCH A WAY THAT IT SATISFIED THE CONTRACT BUT NOT THE PEOPLE THAT WORK AT THE SCHOOL.

•SAIF AL ARABEE PRESCHOOL: THE PROJECT IS BEING DONE BY THE AL ALI COMPANY AND IS AT 50% TOWARDS CO MPLETION. THEY ARE DOING A COMPLETE MAKEOVER OF THE SCHOOL AND WHAT WE SAW THE WORK WAS ABOVE THE STANDARD THAT SOME OF THE SCHOOLS HAVE RECEIVED.

•AL HAMZA COED PRIMARY SCHOOL: THE WORK HAS ONLY BEEN GOING ON FOR TWO DAYS AND THE PRINCIPAL, MUNA ISMAEE L MUHAMAL, DIDN'T KNOW THE NAME OF THE COMPANY DOING THE WORK. ACCORDING TO THE PRINCIPAL THEY WERE ONLY PAINTING, PLACING NEW DOORS AND WINDOWS BUT WERE NOT RENOVATING THE LATRINES.
CONTINUE TO COMPLETE SCH OOL REPAIRS AND REFURBISHMENT. AT COMPLETION, 3 7 SCHOOL PROJECTS WILL HAVE B EEN COMPLETED IN TISSA NISSAN. WITH CERP FUNDING BEING RESTORED, DS 3 WILL SUBMIT THE REMAINDER OF SCHOOLS FOR WHICH IT HAS PROPOSED BUDGETS FOR FUNDING AND ATTAIN ESTIMATES FOR ANY THAT REMAIN.

[redacted]

CPA REPORTS THAT A TRAINING PRO GRAM FOR BUDGET PLANNING AND ALLOCATION FOR THE LEADERS OF THE MOH DISEASE PREVENTION SECTION HAS BEEN HELD THIS WEEK.

THE 6 -HOUR TRAINING INVOLVED BOTH DIDACTIC (EDUCATIONAL) AND A PRACTICAL APPLICATION EXERCISE. THIS TRAINING WILL PROMOTE THE CONCEPT O F BUDGETING REQUESTS BASED ON PROJECTED NEED RATHER THAN THE FORMER REGIME'S METHOD OF SIMPLY HANDING OUT MONEY BASED ON A FIXED AMOUNT WITHOUT REGARD TO PROJECTED NEEDS BASED ON PRIORITIES.

THIS CONTINUES THE PROCESS OF SUPPORTING AN EMPHASIS ON PRIMARY CARE AND PREVENTION IN THE IRAQI HEALTH CARE SYSTEM.

FOOD:
LOCAL PRICES:

EGGS	D125 EA	D125 EA
CHICKEN	D2500 K	D2500 K
COOKING FAT	D1000 K	D1000 K
RICE	D250 K	D250 K
FLOUR	D125 K	D125 K
LAMB	D6500 K	D6500 K
TEA	D2000 K	D2000 K
SUGAR	D600 K	D600 K
SOAP POWDER	D1000 K	D1000 K
LPG	D250 EA	D250 EA
KEROSENE	D250 L	D250 L
GASOLINE	D200 L	D200 L
DIESEL	D150 L	D150 L

LOCAL VENDORS INDICATE THAT PRICES HAVE REMAINED STABLE OVER THE PAST FEW WEEKS. PRICES ARE THE SAME FOR CERTAIN GOODS SAMPLED AT TWO LOCATIONS IN AL - SHAAB.

FUEL DISTRIBUTION:
ALTHOUGH BLACK MARKETERS ARE REDUCED, THERE IS STILL NOT ENOUGH BENZENE OR KEROSENE RECEIVED AT THE AL AAMEL STATION . DEMAND IS HIGHER THAN PRODUCTION. THERE IS NO BENZENE STATION IN FURAT OR RADWANIYAH.

(490-AL NUR)
RECEIVED 1 BENZENE TRUCK (32,000L) AND 2 DIESEL TRUCKS (66,000L) ON 05JAN04.
RECEIVED 2 BENZENE TRUCKS (72,000L) AND 1 KEROSENE TRUCK (32,000L) ON 05JAN04.

(490-AL GHAZALIYA)
GHAZALIYA-1 RECEIVED 1 BENZENE TRUCK (39,000L) AND 1 DIESEL TRUCK (36,000L) ON 05JAN04.
GHAZALIYA-2 RECEIVED 1 BENZENE TRUCK (36,000L), 1 DIESEL TRUCK (36,000L), AND 2 KEROSENE TRUCKS (72,000L) ON 05JAN04.
(490-AL KHADRA)
RECEIVED 3 TRUCKS OF BENZENE (108,000L), 1 TRUCK OF KEROSENE (36,000L) ON 05JAN04.
RECEIVED 2 TRUCKS OF BENZENE (72,000L) ON 05JAN04.

OBSERVED THAT BOTH MUSHAHIDAH GAS STATIONS ARE RUNNING SMO OTHLY. LINES ARE SHORT, THERE ARE NO BLACK MARKETERS ON THE STREETS, AND ICDC ARE PRESENT. ABAYACHI COMPLAINS THAT THEY DO NOT HAVE THEIR OWN FUEL STATION FOR BENZENE, LPG, OR DIESEL. THEY HAVE TO TRAVEL TO TARMIYA TO GET IT AND CLAIM THAT THEY ARE NOT ALLOWED TO PURCHASE AS MUCH AS TARMIYA RESIDENTS ARE WITHOUT BRIBING

THE STATION OWNER. TF 1-68 AR ICDC POC WILL FOLLOW-UP ON THE DISTRIBUTION TO ABAYACHI RESIDENTS AND MAKE SURE THEY ARE NOT BEING DISCRIMINATED AGAINST

4.A.3. GOVERNANCE:

IT WAS REPORTED THIS MORNING THAT JAMAL ABID ABAS, AN AL -SADOON NAC MEMBER WAS ARRESTED SUNDAY MORNING BY THE IP FOR TAKING BRIBES AT A GAS STATION. HE IS CURRENTLY BEING HELD AT THE POLICE ACADEMY FOR FURTHER INVESTIGATION. RUSAFA DAC CHAIR WAS CONCERNED THAT COALITION WOULD THINK ALL COUNCIL MEMBERS ARE CORRUPT, AND UPON ADVICE OF GIC STAFF, IS GOING TO LTC SEXTON TODAY TO REPORT THE ARREST. (ASSUMPTION IS THAT JAMAL ABID IS GUILTY) SUNDAY MORNING AT 0850 AN IED WENT OFF NEAR THE ICDC OFFICE WHICH IS IN BACK OF THE RUSAFA DAC/GIC OFFICES. NO DAMAGE TO DAC/GIC BUILDING OR INJURY TO STAFF DUE TO SECURITY WALL. GIC STAFF AND DAC MEMBERS RESPONDED TO BLAST UNTIL IP ARRIVED. REPORTED TO IAC-BAGHDAD.

CA ASSETS WITH DR. ALI, A FURAT COUNCIL MEMBER AND A BAGHDAD COUNCIL MEMBER, RECEIVED THE PROPERTY DEED FOR THE FURAT COMMUNITY CLINIC. DR. ALI HAS COPIES FOR THE FURAT COUNCIL, THE AL RASHID DISTRICT COUNCIL AND THE BAGHDAD CITY COUNCIL. CA PROVIDED COPIES TO CPA MINISTRY OF HEALTH, XO AND COMMANDER, 1-1 CAV AND CDR, A/16 ENGINEER.

ATTENDED ABAYACHI NAHIA COUNCIL MEETING WITH A/1 -68 AR CDR. THE COUNCIL HAS COMPLETED ALL OF THE GROUND WORK TO BEGIN THEIR ROAD PROJECT, PENDING THEIR FIRST PAYMENT OF BDE CERP FUNDS.

OTHER ISSUES DISCUSSED INCLUDE PROPANE AND DIESEL DISTRIBUTION AS MENTIONED ABOVE, AS WELL AS THE DESIRE FOR A DRINKING WATER DISTRIBUTION PROJECT. THIS IS A COMMON THEME TH ROUGHOUT TARMIYA COUNTY. HOWEVER, SUCH A PROJECT WILL EXCEED THE FUNDING CAPABILITIES OF 4TH ID CG CERP FUNDS, AND THEREFORE, MUST BE FUNDED BY CPA. CA HAS SENT THIS REQUEST FORWARD TO CPA MANY TIMES WITHOUT RESULTS TO DATE.

4.A.4. ECONOMIC DEVELOPMENT:

NSTR

FORECAST OF SIGNIFICANT CMO ACTIVITIES IN EACH GOVERNORATE FOR THE NEXT TWO (2) DAYS:

5. NORTH REGION:

5.A. ARBIL.

NO REPORT

5.B. DAHUK.

NO REPORT

5.C. DIYALA.

CONDUCTING ICDC RECRUITING IN AL GHALEBIYA. 8JAN04 IS A DATA PROCESSIN G DAY FOR ICDC AND OFFICE HOUR'S DAY FOR WALK-UPS ON FOB SCUNION.

THE TEAM WILL BE INSPECTING AND PAYING SCHOOL CONTRACTS.

[redacted]

CONTRACTS WILL BE WRITTEN FOR PROJECTS IN THE AL ABBARAH NAHIAH . WORK ON THOSE PROJECTS WILL BEGIN IMMEDIATELY. THOSE PROJECTS INCLUDE A SOCCER FIELD, ROAD REPAIRS, POLICE STATION RENOVATIONS AND ICDC HEADQUARTERS/MUNICIPAL BUILDING RENOVATIONS. WORK SHOULD BE COMPLETE WITHIN 6 WEEKS.

WILL MEET WITH THE MAYOR OF WAJAHIYAH AND ALSO WILL ATTEND THE MUQDADIYAH CITY COUNCIL MEETING.
RECEIVE BIDS FOR CONTRACTS REGARDING NEWLY APPROVED CG CERP. DETERMINE FINAL MEMBER OF THE COUNCIL OF QADAS. COORDINATING WITH CONTRACTORS TO HANDLE NEWLY APPROVED PROJECTS. COORDINATE FOR CONTRACTOR TO GO TO TIKRIT IN ORDER TO RECEIVE PAY FOR CG CERP #134.

5.D. NINAWA.

NO REPORT

5.E. SALAH AD DIN.

DST 1 WILL MEET WITH AN ENGINEER FROM THE WATER DEPARTMENT AND WILL VISIT LOCAL WATER TREATMENT STATIONS.

CONVOY TO BAYJI TO REVIEW FUEL DISTRIBUTION TO AD DAWR AND COORDINATE PRIVATE DISTRIBUTION WITHIN AD DAWR.

EXECUTIVE COUNCIL OF CITY COUNCIL MEETING WITH STRIKER 6 AND IRON KNIGHT 6 ON 08JAN04.

5.F. SULAYMANIYAH.

NO REPORT

5.G. TAMIN.

NSTR

6. CENTRAL SOUTH REGION:

6.A. ANBAR.

CATA 21
- MEETING WITH HADITHAH FPS, HADITHAH POLICE

CATA23
- PROVIDE FORCE PROTECTION IN THE TRANSPORTATION OF THE 2ND BATTALION OF THE BORDER POLICE TO TIGER AO

CATA25
- PREPARE THE 3 BID PACKAGES FOR THE FOUR PROJECTS IN HIT AND 3 STATEMENTS OF WORK FOR PROJECTS IN RUTBAH TRANSMIT SAME TO HIGHER FOR PROJECT FUNDING.

CATA26
- TEAM TO CONDUCT THE SQUADRON CIVILIAN LIAISON OFFICE AT THE BORDER CHECKPOINT

CATB40
- MEET WITH MR. AZIZ, MAINTENANCE MANAGER TO DETERMINE STATUS OF INDUSTRY SAFETY EQUIPMENT.

[redacted]

- MEET WITH SPP MANAGERS OF SECURITY, FIRE, MEDICAL, AND SAF ETY DEPARTMENTS TO BEGIN COORDINATION NECESSARY TO DEVELOP A SSP INDUSTRIAL SAFETY AND SECURITY RESPONSE PLAN.

PUBLIC SAFETY
- CONTINUE WITH ICDC ISSUES FOR REGIMENTAL AOR.
- SUPPORT BORDER LNO/REGIMENTAL FORCE PROTECTION OFFICER/REGIMENTAL AVIATION

LNO IN BORDER PATROL ISSUES.
- CONTINUE COORDINATION FOR IMPAT.
- ATTEND GRADUATION AT RIFLES ACADEMY.
- CONTINUE WORKING WITH RS3 FOR FRAGO DEALING WITH ICDC.

CATA-11
- INSPECT ABU FARAJ SCHOOLS AND MAKE CERP PAYMENT.
- $386,000 OF CERP HAS BEEN DISTRIBUTED SO FAR.

CATA-13
- CATA WILL VISIT AND ASSESS SEVERAL OF THE WORK SITES IN CIVIL AND COOLIE CAMPS AND IN KHALDIAYH. WE WILL ATTEMPT TO INSPECT THE BUILDING THAT HAS BEEN IDENTIFIED AS THE ADMINISTRATION OFFICE FOR CIP. THE WORK SITES INCLUDE SEVERAL SCHOOLS AND HEALTH CLINICS IN CIVIL AND COOLIE CAMPS. WE HAVE HEARD FROM SEVERAL CONTRACTORS THAT OTHER CONTRACTORS ARE NOT FULFILLING THEIR CONTRACTS AND ARE DOING POOR WORK.

RAMADI CMOC
- THE TEAM WILL CONTINUE TO PROCESS AND TRACK THE FOLLOWING ISSUE S: DETAINEE INQUIRIES, CLAIMS ASSISTANCE, IO/NGO/PVO TRACKING, PROJECT TRACKING, CITIZEN ACTION REQUESTS AND TRACKING.

RAMADI GST
- GST MEDICAL OFFICER WILL BE ATTENDING THE SURGICAL CONFERENCE BEING HELD AT MEK, FALLUJAH ON 8 JAN 04.
- GST LEGAL OFFICER WILL MEET WITH ABOUT TWENTY (20) INDIVIDUALS ON 8 JAN 04 WHO ARE INTERESTED IN FORMING A HUMAN RIGHTS SOCIETY.

CATA 31 & CATA 36
- FPAC MEETING
- CERP PAYOUTS
- ADMINISTRATIVE DAY, PREPARE FOR NEXT DAY'S MISSION

CATA 32 & 37
- THE CATA WILL VISIT BRICK F ACTORY FOR A FOLLOW UP ON STATUS OF PRODUCTION, TRAVEL TO NASSIR WA AL SALAAM COUNCIL BUILDING
- THE CATA WILL GO TO AL KARMAH FOR MEETINGS WITH TELECOMMUNICATIONS, AND VETERINARY DIRECTORS. OPERATION DEVIL SWARM
- THE CATA WILL WORK ON SOWS FOR CPA SCHOOLS

CATA 33 & CATA 35
- DEVELOP AND PREPARE NEW FUNDING SOURCE, DFI AND OTI PROJECTS.
- REVIEW 2 TO 4 WATER AND SEWAGE/RAINWATER RUNOFF PROJECTS DEPENDING ON TIME RESTRAINTS.
- ADMIN AND MAINTENANCE. PREPARE FOR MAHMUDIYAH AND LATIFIYAH CITY COUNCIL MEETINGS.

CATA 34
- CMO WEEKLY TRIP TO GST & CPA AND CDR'S CMO UPDATE, VISIT THE MUSSIYEB

[redacted]

MEDICAL SUPPLY DEPOT
- LPG STATION ASSESSMENT, JURF AL SAKHR COUNCIL MEETING
- PREP FOR NEXT DAY'S MISSION

6.B. HILLAH.

08JAN04 - GRAND OPENING OF THE CLINIC IN AL TUNEES.
GRAND OPENING OF THE SCHOOL IN AL MUSAYIB.

6.C. KARBALA.

DELIVERING MEDICAL EQUIPMENT TO HOSPITAL FOR CHILDREN IN KARBALA.

PREPARATION COMPUTER EQUIPMENT TO INSTALLATION IN TEACHER INSTITUTE.

PREPARING CERP PROGRAM DOCUMENTATION TO ACCOUNTING.

6.D. NAJAF.

NSTR

6.E. QADISIYAH.

NSTR

6.F. WASIT.

3GST AND CIMIC TEAM WILL VISIT FOUR AZ AZIZIAH SCHOOLS TO MAKE ASSESSMENT AND COST ESTIMATION FOR FURTHER CAP FOUNDED PROJECTS.

UKRAINIAN HUMANITARIAN AID (SCHOOL FURNITURE) WILL BE DELIVERED TO THE GIRLS' SCHOOL IN AL KUT.

UKRAINIAN HUMANITARIAN AID (MEDICINES) WILL BE DELIVERED TO THE HOSPITAL IN AL KUT.

PAYMENT FOR THE CERF PROJECT OF BORDER POLICE FORTS SECURITY.

A PROJECT PREPARATION OF PURCHASING NECESSARY EQUIPMENT FOR THE ICD PERSONNEL IN AL KUT. C

7. SOUTH REGION:

7.A. BASRAH.

NSTR

7.B. DHI QAR.

NSTR

7.C. MAYSAN.

NSTR

7.D. MUTHANNA.

[redacted]

NSTR

8. BAGHDAD:

NSTR

ANY CHANGE TO LOCATION OR STRENGTH OF CA ASSETS:

9. NORTH REGION:

9.A. ARBIL.

NO REPORT

9.B. DAHUK.

NO REPORT

9.C. DIYALA.

NSTR

9.D. NINAWA.

NO REPORT

9.E. SALAH AD DIN.

NSTR

9.F. SULAYMANIYAH.

NO REPORT

9.G. TAMIN.

NSTR

10. CENTRAL SOUTH REGION:

10.A. ANBAR.

NSTR

10.B. HILLAH.

NSTR

10.C. KARBALA.

NSTR

10.D. NAJAF.

NSTR

[redacted]

10.E. QADISIYAH.

NSTR

10.F. WASIT.

NSTR

11. SOUTH REGION:

11.A. BASRAH.

NSTR

11.B. DHI QAR.

NSTR

11.C. MAYSAN.

NSTR

11.D. MUTHANNA.

NSTR

12. BAGHDAD:

NSTR

[redacted]

EXTRA

PARTIAL

SETS

IMPORTANT WEBSITES

www.iraqbusinesscenter.com
www.cpa-iraq.org
www.atimes.com
www.export.gov/iraq/commercial
www.iraqfoundation.org

FINANCE (CENTRAL BANK) TEAM MINISTERIAL CONTACTS

350th CACOM POC(s)

(b)(6)

CPA SENIOR ADVIS

(b)(6)

(b)(6)

CPA FINANCE at the PENTAGON

(b)(6)

(b)(6)

WORLD BANK
FARIS HADAD

DEPT OF TREASURY

(b)(6)

CURRENT CPA STAFF (BAGHDAD)

FINANCE

NAME	TITLE	CURRENT STATUS	SPONSOR	LOCATION
(b)(6)	BANKING ADV	NOT PRESENT	UK	
	BANKING PERSONNEL SPEC	NOT PRESENT	UK	
	COORDINATOR OF COM BR	NOT PRESENT	US-TREAS	
	CURRENCY EXCHANGE	PRESENT	DOS	

(b)(6)

DEBT ADV	NOT PRESENT	US-TREAS
DEBT ADV	NOT PRESENT	US-TREAS
DEP TREASURY AFFS	PRESENT	US-TREAS
DEV & EXEC OF IRAQI STATE	PRESENT	IT
DIR ECON AFFS	PRESENT	US-TREAS
ECON POLICY ADV	NOT PRESENT	COAL
ECON POLICY ADV	NOT PRESENT	US
FINANCE ADV	PRESENT	US
FINANCIAL OPERATIONS	NOT PRESENT	US-TREAS
MIL OPS LIAISON	PRESENT	US
RE-ESTABLISH BANIKING OPS	NOT PRESENT	US-TREAS
RE-ESTABLISH BANIKING OPS	NOT PRESENT	US-TREAS
RE-ESTABLISH BANIKING OPS	PRESENT	US
RE-ESTABLISH INSURANCE OPS	NOT PRESENT	US-TREAS
RE-ESTABLISH INSURANCE OPS	NOT PRESENT	US-TREAS

CENTRAL BANK

NAME

(b)(6)

BARRY ANDERSON

(b)(6)

TITLE	CURRENT STATUS	SPONSOR	LOCATION
CENTRAL BANK ADV	PRESENT	US-TREAS	
CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	UK	BASRAH
COMBAT MONEY LAUNDERING	NOT PRESENT	US-TREAS	
DEP SR ADV; BANKING	NOT PRESENT	US-IMF	
DEV/BUREAU OF SUPREME AUDIT	PRESENT	USAF	
DEV/BUREAU OF SUPREME AUDIT	PRESENT	USAF	
MONETARY POLICY & CENTRAL BANK	PRESENT	UK	
RE-ESTABL BANK OPS BAGHDAD	NOT PRESENT	US-TREAS	BAGHDAD
RE-ESTABL BANK OPS NORTH	PRESENT	US-TREAS	MOSUL
RE-ESTABL BANK OPS SOUTH CENTR	NOT PRESENT	US-TREAS	HILLAH
RE-ESTABL IRAQ COMM BANK	NOT PRESENT	US-TREAS	
RE-ESTABL IRAQ COMM BANK	NOT PRESENT	US-TREAS	
RE-ESTABL IRAQ COMM BANK	PRESENT	US-TREAS	
RE-ESTABL IRAQ COMM BANK	PRESENT	US-TREAS	
RE-ESTABL IRAQ COMM BANK	PRESENT	US-TREAS	
RE-ESTABL IRAQ COMM BANK	NOT PRESENT	US-TREAS	
RE-ESTABL BANK OPS	PRESENT	IT	
RE-ESTABL BANK OPS	NOT PRESENT	UK	
RE-ESTABL IRAQI BANKING SYS	PRESENT	US-TREAS	
REPLACE FOR RE-ESTABLI BANK	NOT PRESENT	US-TREAS	MOSUL
REPLACE FOR RE-ESTABLI BANK	NOT PRESENT	US-TREAS	
TREASURY AUDITOR	NOT PRESENT	US-TREAS	
TREASURY AUDITOR	NOT PRESENT	US-TREAS	
CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	UK	BASRAH
CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	UK	BASRAH

(b)(6)	CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	UK	BASRAH
	CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	UK	BASRAH
	CENTRAL BANK/FINANCE/RE-ESTA	PRESENT	POL	

ENVIRONMENT TEAM MINISTERIAL CONTACTS

350th CACOM POC(s)

(b)(6)

CPA SENIOR ADVISOR (BAGHDAD)

H. (ALLYN) IRISH

TIM KRAWCZEL

(b)(6)

(b)(6)

LABOR & SOCIAL AFFAIRS TEAM MINISTERIAL CONTACTS

350th CACOM POC(s)

(b)(6)

SP4 FRIER

CPA SENIOR ADVISOR (BAGHDAD)

(b)(6)

(b)(6)

CPA at the PENTAGON

(b)(6) 703-696-9401 EXT *203

CURRENT CPA STAFF (BAGHDAD)

NAME

(b)(6)

(b)(6)

(b)(6)

(b)(6)

TITLE	CURRENT STATUS	SPONSOR	LOCATION
SR ADVISOR	NOT PRESENT	DEPT OF LABOR	
CHIEF COUNSEL	NOT PRESENT	DEPT OF LABOR	
INTL ED PROG SPEC	PRESENT	US	
INTL RELATNS OFF	PRESENT	US	
LABOR/SOCIAL AFFRS SPEC	NOT PRESENT	DEPT OF LABOR	BAGHDAD
LABOR/SOCIAL AFFRS SPEC	NOT PRESENT	DEPT OF LABOR	MOSUL
LABOR/SOCIAL AFFRS SPEC	PRESENT	UK	BASRAH
LABOR/SOCIAL AFFRS SPEC	NOT PRESENT	DEPT OF LABOR	HILLAH
OPS & LOGISTICS	PRESENT		
OPS & LOGISTICS SR ADV	PRESENT	USAF	
PENSION INVESTMENTS & BEN	NOT PRESENT	DEPT OF LABOR	
TEMP ASSIST FOR NEEDY FAMILIES	PRESENT	UK	
VETS EMPLOY & TRAINING SERV	NOT PRESENT	DEPT OF LABOR	
WOMENS RIGHTS OFF	PRESENT	UK	

INDUSTRY & MINERALS TEAM MINISTERIAL CONTACTS

350th CACOM POC(s)

(b)(6)

(b)(6)

LTG RICARDO SANCHEZ
HOWARD LIND (hack)

CPA SENIOR ADVISOR (BAGHI

(b)(6)

PRIVATE SECTOR DEVELOPM

(b)(6)

TRADE (BAGHDAD)

PAUL A. SAVELLO

CPA at the PENTAGON

(b)(6)

USAID (DC)

(b)(6)

OFFICE OF TRANSITIONAL INITIATIVES

(b)(6)

USAID/OTI (BAGHDAD)

(b)(6) MISSION DIRECTOR
DEPUTY

(b)(6)

CHRIS MILLIGAN LNO T
(b)(6) CA

USAID/OTI (BAGHDAD)
KIRK DAY COUNTRY
RAFAEL JABBA ECON

DEPT OF COMMERCE
(b)(6) DEP

WORLD BANK
FARIS HADAD

DEPT OF TREASURY
(b)(6)

HUMANITARIAN INFORMA
(b)(6)

CURRENT CPA S

SCI/TECH

NAME	TITLE	CURRENT STATUS	SPONSOR	LOCATION
(b)(6) (ends 2/28/04)	ACTING SR ADVISOR	PRESENT	US-IRDC	
	BIOLOGIST	PRESENT	US	
	CHEM ENG	NOT PRESENT	COAL	
	CIV ENG	NOT PRESENT	COAL	
	DEP SR ADV/BUSINESS DEV	PRESENT	DOD	
	ELEC ENG	NOT PRESENT	DOE	
	FOOD PROCESSING SPEC	NOT PRESENT	USDA	
	HAZMAT CONSEG MGMT	NOT PRESENT	DOD	
	INDUSTRIAL ENG	PRESENT	COAL	
	INDUSTRY ADV	NOT PRESENT	DOC	
	PURE WATER EXP	NOT PRESENT	US-INT	
	QUALITY CONTROL EXP	NOT PRESENT	DOE	
	RADIATION SAFETY OFF	NOT PRESENT	DOE	
(b)(6)	REACTOR	PRESENT	US	
	SECURITY/FORCE PRO MGR	NOT PRESENT	DOJ	
	SENIOR IT/TELECOM ENG	NOT PRESENT	DOD	
	SR ADV	NOT PRESENT	DOD	

TRADE

NAME	TITLE	CURRENT STATUS	SPONSOR	LOCATION
(b)(6)	WORLD FOOD PROGRAM (WFP)	NOT PRESENT	US-DOS	
	ADMIN/OFFICE MGR	NOT PRESENT	US	
	AG ECONOMIST	PRESENT	AUS	
	ASST V CORP LNO	PRESENT	USA	
	BUSINESS CTR/INTERPRETER	PRESENT	MZM	
	BUSINESS DEV/COMM	NOT PRESENT	SBA/DOC	BAGHDAD
	BUSINESS DEV/COMM	NOT PRESENT	SBA/DOC	BASRAH
	BUSINESS DEV/COMM	NOT PRESENT	SBA/DOC	MOSUL
	BUSINESS DEV/COMM	NOT PRESENT	SBA/DOC	HILLAH
	COMMERCIAL ATTACHE	PRESENT	DOC	
	COMM SPEC FOR NORTH	PRESENT	DOA	IRBIL
	COMM SPEC TRADE	NOT PRESENT	DOD	
	CONTRACTING & L/Cs	NOT PRESENT	DOD	
	CONTRACTING/PROGRAM MGT	NOT PRESENT	DOD	
	DATABASE MGT/OFF	PRESENT	USA	
	FAS-AG ECONOMIST/FOOD SAFETY	NOT PRESENT	DOD	
	FOOD SECURITY SPEC	PRESENT	UK	
	FOOD SECURITY SPEC ECON & SSA	PRESENT	UK	
	INTERPRETER	PRESENT	CONTRACT	
	INTERPRETER	PRESENT	CONTRACT	
	LOGISTIC MGR	PRESENT	US-INTEL	
	OFF CONTRACTS	PRESENT	UK	
	OFF CONTRACTS	PRESENT	USA	
	OFF TRANSITION	NOT PRESENT	CONTRACT	
	OFFP CONTRACT	PRESENT	DOS/DOD	
	OFFP CONTRACT	PRESENT	DOS	
	OIL FOR FOOD COORDINATOR	PRESENT	USA	
	SECURITY	NOT PRESENT	DOD	
	SME DEVELOPMENT	NOT PRESENT	US	
	SR ADV - REPLACEMENT	NOT PRESENT	DOC	
	SR ADV/TRADE POLICY	NOT PRESENT	DOC	
	STANDARDS	PRESENT	USA	
	STANDARDS ADV	NOT PRESENT	PATENT/NIST	
	STANDARDS/PATENTS ADV	NOT PRESENT	US	
	STATE CO OF AUTOMOBILES	PRESENT	IRDC-UK	
	TRADE FAIR, MoT REORIENTATION	PRESENT	IRDC	
	TRADE POLICY - FOREIGN ECON	PRESENT	DOC	
	TRADE POLICY - PROCEDURE	NOT PRESENT	DOC	

INDUSTRIES & MINERALS

NAME	TITLE	CURRENT STATUS	SPONSOR	LOCATION
(b)(6)	ACTING SR ADV	PRESENT	US	
	ADV	PRESENT	IRDC	
	ADV	PRESENT	IRDC	
	ADV	PRESENT	USA	
	ADV	PRESENT	IRDC	
	ADV	PRESENT	USA	
	ADV	PRESENT	IRDC	
	STATE OWNED ENTERPRISES	PRESENT	USA	

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▶ Middle East & North Africa

Contact Information

Country	Contact Person/Email	Phone/Fax/Address
Washington DC	Sereen Juma Communications Officer (b)(6)	(b)(6)
Algeria	Nawal Merabet Research Assistant (b)(6)	
Egypt	Nehal Hassan El Kouesney Program Assistant (b)(6)	
Lebanon	Zeina El Khalil Program Assistant (b)(6)	
Morocco	Najat Yamouri Senior Participation Officer (b)(6)	
Saudi Arabia	Edgar Saravia (b)(6)	
Tunisia		
West Bank & Gaza	External Affairs Officer (b)(6)	
Yemen	Kefah Omar Al-Sakaf Office Assistant (b)(6)	

[redacted]

Chief of Missions / Iraq

(b)(6)

Faris Hadad

(b)(6)

[redacted]

C9 CPA Support Group

- **Mission Statement:** Analyze and assess CPA progress against the *strategic plan* as it impacts military operations and security. Make appropriate recommendations on security implications and military support needed to effect the strategic plan. Communicate issues that effect Plans & Policies and operations by vertical and lateral exchanges of information within the C9 directorate and throughout the CJTF 7 staff sections.

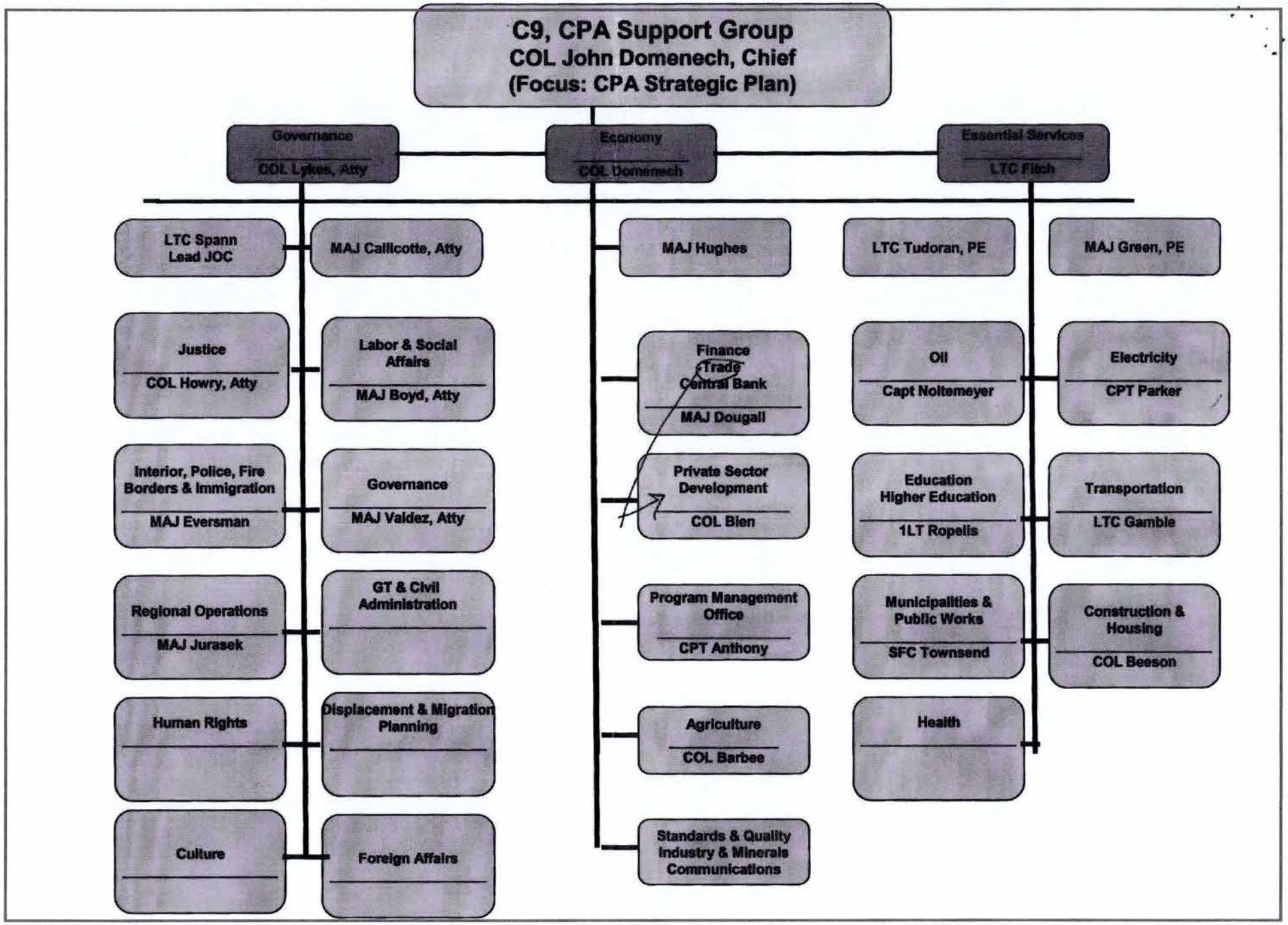


C9 CPA Support Group

- **CPA Support Officers (LNO) Mission Statement**: (1) Identify and report planned or potential requirements for military support to a particular ministry or functional area; (2) Analyze CPA progress of the strategic plan within a particular ministry or functional area; (3) Report such progress and requirements using metrics that are specific to a given functional area to C9, CPA Operations Group (JOC) desk officers; (4) Provide daily and weekly issues to JOC and pillar Directors (economy, essential services and governance).

C9 CPA Support Group

- **CPA Operations Group (JOC) Mission Statement**: Provide roll up of CPA support requirements and progress through weekly audits against the strategic plan. Cross - level and provide first action of conflict resolution or missed opportunities between CPA functional organizations via direct communication with embedded C9, CPA Support Officers (LNO's) in a specific pillar (economy, essential services, and governance). Communicate laterally with C9 Integration Management, Operations and CJTF -7 staff sections. Provide daily and weekly issues to C9 Plans & Policies.


C9, CPA Support Group
COL John Domenech, Chief
(Focus: CPA Strategic Plan)
Governance
COL Lykes, Atty
Economy
COL Domenech
Essential Services
LTC Fitch
LTC Spann
Lead JOC
MAJ Callicotte, Atty
MAJ Hughes
LTC Tudoran, PE
MAJ Green, PE
Justice
COL Howry, Atty
Labor & Social Affairs
MAJ Boyd, Atty
Finance
Trade
Central Bank
MAJ Dougall
Oil
Capt Noltemeyer
Electricity
CPT Parker
Interior, Police, Fire
Borders & Immigration
MAJ Eversman
Governance
MAJ Valdez, Atty
Private Sector Development
COL Bien
Education
Higher Education
1LT Ropelis
Transportation
LTC Gamble
Regional Operations
MAJ Jurasek
GT & Civil Administration
Program Management Office
CPT Anthony
Municipalities & Public Works
SFC Townsend
Construction & Housing
COL Beeson
Human Rights
Displacement & Migration Planning
Agriculture
COL Barbee
Health
Culture
Foreign Affairs
Standards & Quality
Industry & Minerals
Communications

DEPARTMENT OF THE ARMY
COMBINED JOINT TASK FORCE 7
OPERATION IRAQI FREEDOM
BAGHDAD, IRAQ
APO AE 09302

MEMORANDUM FOR: All members of the CJTF-7 C9 CPA Support Group

FROM: Brigadier General Charles H Davidson

SUBJECT: DUTIES AND FORCE PROTECTION RESPONSIBILITIES OF C9 PERSONNEL ACTING AS LIAISON OFFICERS OR ATTACHED TO THE CPA

DATE: 22 February 2004

References:

A. CJTF-7 FRAGO 966 MOD 1 to FRAGO 632 (Vehicle Movement Procedures) to CJTF-7 OPORD 03-036
B. Department of the Army Memorandum AFZX-C-CO dated 9 Dec 2003 (Operational Guidance for CPA Escort Missions)

1. Members of CJTF-7 C9 Staff section employed in the CPA Support Group may be required to act as Liaison Officers to designated CPA Offices or in some cases may be attached to CPA offices to fulfill permanent staff positions. This memorandum sets out the duties of such personnel and their responsibilities in respect of Force Protection.

2. CPA Liaison Officers. Where C9 personnel are employed as Liaison Officers, their primary duty is to fulfill the mission or missions assigned by C9. These roles will be derived from the C9 Mission Essential Tasks as follows:

(a) The analysis and assessment of CPA plans and policies, and progress against the CPA Strategic Plan (where relevant to CJTF-7)
(b) The audit of CPA Ministry requirements affecting CJTF-7

4. Individuals assigned as Liaison Officers also have a secondary duty to support the mission of the CPA office that they are assigned to. Conduct of their secondary duty should not be allowed to interfere with the efficient performance of their primary duties outlined above. Such officers may assume duties within the CPA that would normally be the responsibility of permanent CPA staff (eg. to act as Chief of Staff for the Office of a Senior Advisor to an Iraqi Ministry). In any such cases, the senior CPA staff member in the office concerned should be advised that their conduct of such duties cannot be assumed to be permanent and that the person concerned may be subject to re-tasking to meet the needs of CJTF-7. Any conflict between the requirement to conduct C9 duties and those required by the CPA should be brought to the attention of the Head of the C9 CPA Support Group, Col John Domenech.

3. Within 14 days of their assignment, individuals assigned as Liaison Officers with the CPA are to prepare a formal description of their primary and secondary duties for approval by the C9 Head of CPA Support Group, Col J Domenech. Each Liaison Officer is required to remain in regular daily contact with the C9 staff cell and prepare (at a minimum), a formal report each week regarding the activities of their CPA Office and/or Iraqi Ministry, any security implications of their activities, and the planned or potential need for any support to be provided by CJTF-7.

4. Liaison Officers are not expected to make their normal place of duty an Iraqi Ministry Office, but are expected to work principally in the CPA Palace in the Baghdad "Green Zone". This instruction does not prohibit Liaison Officers from carrying out assignments at appropriate Iraqi Ministry Offices and other locations outside the "Green Zone".

5. Liaison Officers are required to meet all the normal standards and requirements pertaining to CJTF-7 forces within the Iraq Theater of Operations. This instruction includes strict adherence to General Order No. 1, the wearing of uniform at all times, the carrying of personal weapons as ordered, and the requirement to strictly adhere to published CJTF-7 Force Protection measures (including the wearing of body armor and protective helmets as provided by the host nation authorities of the individual).

6. The CJTF-7 requirements for vehicle movements defined at Reference A (or any updating instruction) are to be met at all times. Where the individual is engaged in duties in support of the CPA, the resources to meet the requirements for vehicle movements are normally to be provided under arrangements provided by the CPA. The procedure for obtaining such resources including armed escorts and transport for CPA missions is given at Reference B.

7. C9 Personnel assigned to CPA permanent staff positions. C9 personnel are not to assume the permanent duties of any CPA staff position without the prior and personal approval of C9. In such cases, the primary duty of the assigned personnel will be to fulfill the mission as assigned by the CPA, and their secondary duty will be to support the C9 mission by providing an Executive Summary of the aims, objectives, plans and achievements of the CPA office concerned to the C9 Head of the CPA Support Group. The assignment of C9 individuals to permanent CPA staff positions does not in any way alter their responsibilities as members of CJTF-7 defined at paragraphs 5 and 6 above.

Charles H Davidson
Brigadier General
CJTF-7 C9

Al Furat Chemical Plant Assessment 1

Date: 11 May 2003

Background:

Two large-scale chemical production companies are known to exist in the southern half of Iraq. The first facility, located in the city of Al Basrah, was not assessed due to its' proximity to the battle space of 3rd Battalion 7th Marines. The second facility is the Al Furat State Company for Chemical Industries, located in the city of Sadat Al Hindi at Grid 38SMB 32502400. The Al Farat Company produces many of the chemicals critical to reestablishing the Iraqi infrastructure, such as those used in water treatment and electrical power generation facilities. The information collected during this assessment was provided by the Technical Manager of the Al Furat State Company for Chemical Industries; Wahab-Al Jeboury and the Security Manager; Jawad Abdul.

Assessment:

The Al Furat State Company produces many of the chemicals necessary to maintain the Iraqi national infrastructure. These chemicals are used at electrical generation stations, petrol refineries, water and sewage facilities and many other industrial plants throughout the country. Supplies of many of these chemicals are critically low as a result of the war. Electrical generation stations are in desperate need of Sulfuric Acid (H_2SO_4), Sodium Hydroxide ($NaOH$) and Hydrochloric acid (HCl) for water treatment and corrosion prevention. Cities throughout the country are quickly running out of the Chlorine (Cl_2) and Sodium Hypochlorite ($NaOCl$) necessary to prevent the spread of disease through the water. Additionally, many of these chemicals are needed at the oil/petrol refineries to assist in restarting the economy.

The Al Furat Company has stopped all chemical production since the end of the war. Two items are required before the facility can be restarted; electrical power and a rubber lining repair kit. The Al Furat Company requires nearly 5 MW of power in order to maintain full production capabilities. An agreement between the Al Mussayib Electrical Generation Station and the Al Furat Company has recently been established to provide the power necessary to restart chemical production. However, the rubber seals in many of the vats where these chemicals are produced are in desperate need of repair or replacement. The Director of the Al Furat Company stated that the facility can be restarted within two to three weeks, if 15 kg of R11A or R11B type rubber lining repair kits can be located. Prior to the war, this material was obtained from the Harzer Company in Germany. Note that an equivalent product may also be used. Additionally, a supply of graphite will be required for the Mercury Cells in the future. The table on the following page identifies the type, production capability and use of each of the chemicals produced at the facility prior to the war.

Sales Status?

Table 1: Chemical Production capabilities at the Al Furat Company						
Product	**Units**	**Design Capacity (Annual)**	**Available Capacity (Annual)**	**Actual Production 2002**	**Planned Production 2003**	**Uses**
Sulfuric Acid, H_2SO_4 (98%)	Ton	13200	10000	8118	8000	Elect Pwr, Petrol, Batteries, Gen. Industrial
Battery Acid, H_2SO_4 (35%)	Ton	As needed up to 9000	As needed up to 9000	1575	As needed up to 9000	Batteries, Gen. Industrial
Sodium Hydroxide, NaOH (37%)	Ton	7920	6336	5102	5400	Elect Pwr, Petrol, Gen. Industrial
Hydrochloric Acid, HCl (30%)	Ton	12200	9000	8928	7500	Elect Pwr, Petrol, Gen. Industrial
Sodium Hypochlorite, NaOCl (10%) Cl_2	Ton	5940	4275	3921	4760	Water Treatment for Small Cities
Liquid Chlorine, Cl_2	Ton	2030	1500	661	1200	Water Treatment for Larger Cities
Ferric Chloride, $FeCl_3$ (38%)	Ton	1000	1000	372	500	Water Treatment, Elect. Pwr
Sodium Bisulphite, Na_2SO_3 (14%)	Ton	As needed up to 1500	As needed to 1500	230	As needed up to 1500	Elect. Pwr Generators
Starch	Ton					Food
Polypropylene Sacks	Ton					Storage Sacks

Al Furat Chemical Plant Assessment 2

Date: 25 May 2003

Elections:

The Al Furat State Company for Chemical Industries, located in the city of Sadat Al Hindi at Grid 38SMB 32502400, recently held an election for all of its' primary positions. This election was held by employees of the company without the permission of the Ministry in Baghdad. This has resulted in contention over the results. The Ministry has stated that it will keep the new Technical Manager in place; however, another election is expected within the next several weeks so that the remaining administrative positions can be determined. The following table displays the name and position held by each of the winning parties.

Table 1: Election Results

Name	Title
Jabbar Madhloum Lool	Technical Manager
Falih Abid Al-Hussain	Financial Manager
Ridha Kalaf Sirheed	Administration Manager
Majeed Muhsin Kadhim	Relations (Public) Manager

Chemical Production:

Chemical production has been restarted on a limited basis. The production of Sulfuric Acid (H_2SO_4) is the first chemical to be produced since the start of the war; however, only thirty tons are made per day. The production of Caustic Soda (NaOH) and Hydrochloric Acid (HCl) is expected to begin in the next twenty-four hours. Production will begin at roughly fifty percent of the prewar capacity, and will gradually increase. Note that this assumes that there are no problems with the facilities during the restart.

Foreseeable Problems:

Two problems that are critical to maintaining production have been identified. The primary problem is the lack of the rubber lining repair material, as stated in the first assessment of the plant. The material is known Hawforan R11A + R11B. This material was supplied by Haw. Harzer (Germany) prior to the war; however, substitutes can easily be located from various rubber manufacturers. Fifteen kilograms is immediately needed, and another five hundred kilograms will be necessary in the near future. Note that the R11 rubber lining repair kit can be obtained from the following company:

HAW Linings GmbH
Werkstraβe
D-31167 Bockenem, Germany
Telephone: +49-(0)5067-990-2000
Fax: +49-(0)5067-1226

The second problem is the lack of spare parts. The staff at the Al Furat Company has provided the attached table of parts that must be re-supplied (see Table 2).

Additional Comments:

Security and communication were also discussed with the staff of the Al Furat Company. The Security, previously provided by 1st Battalion 4th Marines, has been removed. The Al Furat staff believes that this will lead to additional looting at the facility. Due to the importance of the plant to the national infrastructure, it is recommended that a security team be provided during the night, if the plant is looted again. Additionally, a satellite phone should be provided to the technical manager, because all lines of communication to the facility have been stopped.

Table 2A: General Supplies:			
Item #	Description	Quantity	Supplier
1	Hard rubber 2190 (with its' solutions), 3 mm thick	5 ton	HAW. Harzer (Germany)
2	Hard rubber 2190 (with its' solutions), 5 mm thick	3 ton	HAW. Harzer (Germany)
3	Hard rubber 2194 (with its' solutions), 5 mm thick	250 kg	HAW. Harzer (Germany)
4	Hard rubber 2194 (with its' solutions), 3 mm thick	250 kg	HAW. Harzer (Germany)
5	Repairing Material for Rubber Lining (Commercial-grade) Hawforan R11 A+ R11B	500 kg	HAW. Harzer (Germany)
6	Mercury for Electrolysis (Commercial-Grade), purity = 99.99%	7 ton	HAW. Harzer (Germany)
7	Barium Carbonate precipitated 99-100% BaCO3 (Commercial Grade). The Barium Carbonate must be completely free of heavy metals.	100 ton	HAW. Harzer (Germany)
8	Anode Graphite - large plate (600x175x70 mm)	2000	HAW. Harzer (Germany)
9	Anode Graphite Rod (68.5/67x290 mm), Physical Properties for Graphite are: Apparent Density = 1.6-1.75 kg/L+B4, Ash = 0.2% max., Content of Vanadium = 20 ppm max., Specific Electrical Resistance = 8-14 Ohm mm^2/m, Longitudinal = 8-11 Ohm mm^2/m, Percent Volume of Pores: 14-20	2000	HAW. Harzer (Germany)
10	Ebonite fixing pin, quality = 382.7 mm dia., length = 50 mm.	4000	HAW. Harzer (Germany)
11	Separan AP 30 Polyelectrolyte material (powder). This helps filtration.	1 ton	HAW. Harzer (Germany)
12	Tin solder (66% Sn, 34% Pb). Tin and lead are of metallergical quality.	1 ton	HAW. Harzer (Germany)
13	Diabon - Rupture Disk type: N, DN = 150, bursting pressure = 0.3 barr at 130 C. Used for overpressure protection on the HCl furnace.	10	HAW. Harzer (Germany)
14	Bursting Diaphram made of nickel. Both sides are PTFE (teflon) coated, NB 80, outer dia. = 108.6 mm, bursting pressure = 6 atm at 30 C	10	HAW. Harzer (Germany)
15	Marsyntex filter cloth, type: PP 2421 (polypropylene), width = 170 cm.	1000	HAW. Harzer (Germany)

Table 2B: Instrumentation Parts			
Item #	Description	Quantity	Supplier
1	Flow meter for Brine, Medium: pure Brine, Corrosive component = 310 g of NaCl per liter, Max pressure = 10 m liquid level, Operating pressure = 8 m liquid level, Operating temp = 80 C, Specific gravity = 1.17 kg/L, Line material ND/NP = 50/10, Material case = glass 2, Measuring cone = glass, Float: PVC with lead fill, connection NC/ND hose, Range = 0.45-4.5 m^3/hr, Linear dial scale.	36	Lurgi
2	Flow meter, Medium: 30% HCl, Max pressure = 10 m liquid level, Specific weight = 1.1318 kg/L, Temperature = 50 C, Type: E 8 P 10 A 1017 A, Case: glass, Float: glass, Connection: hose, Range: 0-200 L/hr.	4	Lurgi
3	Control valve for Cl2 gas, Control valve is before the fan, Corrosive component: moist Cl2 gas, Operating temp = 80 C, Operating pressure (at upstream valve) = 1.035 abs, Pressure drop (with valve open) = 0.02 atm, Type: Richter GV MGU/R, Line material: Rubberized steel, Gas material: grey cast with pocelain lining case connection: ND = 150, NP = 10, Material seat: cone and stem are teflon, Free area of seat = 90 mm Cl2, KV or CV (index) = 110, At air failure valve will open.	3	Lurgi
4	Flow meter, Medium: 14% NaOH, Max pressure = 10 m liquid level, Operating temp = 41 C, Type: Krohne/G4 24P, Float: PVC with leaf fill, Flange: 15/25, Range: 10-200 L/hr, Cone: glass.	4	Lurgi
5	Control valve for H2 gas, Operating temp = 80 C, Pressure (upstream of valve) = 1.135 abs, Pressure drop (with valve open) = 0.1 atm, Type: Gulde/E, Line material ND/NP = 80/10, Case material: GSC-25, Case connection: ND = 40 NP = 16, Material seat: cone, seat 1.4571, Free area of seat = 32 mm, Characteristics of equal percentage, KV or CV (index) = 20, At air failure valve will close.	3	Lurgi

Table 2C: Pumps and Compressors			
Item #	Description	Quantity	Supplier
1	Complete horizontal centrifugal pump with base and motor, type: CPK T 50-200, Q = 50 m^3/hr, Head = 50 m.l.c., Medium: spent brine at 90 C, Material: impeller, impeller case and cover, nut of impeller, and shafting sleeve are all GR II (Titanium)	2	KSB
2	Complete horizontal centrifugal compressor with base and motor, type: LP224/112, Q = 140 m^3/hr, Inlet Pressure = 1 atm abs, Final Pressure = 1.8 atm abs, Medium: air, Material: Housing and impeller are GGG42 (I.e. cast iron), Material: Port Plate 7 Endshield B36 is GGG20	1	SSW
3	Complete horizontal centrifugal pump with base and motor, Q = 20 m^3/hr, Head = 50 m.l.c., Medium: Caustic Soda at 80 C	1	KSB
4	Complete vertical pump with base and motor, type: CCE-316, Q = 1m^3/hr, Pressure = 755 mm discharge head, Medium: Mercury at 80 c	2	LURGI
5	Complete centrifugal pump with base and motor, type: GUK 32, Q = 30 m^3/hr, Head = 35 m.l.c., Medium: 30-33% HCl acid	2	KSB
6	Complete centrifugal pump with base and motor, type: RCE 32/130B, Q = 3 m^3/hr, Head = 50 m.l.c., Medium: 78-98% H2SO4 acid	1	Rhienhutte
7	Complete centrifugal pump with base and motor (rubber or teflon lined), Q = 30 m^3/hr, Head = 35 m.l.c., Medium: 30-33% HCl	1	KSB
8	Complete radial blower with base and motor (rubber or titanium lined), Q = 600 m^3/hr, Inlet/outlet pressure = 1/1.15 atm abs, Inlet/outlet temp = 45/60 C, Medium: 98-99% wet Cl2 with 1-2% H2, N2, CO2	2	G. Schiele
9	Complete centrifugal pump with base and motor, type: RCE 32/130B, Q = 3 m^3/hr, Head = 50 m.l.c., Medium: 78-98% H2SO4 acid	1	G. Schiele

Table 2D: Ion Exchangers			
Item #	Description	Quantity	Supplier
1	Strong cation exchanger, Lewatit S 100, Density = 1.28 g/mL, Particle size = 0.3-1.25 mm, Water content = 42-45% wt, Total capacity = 2.2 eq/L minimum, PH range = up to 14, Working temperature = 120 C maximum, Matrix: polystyrene, Functional group sulfonic acid	4 m^3	Bayer
2	Strong base anion exchanger, Lewatit MP 600, Density = 1.09 g/mL, Particle size = 0.315-1.6 mm, Water content = 50-55% wt, Total capacity = 1.2 eq/L minimum, PH range = up to 14, Working temperature = 30 C maximum, Matrix: polystyrene, Functional group: quarternary amine	3.5 m^3	Bayer
3	Weak base anion exchanger, Lewatit MP 62, Density = 1.03 g/mL, Particle size = 0.315-1.25 mm, Water content = 45-55% wt, Total capacity = 1.8 eq/L minimum, PH range = up to 14, Working temperature = 70 C maximum, Matrix: polystyrene, Functional group: tertiary amine	3.5 m^3	Bayer

S

Table 2E: Valves and Diaphrams			
Item #	Description	Quantity	Supplier
1	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 15	25	Harzer
2	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 20	25	Harzer
3	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 25	25	Harzer
4	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 32	30	Harzer
5	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 50	50	Harzer
6	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 40	20	Harzer
7	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 80	20	Harzer
8	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 100	30	Harzer
9	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 125	20	Harzer
10	Straight way valve with straight spindle lined with Vulcoferran, NP = 10, ND = 150	20	Harzer
11	Cathode disc and cables, disk: Ck22, Cables: Copper (highly conductive)	500	Hundt & Weber
12	Spare parts for short circuiting switches (10 kA), Contact plates: .Bez NR 215590	320	Hundt & Weber
13	Spare parts for short circuiting switches (10 kA), Current band	320	Hundt & Weber
14	Glob valve throughway pattern, pf C22, DN: 25, PN: 25	15	Arf. Armaturen
15	Sodium hydroxide liquor cooler (plate heat exchanger), type: PL 22 S-1982	1	Rosenblad
16	Sodium hypochlorite liquor cooler (plate heat exchanger), type: PL 22 S-1983	2	Rosenblad
17	Flat wedge gate valve, PN: 10, DN: 200, with yoke and hand wheel made of meahanite cast iron GG25	10	HAW Harzer
18	Ball valve, DN: 50, PN: 25, with ball made of stainless steel 1.4436 and body of GG25 used for Cl2 dry	10	Arf. Armaturen
19	Ball valve, DN: 32, PN: 25, with ball made of stainless steel 1.4436 and body of GG25 used for Cl2 dry	15	Arf. Armaturen
20	Ball valve, DN: 25, PN: 25, used for Cl2 dry	25	Arf. Armaturen
21	Ball valve with steam jacket used for liquid sulfur at 150-156 C, made of cast iron, PN: 10-16, DN: 65/40 mm, Body: 6 G25	2	Rheinhutte
22	Ball valve with steam jacket used for liquid sulfur at 150-156 C, made of cast iron, PN: 10-16, DN: 50/40 mm, Body: 6 G25	2	Rheinhutte

Al Furat Chemical Plant Assessment 3

Date: 17 June 2003

Elections:

The results of the election at the Al Furat State Company for Chemical Industries, located in the city of Sadat Al Hindi at Grid 38SMB 32502400, have been approved by the Ministry of Industry, in Baghdad. The names and titles of the winning parties are given in Table 1. Note that these results vary slightly from those given in the second assessment of the plant.

Table 1: Election Results

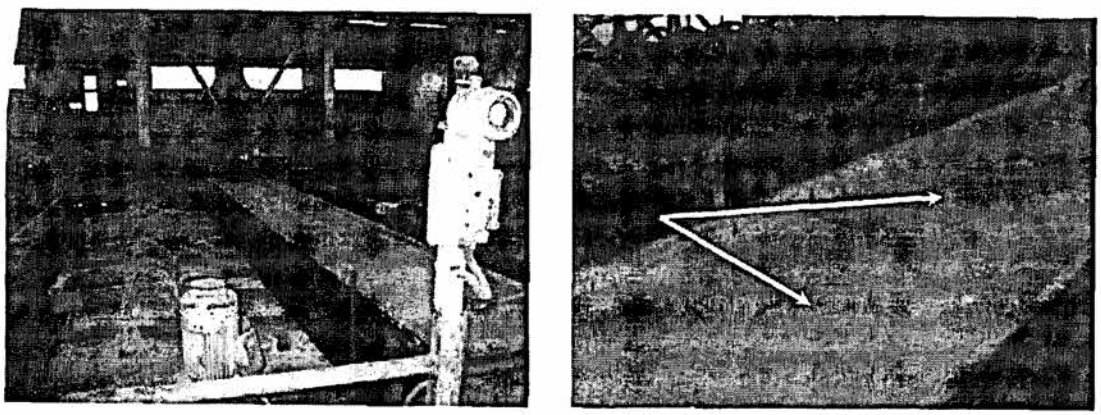
Name	Title
Jabbar Madhloum Lool	Technical Manager
Falih Abid Al-Hussain	Financial Manager
Ridha Kalaf Sirheed	Administration Manager
Majeed Muhsin Kadhim	Relations (Public) Manager
Muhammud Kalim	Starch Plant Manager
Abdul Ameer Ali	Attorney
Ali Jasim	Research and Development Manager
Sabah Rashid	Chemical Factory Manager
Muhyee Al-Deen	ISO – Department

Chemical Production:

Chemical production continues on a limited basis. Caustic Soda (NaOH), Hydrochloric Acid (HCl) and Sodium Hypochlorite (NaOCl) are currently being produced. The storage of these chemicals has become a problem. Sales are lower than before the war, because of imported and existing supplies. Bechtel has imported enough chemicals to support electrical power generation at the Mussayib Thermal Station to last through 31 July 2003, and cities have enough stocks of Chlorine, purchased before the war, to last roughly one more month. These supplies are expected to expire nearly simultaneously. The Al Furat Company does not have enough onsite storage capacity to begin stockpiling excess production of either Hydrochloric Acid or Sodium Hypochlorite. Therefore, production of these two chemicals must be shut down once existing tanks are filled to capacity. The company has enough storage capacity (one 80 Ton tank per chemical) to operate for roughly five days. Production cannot be restarted until the existing supply is sold. Once the power plants and water treatment facilities consume their existing supplies, they will look to the Al Furat Company to purchase more. The company will be unable to support the power plants and water treatment facilities, if supplies simultaneously expire across the region. It is recommended that the water treatment facilities begin to purchase the necessary chemicals immediately, so that there is not another Chlorine crisis. These chemicals support water treatment facilities, refineries and electrical power production facilities across the country from as far north as Beiji down to Basrah.

Foreseeable Problems:

Figure 1: One covered and uncovered chemical production vat at the Al Furat Company (Left). Sections of rubber lining material as large as 12 inches in diameter have broken away from the walls of the pipes and vats (Right).



The Al Furat Company is desperately in need of replacement materials. The pipes and chemical production vats must be lined with rubber in order to protect against leaks and prevent the corrosion of metal. This rubber will become brittle and crack over a period of time. This can be seen in figure 1. Note how the rubber lining is severely damaged. Sections measuring over 12 inches in diameter are completely missing. This has led to significant leaks at the facility. Civil Affairs assets conducting this assessment were unable to stand downwind of the facility for more than a few minutes. Workers could only enter the facility long enough to switch equipment on or off. This is due to the overwhelming amount of chlorine gas being released into the atmosphere. Symptoms included a burning sensation in the lungs, nausea and headaches. The plant has requested financial and logistical assistance, so that the pipes and chemical vats can be relined. Engineers at the plant provided a list of material needed to re-line the pipes and vats with rubber. This list is given in table 2. A quote for these materials was provided by SGL Carbon, and is attached to this document. Paul Horbaly is the representative who assembled the quote. He can be reached at (b)(6) (b)(6) Note that this issue presents a large health risk to employees and local residents. It is imperative that the plant be repaired as soon as possible.

Table 2: Materials needed to re-line Pipes and Vats			
Item	*Description*	*Quantity*	*Units*
1	Vulcoferran 2190, 5 mm	2	Ton
2	Vulcoferran 2190, 3 mm	1.5	Ton
3	Vulcoferran 2194, 5 mm	150	Kilogram
4	Vulcoferran 2194, 3 mm	150	Kilogram
5	Hawforan R 11/16 (A)	120	Kilogram
6	Hawforan R 11/16 (B)	90	Kilogram

Additional Comments:

The Al Furat Company's ability to conduct business and repairs is severely limited, because the company is unable to access money held in its' bank account. Management has requested that they be given access to the account. The account is held at the Al Rashid Bank, Branch # 114, in Al Mussayib. Civil Affairs assets attached to 3rd Battalion 7th Marines are currently addressing this issue.

Al Furat Chemical Plant Assessment 4

Date: 26 June 2003

Employment:

The Al Furat State Company for Chemical Industries employees a total of 1,702 people between four plants. The number of workers and the location of each plant are given in Table 1. Note that the Starch plant, in Hashimya, has not been assessed by 3rd Battalion 7th Marine Civil Affairs assets, because the plant is located deep inside of the 1st Battalion 4th Marine Battle Space. Roughly 800 workers reside at the Sadat Al Hindi facility. The remaining employees reside in villages surrounding each of the factories.

Table 1: Employees working at each plant owned by the Al Furat Company.

Plant	No. of Employees	Location
Chemical Production	707	Sadat Al Hindi (Grid 38SMB 3250 2400)
Sack Production	667	Sadat Al Hindi (Grid 38SMB 3250 2400)
General Management	121	Sadat Al Hindi (Grid 38SMB 3250 2400)
Starch	207	Hashimya (Grid: Unk.)

Financial Concerns:

The Al Furat Company is a government-owned company. Management states that salaries have been paid to the employees; however, the bank account used to pay operating costs for the company remains closed. Management has requested that they be given access to the account, so that production at the facility can continue. The company's bank account is held at the Al Rashid bank in Al Mussayib. This bank, along with the company, is located in the 1st Battalion 4th Marine battle space; therefore, the matter of re-opening the company's bank account has been raised with the GST attached to 1/4 for resolution.

Safety Concerns:

Safety standards are very low at the Al Furat Chemical Production Plant. Management states that due to the sanctions, most of the equipment and materials necessary to upgrade the facility and protect the workers are not available. Management was unable to provide any information regarding safety procedures. They stated that they are non-existent. The amount of safety equipment provided to the workers is very limited. This equipment includes rubber gloves, rubber boots/shoes, goggles, helmets, chemical resistant (anti-acid) suits, and gas masks. They are all in short supply. The gloves, boots/shoes and chemical resistant suits that are produced locally are of low quality. The masks are not suitable to the working environment of the plant. Employees use the same masks used by the military in the event of a chemical attack. These masks are all that is available; however, they are not designed to filter corrosive gases such as chlorine. The typical lifetime of the filters is 2-3 months under normal conditions. Leaks in the production

equipment have reduced the filter lifetime to 1-10 days. Note that self-contained breathing apparatuses are unavailable.

Table 2: Employee Protective Equipment requested by the Al Furat Company (1 Year Supply)		
Protective Gear	**Quantity**	**Comments**
Gloves, Rubber	300	
Boots/Shoes, Rubber	600	10% women's sizes
Goggles	300	
Helmets	300	
Chemical-resistant Suits (anti-acid)	600	
Chlorine Masks	600	600 Iraqi military chemical mask filters will work as a short-term solution.

Sulfur Dioxide (SO_2) and Chlorine (Cl_2) are the two primary toxic gases released by the facility. The chemical processes by which these toxic gases are released are given in Table 3. Chlorine gas releases are due to exhaust ventilation and leaks within the production facility. The Sulfuric Acid production facility is the only closed production system. The SO_2 is vented through a chimney. The rate of release is approximately 5000 m^3/hour with 0.1-0.3% SO_2. There are no exhaust fans, air scrubbers, or alarms/detectors in any of the production facilities. These will need to be added in the future.

Table 3: Chemical Reactions resulting Toxic Releases of Chlorine and Sulfur Dioxide.	
Toxic Gas	**Chemical Process**
Chlorine (Cl_2)	1) Sodium Hypochlorite Production $Cl_2 + NaOH \longrightarrow NaOCl$ 2) Hydrochloric Acid Production $Cl_2 + H_2 \longrightarrow HCl$

Sulfur Dioxide (SO_2)	1) Sulfuric Acid Production $S + O_2(Air) \xrightarrow{Furnace} SO_2,$ $SO_2 + O_2 \xrightarrow{V_2O_5} SO_3,$ $SO_3 \xrightarrow{H_2SO_4(Diluted)} H_2SO_4(Concentrated)$ 2) Sodium Bisulfite Production $S + O_2(Air) \xrightarrow{Furnace} SO_2,$ $SO_2 + NaOH \longrightarrow Na_2SO_3$

Water treatment at the chemical production facility is also of great concern. The onsite water treatment plant processes the drinking water consumed by nearly 3,000 residents in the vicinity of the facility. The most recent analysis of wastewater and the Iraqi specifications for treated wastewater are attached to the end of this document. Note that there is an extremely high presence of heavy metals within the water. The long-term health risks due to the water and toxic gases will need to be examined in greater detail.

Technical specifications for
WASTE WATER TREATMENT PLANT
For chemical plants

You are kindly requested to send us your offer for design, supply all equipments and utilities, startup operations and training according to the following:

1) Supplier should make detailed design for wastewater treatment plant that ensure that the treated water reuse for both human and industrial purposes i.e. to meet the standard specifications that mentioned in table (1).

2) The total effluent of industrial wastewater is 300 m^3/hr and its properties are as shown in table (2).

3) The general layout for drainage is shown in the attached figure.

4) The supplier should make the required analysis for each wastewater stream and the soil of the location.

5) The specifications mentioned in tables (2 & 3) are what we have under hand and we mentioned it as a guide. The final results will be according to the supplier analysis which will carried up locally by his good staff.

6) The designer should avoid any, air, soil, water or ground water contamination as a result of the design treatment.

7) Supply all the equipment's, devices, tanks, pipes with all required fittings, valves, electrical and mechanical instruments, all measuring devices and all other accessories that required for the successful operation of the plant.

8) If the designer use any pump, another one should be added as a standby pump to insure continuous operation for the unit.

9) All equipment offered should be of modern type with model not more than two years ago and from western origin and certificate with the (ISO).

10) Supply spare parts and all necessary chemicals for two years.

11) Installation, start up operation and supervision.

12) Locally training the operators and technical staff for three months.

13) Training of three engineers from our company in the supplier plants for one month.

14) The guarantee period for safe and successful operation for the plant and for all parts and equipments should be two years.

15) Supply five sets of complete technical documentations with service and operation manuals for the whole unit and for each equipment in English language.

16) Supply recommended laboratory instruments, devices and all accessories that require for water tests.

17) Civil engineering works will be done by our company, you are kindly requested to give as the layout of the equipment and the total layout of the factory including the dimensions of buildings and any other civil utilities.

18) Electrical and mechanical supplies for each item and total connection load.

19) The plant operating system should be fully computerized.

20) **Any technical offer that do not include one of the following items will be ignored:**

A detail description for all items of the proposed treatment process.
A flow diagram shows all items of the proposed treatment process.
A table include the type, specifications, year of manufacturing, origin for all Supply equipment's, devices, tanks, pipes with all required fittings, valves, electrical and mechanical instruments, all measuring devices and all other accessories, laboratory instruments and spare parts.

21) Please be inform that our company production are:

a) Sulfuric acid (conc. 36%-98%).
b) Caustic soda (conc. 37%) using mercury cell method.
c) Hydrochloric acid (conc. 30%-33%)
d) Liquid chlorine.
e) Sodium hypo chloride.
f) Ferric chloride

Note:
You are kindly requests to inform us about your achievements in this field.
The treatment plant should contain a grease and oil-removing unit.

Table (1). The standard Iraqi specifications for Treated wastewater

Specifications	Maximum Value in PPM
T.S.S.	Nil
COD	Nil
BOD	Less than 3
Cn^{-1}	0.02
F^{-1}	0.2
Residual Cl_2	0.5
Cl-1	150
Phenol	0.002
SO_4^{-2}	200
NO_3^{-2}	15
PO_4^{-2}	0.4
NH_4^{+}	1.0
Zn^{+2}	0.5
Cu^{+2}	0.05
Pb^{+2}	0.01
Cr^{+2}	0.05
SiO_2	Less than 20
Cd^{+2}	0.003
Ni^{+}	0.02
Hg^{+2}	0.001
As^{+2}	0.05
Se^{+2}	0.01
Co^{+2}	0.05
Fe^{+2}, Fe^{+3}	0.3
Mn^{+2}	0.1
Hydrocarbons	Nil
Ba^{+2}	0.7
Al^{+3}	0.1

Turbidity	Nil
Total hardness	Less than 70 (4 dGH)
Appearance	Clear, colorless, no odor
pH	7-8

Table (2). Properties of the industrial wastewater did by AL-Furat Laboratory.

Specifications	Value in PPM	
	Maximum	Minimum
T.D.S.	30000	1000
T.S.S	15000	65
COD	300	30
BOD_5	150	20
SO_4^{-2}	10000	200
Cl^{-1}	20000	200
Ph	13	1
Fe^{+2}, Fe^{+3}	2	0.3
Pb^{+2}	0.8	0
Hg^{+2}	1	0.001

Table (3): -analysis of wastewater from different streams did by Baghdad university staff.

Specifications	Brine Unit	Electrical Analysis	HCl Unit	$FeCl_3$ Unit	H_2SO_4 Plant
PH	7.13	11	1.48	4.3	6
Acidity as $CaCO_3$ PPM	120	70	750	620	230
Alkalinity as $CaCO_3$ PPM	200	600	-	30	110
Turbidity **NTU**	800	220	110	300	200
Chlorides (Cl^{-1}) **PPM**	20800	7900	3860	650	300
Sulfates (SO_4^{-2}) PPM	8850	2050	1300	280	700
Suspended Solid PPM	18000	8500	7150	800	500
Total Dissolved Solid PPM	45000	19000	8300	5900	2000
Mercury (Hg^{+2}) **PPM**	Nil	0.003	Nil	Nil	Nil
Lead (Pb^{+2}) PPM	Nil	0.08	0.04	Nil	Nil
BOD PPM	12	-	10	-	20
COD PPM	15	-	12	-	50
Flow rate m^3/hr	60	15	100	10	65
Temperature c^0	34	28	37	33	42

Note: -there is an additional 50 m^3/hr for dilution

Cement Plant of Southern Karbala Initial Startup Assessment

Date: 16 June 2003

Background:

The following information was collected after conducting two assessments of the Cement Plant of Southern Karbala on 11 and 15 June 2003. The purpose of these assessments was to determine the feasibility of balancing the electrical load provided to the city of Karbala so that production at the cement factory can be restarted. The majority of the information was provided by the Minister of Business, Industry and Electricity, Mr. Abu Dabbah, the manager of the Cement Plant of Southern Karbala, Dr. Farouq, and various engineers at the site.

Assessment:

The Cement Plant of Southern Karbala is a subsidiary of the General Company of Southern Cement. It employs approximately 950 permanent employees and an additional 468 temporary workers. The plant is located roughly 80 km west of the city of Karbala at Grid 38 SLA 4207 7978. This location was chosen due to its' proximity to two large sand and limestone quarries. The PolySuis Corporation, of Germany, constructed the plant in 1986 (now a subsidiary of Thyssenkrupp). It was designed to be one of the largest producers of Sulphate Resistant Cement (SCR) in the Middle East. This type of cement is used in the construction of foundations for buildings and bridges, because it does not corrode. PolySuis stated that it was designed to produce approximately two million tons of cement per year. However, due to flaws in the initial design, the plant has never been able to achieve its' full capacity. In 1991, the cement factory was heavily bombed, and much of the existing equipment such as the control room was burned. The average production rate since the end of the Gulf War is approximately 55,000 tons per month, or 660,000 tons per annum. Note that the plant manager states the output of the plant continues to grow as more repairs from the damage caused by the Gulf War are completed. With the proper repairs, production can be expected to exceed 100,000 tons per month. This document discusses the basic operation, operational needs, and the plan to restart the plant.

Basic Operation:

The cement plant consists of five sections; 1) Crusher, 2) Raw Mill, 3) Kiln, 4) Cement Mill, and 5) the Packing section. The basic function of each of these sections is given below. The operational flow can be seen in figure 1.

1) Crusher – The Crusher is used to break-up the limestone and other raw materials necessary to producing cement.

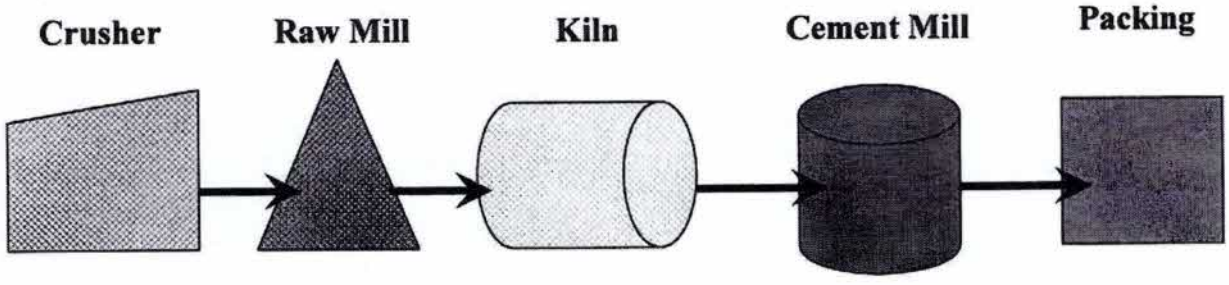
2) Raw Mill – Alumina, silica, lime and iron are ground together and mixed with air to produce a homogeneous raw mixture before entering the Kiln.

3) Kiln – Heats and spins the raw mixture so that the basic chemical reactions necessary to forming clinker can occur.

4) Cement Mill – The clinker from the Kiln is mixed with gypsum and ground together to form the fine powder known as cement.

5) Packing – The packing plant is used to prepare the cement for distribution. The plant is capable of packing the cement into bags or trucks.

Figure 1: Block Diagram of the Basic Operational Flow of the Cement Plant.



Operational Needs:

The cement plant requires a significant amount of raw material, equipment, financial support, and electrical power in order to conduct operations. These items are discussed below.

1. *Raw Materials* - Table 1 displays a list of the raw materials consumed by the cement plant over one month during normal operation. Normal operation is defined as both production lines operating with a total average production rate of 50,000 tons per month. Due to the current situation in Iraq, it may be difficult to quickly re-establish the supply chain. The management of the factory is currently determining if the Iron Ore, Gypsum and Fuel Oil are available. The dynamite, necessary to mining the Limestone, is expected to be the most difficult item to acquire, due to the current security situation within the country.

Table 1: Materials

Item	*Material*	*Quantity*	*Units*	*Supplier*
1	Limestone	71012	Ton	Cement Factory Quarry # 1, available on site.
2	Faj Clay	21850	Ton	Cement Factory Quarry # 2, available on site.
3	Zarga Clay	10925	Ton	Cement Factory Quarry # 3, available on site.
4	Iron Ore	5750	Ton	Basrah, Government Provision
5	Iron Ore	5462	Ton	Husseinyah, Government Provision
6	Gypsum	2000	Ton	Heet, Government Quarry
7	Fuel Oil (Heavy Oil)	3500	m^3	Dora Refinery
8	Dynamite (for Limestone)	16	Ton	Government, no longer available

2. *Equipment* – Table 2 displays a list of the equipment necessary for transporting workers and raw materials. This equipment is typically rented. No problems with locating any of this equipment have been identified as of this date.

Table 2: **Transporting Clay and Rock to the Factory from the Quarry**

Item	*Equipment*	*Quantity*
1	Shovels (Excavators)	15
2	Lorries (Flatbed Trucks)	30
3	Dump Truck (50 ton)	15
4	Bulldozer	2
5	Driller (Hole Driller)	4
6	Grater	2
7	Forklift (5 ton)	2
8	Crusher Crane	4
9	Bus (44 passenger)	20
10	Service vehicles (cars)	8

3. *Financial Considerations* – The monthly cost of conducting operations at the cement plant is roughly 400,000 USD. This money covers the salaries of employees, purchase of raw materials and utilities (such as water and electricity), and the expense of renting equipment. This cost is typically covered by profits earned from the sale of cement. However, due to the 2003 war, this money is no longer available. Additionally, the plant has not operated since 17 March 2003. Therefore, employees will need to be paid, and equipment will need to be repaired before operations can begin again. This is expected to add an additional 200,000 USD to the start-up costs. The total initial cost will be 600,000 USD.

Electrical Power – The Cement Plant of Southern Karbala requires 18 MW of power in order to operate a single production line, and 32 MW for two lines. However, the entire Karbala Governate is currently allotted only 60 MW. Therefore, restarting the factory requires a significant tradeoff of electrical power. The electrical power constraints placed on the Karbala Governate are the primary difficulty to consider when restarting production at the cement factory. During June, July and August additional power is needed to cool homes and offices, because temperatures in Karbala can exceed 120 degrees Fahrenheit. In addition to the normal electrical demand during the summer months, there is an increased demand from the steadily rising numbers of tourists and pilgrims. This is due to the importance of the city in the Moslem world. The previous regime forbid Shiites from making pilgrimages to Karbala for over thirty-five years. Since coalition forces entered the city, consumption of public services such as water and electricity have been found to significantly grow three days out of the week. If too much power is taken away from the city, a negative reaction from the local population may occur.

4. *Additional Technical Difficulties* – The plant was shut down when the electrical power lines from the Mussayib Thermal Station were cut on 17 March 2003. Management at the cement plant had expected this to happen; therefore, workers were immediately dispatched to clean out the machinery. The Crusher, Raw Mill and Kiln have all been cleared of material. However, the Cement Mill contains roughly 16,000 tons of clinker, which will need to be processed immediately after the plant is restarted. Management estimates that it will take roughly six to eight days to conduct repairs and test the machinery before production can begin.

Restarting the Cement Plant:

The restart of the cement plant is complex, and will require that several difficulties be overcome. These difficulties include financial considerations, technical difficulties with the equipment, and a complex scheme for balancing the electrical power, so that the burden to the citizens of Karbala is not too great. The following steps recognize each of these problems, and provide a resolution that balances the needs of people with what the infrastructure can support.

1. *The financial needs of the cement plant should be resolved before any operations can begin.*

2. *The supply chain for the raw materials must be established.* Management at the cement plant is currently determining if supply lines for the iron ore, gypsum, and fuel oil are currently available. Explosives needed to mine the limestone will need to be approved by coalition forces, due to the current state of the country.

3. *Electrical power must be diverted to the plant.* The availability of the electrical power needed to operate the plant is the largest concern. Therefore, a plan, which considers the needs of the local population and the overall Iraqi infrastructure, was developed.

    a. The plant will be allotted enough power to operate one full line, 18 MW, between the hours of 0200 and 1400 local. A study of the daily power consumption of the Karbala Governate shows that between these hours, the amount of power consumed by the city is lower than at any other time of the day. Therefore, the effects of reducing the electrical power to the city are expected to be less noticeable if the people are not using the power anyway.

    b. 7 MW will be provided to the plant twenty-four hours per day. The Kiln must be kept at a constant temperature. It takes several days for this temperature to be achieved; therefore, it is critical that once the Kiln is started that it remain in operation.

4. Full production can begin once more power is dedicated to the city.

Overall Economic Impact:

SRC is the only type of cement that can be used in the foundations of buildings, bridges, and many of the other construction projects necessary to rebuilding Iraq. The primary producer of this cement is the Cement Plant of Southern Karbala. This plant supports nearly 1,500 families between An Najaf and Karbala. Cement produced at the plant is sold across the Iraq. Supplies of this cement are now critically low.

Two problems stand in the way of restarting the plant. A total of 600,000 USD is needed for unpaid salaries, conducting repairs, and purchasing of raw materials. Additionally, more electrical power must be provided to maintain production at the plant. Civil Affairs assets in Karbala are currently planning to start production at the plant on a limited basis in order to demonstrate the ability to produce cement. However, if more electrical power is not provided to the Governate, the plant will be unable to maintain operations for more than a month. The total additional power needed by the Governate is 18-20 MW. This will bring the total power consumed within the Governate back up to 80 MW.

Local Companies contributing MIC with shares

Company	Location	Activity	MIC Shares
1. Sanhareeb	Baghdad	Contracting / Technology → civil	24%
2. AlBuraq	Baghdad	Design & Consultant	24%
3. Dar Alsalam	Baghdad	Machine maintenance	24%
4. AlQudra	Baghdad	Air conditioning services Power	15%
5. Asad Babil (open bank act.)	Baghdad	Computers / IT	24%
6. ~~Asia~~ Asya	Baghdad	Thermal units Factory - refractory materials - mortars cast RtD - JV	24%
7. AlRaya	Baghdad	Constructions	24%
8. Uur	Baghdad	Moulds	24%
9. AlRafidain	Baghdad	Lifts maintenance	24%
10. AlZawra	Baghdad	Printing machines services	Σ24% = 6% + 6% MoCulture + 6% MIM + 6% Informatics
11. AlWadhah	Mousil	Heaters production	24%
12. AlSahaab	Baghdad	Spray irrigation	24%

بسم الله الرحمن الرحيم

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For Piling & Foundations Limited

شركة الراية
للركائز والأسس المحدودة

Ref.: العـــدد :

Date: التاريخ :

To: Special Sector Development Directorate Esq.
إلى: دائرة تطوير القطاع الخاص المحترمون

Sub.: Al-Raya Co. for Piling & Foundations Limited

Dear Sirs,

Reference to the meeting held on Sunday 4th January 2004; we present the following information concerning our company: -

1. Name & address of company:

Al-Raya Company for pilling & foundations limited
Hay Al-Karada, Area 903,
Street 18, Building 3, Flat 3/16.
Tel.: 7174522, 7175609
Mobile: 7189434
E-mail: rayapile @warkaa.net

2. Names of three of the leading company participants:

Deputy Manager: Majid Mahmood Al-Emam – B.Sc. Civil Eng. – Univ. of Baghdad 1968.

Assistant Manager: Ali Abdulhalim Abdulrahman – B.Sc. Civil Eng. – Univ. of Basrah 1970.

Member of Consulting Committee:
Dr. Kais Taha Shlash – Ph.D. Civil Eng. – Univ. of Sheffield, U.K. 1979 - Prof. Soil Mech. & Foundation Engineering - Univ. of Technology – Baghdad.

3. Company specialization & Activities:

Fields of specialization:

a. Casting, supplying, and driving pre-cast concrete piles (30-40 Tons capacity).

b. Driving Franki and Vibro cast in-situ piles (50-70 Tons capacity).
c. Executing bored piles (70-150 Tons capacity).
d. Executing Sheet pile walls and other steel pile systems (Tubular &H sections).
e. Constructing shallow foundations, other types of deep foundations, and their related complementary works.
f. Analyzing, designing, and checking shallow and deep foundation systems.
g. Carrying out pile loading tests and evaluation of test results.
h. Carrying out soil injections programs.
i. Designing & constructing Bridges.

Activities:

Our Company was involved before the war in executing the pile foundation of water reservoir R14 (Russafa water tanks in Baghdad). The quantity is 50000 L.M. and the contract value is I.D. 1,875,000,000 . The percent of completion of contract was 43% for the period extending between 20/10/2002 and the start of war on 19/3/2003.

After war operations have ended, the company presented many tenders concerning pile execution works and bridges construction, but couldn't succeed in signing any contract.

4. List of company Participants:

Name	Occupation	Share
1. Military producing committee	Governmental Committee	24000000
2. Kais Taha Ismael Shlash	Univ. Profeessor	7500000
3. Mazin Falef Abdulfattah Al-Kassab	Civil Eng.	=
4. Magid Mahmood Abdullatif Al-Emam	=	=
5. Faraj Latif Mohammed Al-Lamy	=	=
6. Hussain Ali Yakob Al-Habbobi	=	=
7. Saad Mohammed Hussain Sabea Al-Temimi	=	=
8. Nabeh Ismael Farhan Al-Rawi	=	=
9. Ali Abdulhalim Abdulrahman Al-Zubaidi	=	=
10. Hebba Abdulaemma Hasson Al-Majid	student	1000000
11. Shaimaa Alladin Hasson Al-Samarae	housekeeper	=
12. Shonzaleza Salim Sahi Al-Khafaji	=	=
13. Suha Ali Hussain Ubaida	=	=

14. Ahmed Reyadh Fathil Al-Temimi	student	=
15. Buthaina Jasim Salman Al-Sarai	housekeeper	=
16. Sattar Jabbar Muharib Al-Jobori	student	=
17. Rayda Majid Ibrahim Al-Temimi	housekeeper	=
18. Ghaith Theaa Alwan Al-Janabi	student	=
19. Hydar Harith Amer Al-Dulaimi	=	=
20. Taghred Mahmood Shokri Al-Taee	doctor	=
21. Sahar Dagher Mohammed Al-Kinani	student	=
22. Ahmed Nori Ali Al-Jumaily	=	=
23. Wafaa Mekhlif Hardan Al-Fahdawi	housekeeper	=
24. Suhad Kadhim Mohammed Al-Kubaisi	=	=
25. Maysaa Talib Salman Al-Kharsani	=	=

5. Company incomes for the period extends between 1/7/2003 and 31/12/2003:

The company didn't get any incomes because no contracts are signed during this period. Some limited incomes are obtained due to bank account profits and renting precast pile molds to others.

6. Company financial rights:

Table 1. Due payments for the company to be paid by the Military Producing Committee

Item	Details	I.D.
1	Contract no. 5027 dated 26/12/2002 piles of R14 reservoir at Al-Habebea	367,404,525
2	Contract 313 dated 30/7/2003	6,400,000
3	Fixing pile reinforcement cages	11,441,250
4	Insurance payment for contract 2550 dated 2/7/2002	1,249,500
5	Insurance payment for contract 4844 dated 16/12/2002	480,000
6	Refund of consultancy payments	1,666,667
	Sum	388,641,942

Only three hundreds and eighty eight millions and six hundreds and forty one thousands and nine hundreds and forty two Iraqi Dinars

7. Company loans:

Table2. Due payments for others to be paid by the company

Item	Details	I.D.
1	Alsaba' co. for concrete piles (up to 18/3/2003	115,000,000
2	Al-Janob co. for driving concrete piles limited (up to 18/3/2003)	65,000,000
	Sum	180,000,000

Only one hundred and eighty millions Iraqi Dinars

8. Company employees at present:

Five persons including Deputy Manager and his assistant, keeping in mind that number of employees depends upon the number of contracts assigned to the company at a particular time.

9. The present situation of the company:

The company was founded on 4/5/2002 and it includes selective civil engineers and contractors who have very good technical, engineering, and managing experiences.

The company was supported by Al-Fao Engineering Company as they helped our company to overcome some limitations, which are to be applied upon other companies when presenting tenders, such as:-

a. **Classification rank of the company issued by Ministry of Planning, keeping in mind that our company classification according to those rules is the fifth rank.**
b. **Bank Guarantees, to assure capability of the company to complete work, were very difficult for our company to present because the company doesn't have fixed capitals such as sites factories etc.**
c. **The company tried to assemble piling rigs from locally available cranes, leaders, and hammers, and casting pre-cast piles forms as a beginning of establishing fixed capital for the company which essential for banks to provide the Bank Guarantees.**

10. Conclusions and suggestions:

Due to the new circumstances and the possibility of loosing the support of governmental firms and participant subcontractors, and because of the delays in solving the problem of the due payments for the company and those to be paid by the company to others; the position of the company has become very critical. To overcome all this; we suggest: -

a. In order not to stop company activities, we hope that your directorate will help our company to get its rights (mentioned in Table 1) to be able to pay back the due payments to other contractors (mentioned in Table 2). This can be done through Ministry of Housing & Construction.

b. To insure that the company will continue functioning successfully and in order not to lose the willingness of the skilled experienced company participants to proceed, we hope that your directorate will provide some support to our company, such as to hire piling rigs and equipments imported lately by some governmental firms to our company on annual rent bases or any other agreed conditions.

c. To encourage company participants to increase their shares and accordingly to increase their profits, we hope that the share of the "military producing committee" (24%) is to be sold to other participants according to the regulations stated by "The Iraqi Law of Companies".

Eng. Majid Mahmood Al-Emam
Deputy Manager

C.C.



شركة الرافدين العراقية
لخدمات المصاعد الكهربائية المحدودة
BR
IRAQI RAFIDAIN CO.
ELECTRIC ELEVATORS SERVICES L.T.D.

IRAQI RAFIDAIN Co.
FOR ELECTRIC ELEVATORS
AND STEEL STRUCTURE
Ltd.

شركة الرافدين العراقية
للمصاعد الكهربائية
والهياكل الحديدية
المحدودة

No. 204/04 العـدد:-
Date : 7 / 1 / 2004 التاريخ:-

Attention: Privet Sector Development
Subject: Information

Dear sir .....

Referring to our meeting on Sunday 4th jan004 .
Following the information requested according agreed on sequence .

1. **Account details**

Capital : ..... 100 M ID

Bank name : ..... BANK OF BAGHDAD PRIVATE S.A. Co.

Branch : ..... MAIN BRANCH

Account Number : 8606

Note : the account is active

بغداد - الاعظمية- شارع المغرب- محلة ٣٠٤ ش١٤ مبنى ٢٣ _ هاتف ٤٢٢٧٦٣٢_ فاكس ٤٢٥٠٥٢٦_ ص.ب (١٩٥٦٧) الضباط
E-MAIL:- iqrafelev@hotmail.com BAGHDAD-AL-AATHAMAI MAGREB ST. 304/14/23 PHONE 4227632

IRAQI RAFIDAIN Co.
FOR ELECTRIC ELEVATORS
AND STEEL STRUCTURE
Ltd.

شركة الرافدين العراقية
للمصاعد الكهربائية
والهياكل الحديدية
المحدودة

No. العـدد:-
Date : / /2003 التاريخ:-

2. **Company Name & Address**

Name : ..... IRAQI RAFIDAIN Co.
FOR
ELECTRIC ELEVATORS SERVICES

Address : ... BAGHDAD AL-AATHAMAI MAGREB ST. SEC 304/
ROAD 14/ NO 23
E-MAIL:- igrafelev@hotmail.com
PHONE 4227632
P. O. BOX 19567 AL- THEBAT

3. **Details of employees**

No	Name	Telephone	Address
1	LUAY ABED AL-SATTAR	8822355	Ishtar482003@yahoo.com
2	SUHAIB KALIL ALI	4229466	Al-aathemai sec316/st7l/no.2
3	AYAD MUKTAR AL- BAYATE	4440410	

4. **Company activities :**

Dear Sir.....,

We have the honor to introduce our company in the field of electric elevators and steel structure engineering.

IRAQI RAFIDAIN Co.
FOR ELECTRIC ELEVATORS
AND STEEL STRUCTURE
Ltd.

شركة الرافدين العراقية
للمصاعد الكهربائية
والهياكل الحديدية
المحدودة

No. العـدد:-
Date : / /2004 التاريخ:-

Our company issued in 2003 according to article 19 of Iraqi companies law no. 21 issued 1997 under license no. 9771 in 10th Feb. 003 , under he name of :

IRAQI RAFIDAIN Co
FOR
ELECTRIC ELEVATORS AND SERVICES Ltd.

We are involved in supplying erection and after sale services of both personal and goods elevators , steel structure and L.T. Distribution boards

5. **Present situation :**

- **Following up the delivered proposals in order to reach a point of signing a contract with the customers .**
  Registering of the company name for future cooperation .
- **Number of employees due to the present situation , the number of employees in the company are only three in the present time .**
- **Share holders of the company :**

  24 % for MIC
  76 % for the privet sector (in 16 person names) .

WITH BEST REGARDS .....

Authorized
manger
Chief engineer
L. A. AMIN

بغداد - الاعظمية- شارع المغرب- محلة ٣٠٤ ش١٤ مبنى ٢٣ _ هاتف ٤٢٢٧٦٣٢_ فاكس ٤٢٥٠٥٢٦_ ص.ب (١٩٥٦٧) الضباط
E-MAIL:- igrafelev@hotmail.com BAGHDAD-AL-AATHAMAI MAGREB ST. 304/14/23 PHONE 4227632

IRAQI RAFIDAIN ELEVATORS Co. Ltd.

For

ELECTRIC ELEVATOR SERVICES



IRAQI RAFIDAIN CO.



IRAQI RAFIDAIN CO.
FOR ELECTRIC ELEVATORS SERVICES LTD

How ??????????????

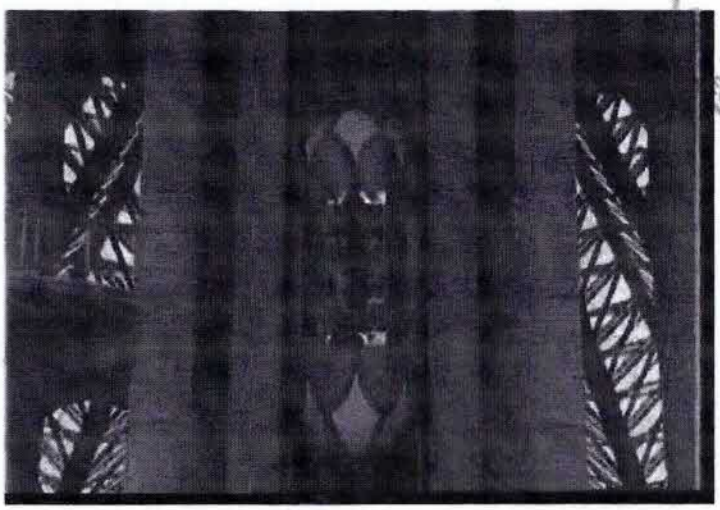
IRAQI RAFIDAIN ELEVATORS Co. Ltd. For ELECTRIC ELEVATOR SERVICES

Born .....

The necessity of gathering the long deep experience in the Iraqi economic elevator sector and to add the touch of long MESOPOTAMIA history to this sector aimed for

IRAQI RAFIDAIN ELEVATORS Co. Ltd.
FOR
ELECTRIC ELEVATOR SERVICES

to raise .



Why .....

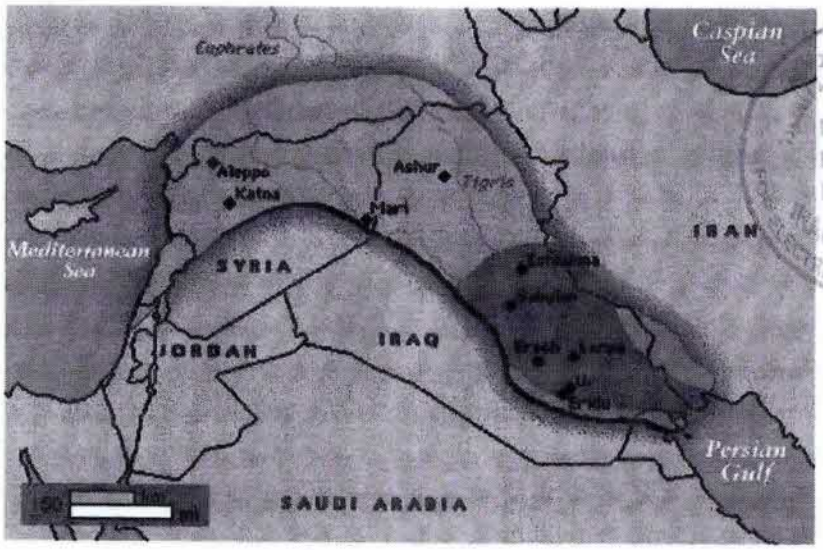
IRAQI RAFIDAIN ELEVATORS Co. Ltd. For ELECTRIC ELEVATOR SERVICES

Born ??????????????

It was approved through the history of the advance nations, the importance of specialty to follow the latest industrial technology .For that reasons

IRAQI RAFIDAIN ELEVATORS Co. Ltd. For ELECTRIC ELEVATOR SERVICES

was born .



IRAQI RAFIDAIN C/O
ELECTRIC ELEVATORS SERVICES Ltd.

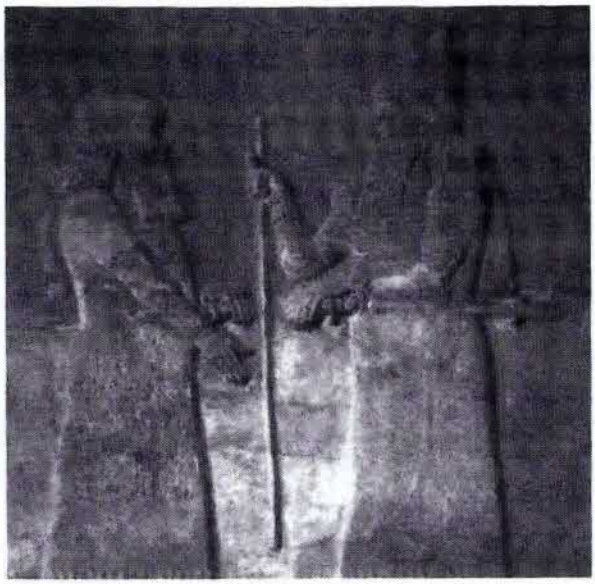
What is the ??????????

IRAQI RAFIDAIN ELEVATORS Co. Ltd. For ELECTRIC ELEVATOR SERVICES

Target .....

An ambitious target to be an integral , indispensable , part of the Iraqi construction of industry is our aiming goal .

IRAQI RAFIDAIN ELEVATORS Co. Ltd.
FOR
ELECTRIC ELEVATOR SERVICES



What ??????????????

IRAQI RAFIDAIN ELEVATORS Co. Ltd. For ELECTRIC ELEVATOR SERVICES

Offers .....

We offer our client a wide range of classic panoramic and traditional designed and manufactured elevators for:

- Resident apartments
- Office buildings
- Hospitals
- Scholl's
- Air ports

With dependable 24 hrs after sales services by experienced professionals we support our aiming field .



unbeatable with MESOPOTAMIA touch feature . in appearance , performance , safety , reliability and after sale service .
This is

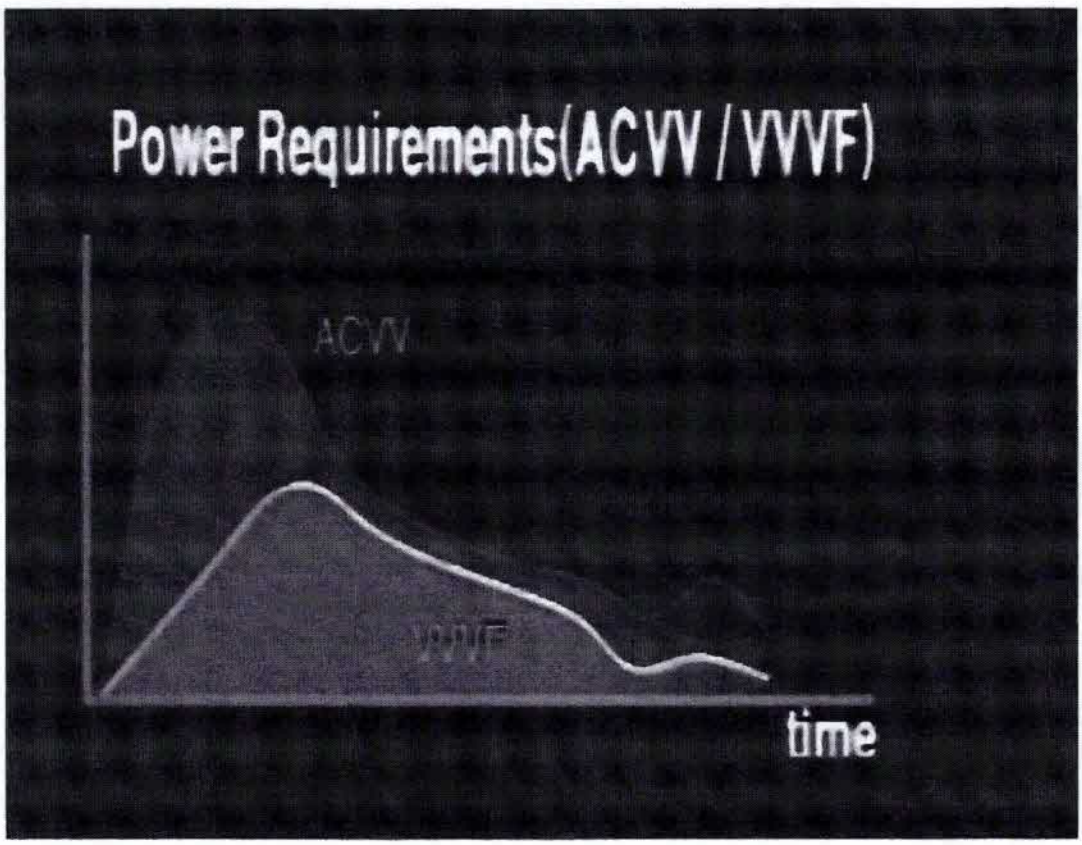
IRAQI RAFIDAIN Co. Ltd.
For
ELECTRIC ELEVATOR SERVICES

Into every built elevator the latest innovation technology weather it is in manufacturing , techniques , research and development or critical is our aim .

The safety performance and reliability of our product always improves by our link relation into technical connection with different groups and companies of the same field such as LMC group witch are the world leaders in advance elevator manufactures researches and developments experts.

IRAQI RAFIDAIN ELEVATORS Co. Ltd.
For
ELECTRIC ELEVATOR SERVICES

IRAQI RAFIDAIN Co. Ltd.
For
ELECTRIC ELEVATOR SERVICES

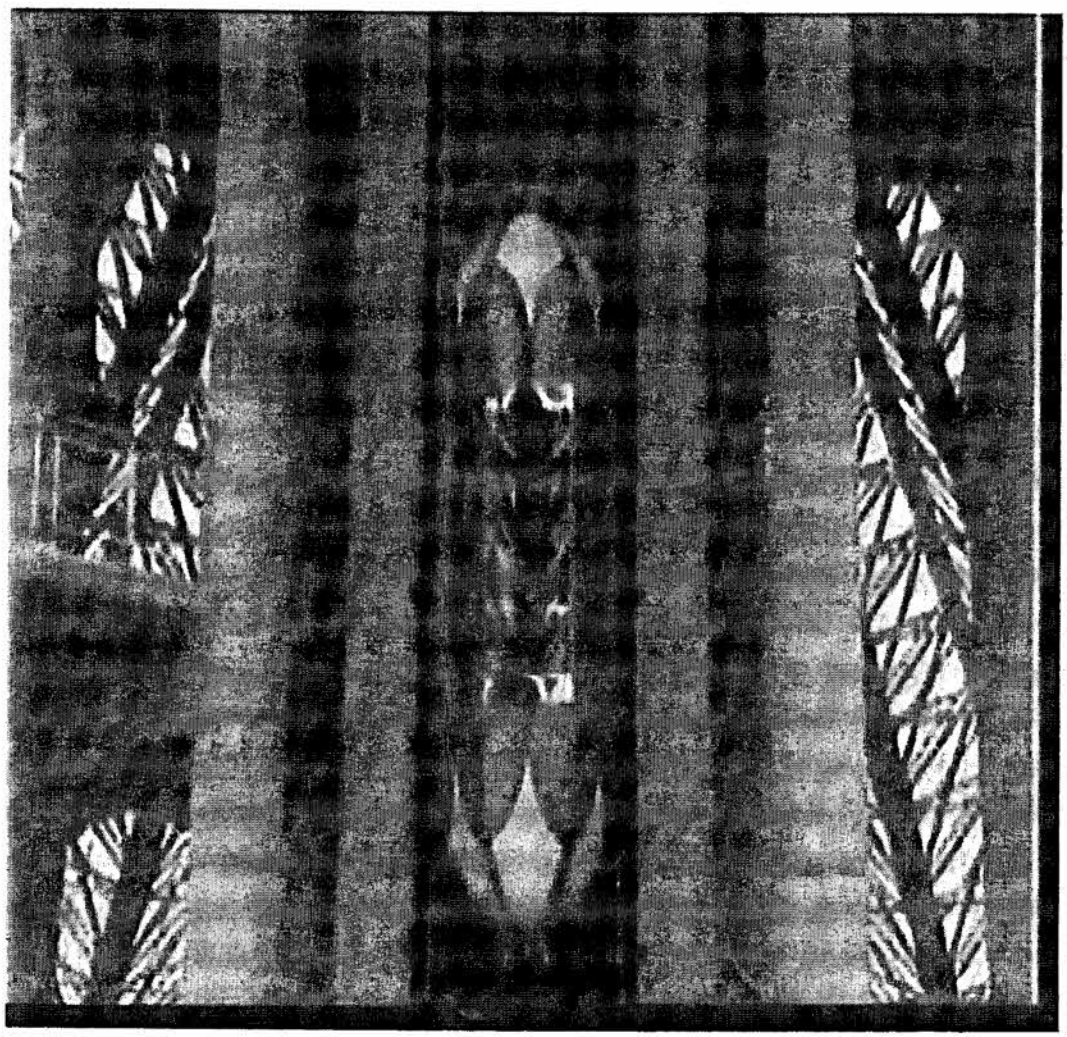


Power consumption difference
Between
AC drive and VVVF drive

IRAQI RAFIDAIN ELEVATORS Co. Ltd.

For

ELECTRIC ELEVATOR SERVICES



Foreign Language

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Asad Babil

Systematic & Software Co. LTD

شركة
اسد بابل
للمنظومات والبرامجيات المحدودة

1- **Main share Holders :**

- **Adil Ali Abdul Rahman / Baghdad – Harthia – Fula Building – Damoor Co. (Tel : 5429900).**
- **Mohnad Osama Abdul Razak / Baghdad – Karada – 98 Building – Heat Co. (Tel : 7761718).**
- **Abdala Ali Mhamood / Baghdad – Hai Al Aadel – Tel : 5558990 .**

2- **Bank :**

- **Rafdain Bank / Saba Ksoor Branch – account number (6486).**
- **A current account .**

3- **Company specialty :**

- **Assad Babil is systematic & software Co. Ltd specialize in computer SW , & HW**

Many Qualified engineers worked in the company .

It deals with following materials & equipment :

1- **Study the user requirement & suggest the solution according to it .**
2- **Supply Computers & Network .**
3- **Software development .**
4- **Information Technology application .**
5- **Computer & Network security program .**
6- **Maintenance & Development .**

4 – **Company Situation ;**

The Company is work partial because the circumstance & it will restart the work again according to the requirement of the reconstruction period .

Baghdad - Karradah - Hai Babil 98 Bldg. 2nd Floor
Telefax : 7761718 - 7761719
E-mail : assadbabil@uruklink.net
Yahoo.com

بغداد - كرادة خارج - حي بابل - م ٩٢٩ بناية ٩٨ ط ٢
تليفاكس : ٧٧٦١٧١٨ - ٧٧٦١٧١٩
البريد الالكتروني : E-mail : assadbabil@uruklink.net
Yahoo.com

5- Share Holders :

As in the attachment list .

6- Management Consul :

There is no Management Consul because the company is a LTD Company according to The Iraqi law & it is managed by director manger .

7- Main requirement :

The Necessity of using information technology tools by the government directorates & Privet sector .

Take decision about the (M.I.C) sharing in the company .

8- Duet :

The Company has the duet of (31000000) Thirty one million I.D. Belong to execution a contact of supplying Computers & accessories with (ABIN ALWALLED Company).

9-Number of employee:

The number of employees at the beginning was 15 & Now is 3 employees .

Foreign Language

Foreign Language

Foreign Language

Foreign Language

بسم الله الرحمن الرحيم

Dar Al-Salam Co.Ltd.
For
Mechanical & electrical Maintenance

شركة دار السلام
للصيانة الميكانيكية والكهربائية المحدودة

Ref No. 3
Date 21/ Jan/ 2004

العـدد :
التاريخ / /

To: PSD

Sub: Profile of Dar Al-Salam Co.

Dear Sirs,

Following to the meeting headed by Col. Marsiell from CPA and Mr. Raja Hassan Ali from MIC dated 4th of January 2004, we would like to present our Company as follows:

1. **Banks Accounts**:

Bank Name	***Branch***	***Account No.***	***Remarks***
Rasheed	Al-Rebat	8009	Not Frozen
Rafidain	MIC	32	Not Frozen
Rafidain	Main	90899	In Foreign Currency Not Frozen
Rafidain	Amman	8892	In Foreign Currency Not Frozen

2. **Company Name**:
Dar Al-Salam Co. Ltd. For Mechanical & Electrical Maintenance.

Baghdad - Magreb St. 304/14/23
Phone 4227632 Fax. 4250526
E - mail: darsalam @ uruk link. Net

بغداد - الاعظمية - شارع المغرب - محلة ٣٠٤ ش١٤ مبنى ٢٣ هاتف ٤٢٢٧٦٣٢
فاكس ٤٢٥٠٥٢٦ ص.ب (٣٧٥٢) بريد الطوية الورشة شارع الصناعة هاتف ٧١٧٨٠٢٦

3. **Names of the (3) important Staff**:

- Eng. Mohammed Majid – Managing Director
  Baghdad, Al-Kindly, Sub. 213, St. 42, H. 15 Tel. 4513651.
- Eng. Suhaib Khalil Ali – Engineering Manager
  Baghdad, Al-A'adameyah, Sub. 416, St. 7, H. 2, Tel. 4229466
- Sadeeq Yacoub, Accountant
  Baghdad, Al-Wahda, Sub. 904, St. 54, H. 22, Tel. 7172868

4. General View

Dar Al-Salam Co. Ltd. was established in April 2000. The Capital of the Co. is 80 000 000 ID.
Sharers as follows:
24% MIC
16% Iraqi Engineering Union
10% Al-Bashaer Company
50% Persons from Private Sectors (Stipulated as enclosed)

The aim behind establishing this Company was mainly to invest the manpower (Engineers, Skilled Labours etc..) which specialized in the field of rehabilitation, maintenance of different kinds of machines, production lines and industrial network (steam, electricity, compressed air etc..) as well as air-conditioning systems, generators and electrical elevators.

The Company also have other activities in design and supply of the equipment mentioned above as well as design & construction of different types of workshops and services buildings.

The Historical activities of the main works implemented by the Company are as follows:

- Contracts of total value (520 Million ID) for installation & maintenance for electrical lifts in different buildings.
- Contracts of total value (105 Million ID) for rehabilitation & installation of air-conditioning systems.
- Contracts of total value (2.5 Billion ID) for rehabilitation, installation, & upgrading for different kinds of machines.

5. Current Situation of the Company:

(A) Activities Situation:

The Company tried to resume its activities at the end of the war instantly so that it contacted ORHA, KBR, BECTEL CO. and Private Sector Companies and the Area Commander of Al-Aa'adameyah, hoping to get a contract in the near future. But unfortunately the Company did not succeed to get any suitable contract.

(B) Financial Situation:

Dar Al-Salam was suffering from a shortage in liquidity as a result of accumulation for the following reasons:

- HQ of MIC ordered the Company in January 2003 to finalize all the Contracts at the end of February although the Contracts periods were not ended at that date which led the Company to expend large amount of cash without any income to execute the mentioned order.
- The long period of getting our dues from MIC. Due to the complicated routine.

- Receiving the responsibility for Company Management at May 2002 with a loss of Six Million Iraqi Dinars and acute shortages in liquidity and disorganized execution of Contracts.

Dar Al-Salam Company tried to overcome this problem by getting a loan from Banks but unfortunately did not succeed because the regulations did not allow giving any loan without a guarantee of fixed assets which Dar Al-Salam Company did not have.

Bearing in mind the offers financed by a loan will be not competitive to others because of the high interest.

(C) Relationship with the Sub-Contractors, Suppliers and temporary Staff (Engineers, Skilled labourers etc...) are effected owing to the financial reasons mentioned above.

(D) Bad Communications

Dar Al-Salam Company has no telephone, e-mail and Internet since the end of the war because of Al-a'adameyah telephone exchange is out of order where the company is located.

6. Sharers

List of Sharers is enclosed, according to the Iraqi law of Private Companies Dar Al- Salam Co. haven't Board of Directors.

7. Estimation of Revenue and Profit for last Six months

According to Item No. 5 above, Dar Al-Salam Co. did not have any revenue and profit in the last six months while the

Company expected to have an income of 2 Billion ID at the end of 2003 but unfortunately the Company haven't the chance to get the mentioined income because of Force Majeure (War circumstances) which made the Company terminate all its Contracts with others.

8. Credit

Dar Al-Salam Company has a credit of 550 000 000 Million ID according to the following:

Income Tax and Social Security
Share of Partners profits
Sub-Contractors and Suppliers (Local and Foreigners)

9. Debts

Dar Al-Salam Company has a debt about 700 000 000 Million ID, all the debtors are MIC Companies and they issued letters to the Ministry of Finance confirming their debts to Dar Al-Salam.

10. Employees

Dar Al-Salam Company adopted a plan in managing the administration of the Contracts by using temporary and permanent staff which depend on the activities of the Company. At the present time because of the problems which the Company is facing as we mentioned above. The permanent staff is 10, while the staff of the Company reached more than 50 when the Company worked before.

11. Suggestions

To overcome the problems which Dar Al-Salam Company suffering from, we suggest the following:

بسم الله الرحمن الرحيم

Dar Al-Salam Co.Ltd.
For
Mechanical & electrical Maintenance

شركة دار السلام
للصيانة الميكانيكية والكهربائية المحدودة

(A) Selling the shares of (MIC, Al-Bashaer Company,. Engineering Union) which to be bought by persons in private sectors according to the law of Private Companies on condition that the value of these shares to be paid at the end of this year.

(B) Supporting our Company in getting its dues or part of it from the Ministry of Finance.

(C) Supporting our Company in getting a Contract in the field of our specialization to activate our Company.

Best regards,

Engineer Mohammed Majid
Managing Director

Baghdad - Magreb St. 304/14/23
Phone 4227632 Fax. 4250526
E - mail; darsalam @ uruk link. Net

بغداد - الاعظمية - شارع المغرب - محلة ٣٠٤ ش١٤ مبنى ٢٣ هاتف ٤٢٢٧٦٣٢
فاكس ٤٢٥٠٥٢٦ ص.ب (٣٧٥٢) بريد الطوية الورشة شارع الصناعة هاتف ٧١٧٨٠٢٦

List of Dar Al-Salam Company Partners

Ser. No.	Name of Partner	Nationality	Profession	Ratio of Participation %
1	MIC			24
2	Bashaer Commercial Co. Baghdad Sa'adoun Street			10
3	Engineering Union			16
4	Ameera Ali Hassan	Iraqi	Housewife	4
5	Mohammed Majid Abdul Sattar,	Iraqi	Employee	3
6	Shada Mohammed Saied	Iraqi	Housewife	2.8
7	Dalya Abdul Wahab Abdullah	Iraqi	Housewife	2.8
8	Sayreen Adil Ibraheem	Iraqi	Housewife	2.8
9	Hana Salim Mohammed	Iraqi	Housewife	2.8
10	Maysa talib Selman	Iraqi	Housewife	2.8
11	Adnan Badar Taha	Iraqi	Retired	2
12	Reman Ali Mohammed	Iraqi	Housewife	2
13	Azeeza Abbas Ghadab	Iraqi	Housewife	2
14	Abeer Dhagir Mohammed	Iraqi	Housewife	2
15	Yasir Ayaad Mohammed	Iraqi	Student	2
16	Ahmed Fuad Deya'	Iraqi	Labourer	2
17	Rokaya Ghnaam Mohammed	Iraqi	Housewife	2
18	Suhaad Kadhim Mohammed	Iraqi	Housewife	2
19	Abdul Kadir Ibraheem Mohammed	Iraqi	Retired	2
20	Afaaf Abdul Rahman Hameed	Iraqi	Housewife	2
21	Abeer Fuad Husham	Iraqi	Housewife	2
22	Wedad Maraie Yahya	Iraqi	Housewife	2
23	Alya' Ibraheem Latif	Iraqi	Housewife	2
24	Fayha' Abbas Kadhim	Iraqi	Housewife	2
25	Mohammed Noori Ali	Iraqi	Student	1
				100 %

To: P. S. D

Sub: Introductory letter.

Dear Sir,

We are so happy to introduce our company and are ready to give you all the In formations required and services in Civil work and all accessories (Electrical, Mechanical, Technology, Water supply and Sewage works) for the project you need to rebuild. And here brief information about our company:

- Ur company was established according to the desire and determination of a number of engineers characterized by experience and specialization in accomplishing establishments in accordance with the law of Iraqi companies No (21) 1997 with a capital of 100 million I.D. Our aim was to participate in the cultural and technical development of our country through investment of natural source depending on the experience and flexibility of the private sector.

Our Company is specialized in the following fields:

1. Implementing works of concrete establishments: preparing design and offering consultations (vertical and horizontal silos: towers, minarets and domes of mosques, tanks and conventional buildings.....) using slippery, jumping and fixed moulds.
2. Implementing concrete works, precast including preparing designs, offering consultation's (columns, beams, slabs, walls and pile foundations).
3. Preparing designs, manufacturing and installation of steel structure (trusses, girders, towers, tanks and all type of forms.

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ة المحدودة

The important projects that has been accomplished by our company are:

1. The project of AL-Rahman Mosque in Baghdad – Mansour:
   a. The main dome of the mosque having a 67 meters diameter with a level from 48+ m to 93+ m. the concrete amount is 2100 m^3.
   b. The slope ring slap surrounding the main (Haram) of the Mosque has a diameter of 100 m and the amount of concrete needed is 5000 m^3 over a level of 48+ m to 60 m using precast concrete beams with cast in sita.
   c. Casting slope concrete beams carrying precast slabs 50 cm. Wide, 2.5 m high, 35 m. long over a level of 48+ m to 60+ m.
   d. Implementing works of setting up and casting circular columns to carry the main dome of the mosque by using steel pipes having a diameter of 120 cm, 56 m. high. 32 piles of this type are needed, provided that the permitted mistake is only 1 cm.
2. Big mosque in Mosul.
   Implementing works of 8 concrete domes with a diameter of 22 m. over a level of 36+ m.
3. Preparing designs for the dome of Saddam mosque having a diameter of 116m. the level of the height ranges from 48+m to 120 m the concrete needed is 64000 m^3.
4. AL-Rasafa water supply project.
   Manufacturing and providing concrete piles of 30 cm X 30 cm X 12m. the number needed is 10.000 using water steam in curing.

- In addition to what has been mentioned our cadres have formerly been leading cadres in giant and strategic projects such as:

1-Building Al-Rasafa vertical silo for cereals 90.000 tons.
2-Building Al – Hila silo for cereals 60.000 tons.
3-Building a bridges of two storeys across Dijla – 5 Kilometer long.
4-Building 8 bridges across the third river in AL- Yusufia.
5- Building a chimney for the electricity unit in Dora 101 m. High using the jumping mould system.

6. Reconstruction of Al-Rasheed center for communication in Baghdad after the war of 1991.
7. Reconstruction of Al- Rasheed Hotel in 1993.
8. Building a stadium in Al-Faw.
9. Building Babil University (5 Colleges).
10. Setting up a concrete fence of 5 kilometers- precast system.
11. Implementing works of communication tower, 120 m High, using the jumping mould.
12. Implementing works of concrete having a diameter of 175 cm and a height of 35 m using 5000 m^3 concrete by jumping mould system.
13. Implementing works of casting Supporting walls 37 m high and 700 m^3 concrete using jumping mould system.
14. Implementing a workshop for the ministry of oil having area of 33000 m^2 and a height of 36 m.

Other Activities

1. All the works of construction for the projects and services (designing – implementing – purchasing- importing and selling the products inside and outside the country – importing raw and manufactured material that form part of the activity inside and outside the country in agreement with the valid laws.
2. Purchasing constructing – owing – hiring – selling – investing or establishing workshops and the accessories and all that concern the company's activity.
3. Importing all means of work – machine – instruments-tools and all that help tenders, or outbids with the state, companies – persons to fulfill privileges.

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المتخصصة المحدودة

On this occasion we'd like to refer to the companies with which our company cooperates and hops sincerely to be with yours as well.

The companies we deal with are:

1. The introductory letter of Power Company.
2. The introductory letter of Raya Company.
3. The introductory letter of Sanharib Company.
4. The introductory letter of Asya Company

The attached accessories are:
The above mentioned letters of introduction.

With Appreciation

Ali S. Hussain
Authorized Manager

Tell: +88 216 67770430
7748752
5550041

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To : P.S.D

Sub./ Ur Company Ltd

Referring to what was required from us during the coordination meeting of the specific limited companies which are participated by (MIC) at the presence of your representatives. Herein we state the required information:

1. The company's accounts: Our Company has three accounts in the following banks:

a- Dar Al-Salam bank for investment / the main branch.

b- Babylon Bank / the main branch.

c- Al-Rashed Bank / 7 Nisan branch-No 200 account number 9568, where the account was detained for unknown reasons. We look forward to your interference to treat the case.

2. The name of this company is (Ur Company limited specialist concrete Forms and steel structure).

Address: Baghdad- Sa'adoon quarter- ministry of Agriculture street – Beside Al- Firdows Hospital- area 101 - st. 91 – building 18 – ground floor.

3. Name and addresses of the important staff in our company:

a- Eng.Ali Saddia Hussein / authorized director.

Baghdad – muthana Quarter – area 714 – st.25-building 8 – tel. 7748752 – thureya 67770430.

b- Eng.Adil Abdul Kareem Kalla – vice authorized director.

- Baghdad – Khadhra' quarter / area 639 / str.36 / build. 18
- Tel.5550041 / thureya 67770380

Haidar Kala @ hot mail com.

4. The company's Activities:

a- Our company executes all kinds of specific concrete works (bridges – towers – foundations – building frames) it also undertakes pre-cast works (piles – bridges – ceilings- fences - lobbies). It also executes concrete works using slip forms (silos – chimneys – minarets – towers.)

b- The company also executes steel works (bridges – towers – plat forms – ceilings.)

c- Our company also executes water projects and sewage.

d- Works of roads and airports.

e- We are prepared, according to our agenda, to deal with commercial and investment projects.

5. The company's current status:

a- The company stopped all its activities beginning from March – 18 - 2003. All the contracts related to works under fulfillment were cancelled by the beneficiary (Al-Faw Engineering Company).

b- Despite following up all the announced tenders by the state and the companies and applying for them, we couldn't get a share of those tenders except works of two bridges for traffic near khalis town on account of ministry of construction and Housing at a price round I.D500,000,000.0 the project is expected to begin in the near future.

The causes of not being able to get work opportunities for the past seven months are due to:

1. The routine and the slow procedures practiced by the state.
2. Personal relations is the most significant factor which hinders dealing with the foreign companies specially American Bechtel company. Formerly we participated in a tender to execute sedimentation pools at 7 Nisan project / for the benefit of Bechtel company, but unfortunately our company was not negotiated despite being our offer convenient compared with the others.
3. Our technical abilities decreased because of looting the properties of the company at the sites.
4. The company has stocks (steel moulds, wooden moulds with their various accessories – machines – equipments and tools) at the project site of Rahman Mosque --- till now we haven't been able to get them out because of the official agreements by the ministry of construction and Housing which controlled the project.

This, of course, led to additional losses to our capabilities in addition to the continuous huge losses which fell upon the company. It is worth mentioning that a high percentage of these properties were owned by the sub-contractors which worked for the benefit of our company.

Now they are demanding our company for compensation – the value of the properties – rents in addition to the loss of being benefited.

5. The names of the participants of the company:

- MIC.
- Eng. Adil Abdul Kareem Kalla.
- Eng. Ali Sadig Hussein.
- Eng. Fuad Z. Toma.
- Eng. Wisam Bahnam Razouqi.
- Eng. Sultan Hurmiz Hanna.

This company is a specific limited company.

It was established according to law No.21 and is headed by an authorized director elected by the board of the company and has all the authorities for management.

6. No income nor profits has been achieved for the company for the past six months.

7. Suggestions:

a- Interference to make the company get the suitable category from the side related to.

b- Introducing the foreign companies to these companies and offering their services.

c- Offering the required support to speed up our dues for the executed works for the offices in concern.

d- Because of the insignificance of the MIC and its disability to support these companies, we suggest to sell its shares to other participants according to the law.

8. This company is indebted to Al-Faw Engineering Company round 350 million I.D. It is the only side with which contrasts were signed to execute some of its projects since this company was established.

9. The number of the staff currently is nine.Four of them were appointed by the board of the company. The others were appointed to procure managing and financial affairs and other services.

Thank you in advance

Attached doc.

- The company's C.V.

Authorized director
Eng.Ali Sadig Hussein

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POWER CO. INFORMATION

1-NAME OF THE COMPANY:

POWER COMPANY FOR A/C &REFRIGERATION Ltd.

2-ADDRESS:

The office is located in Baghdad, Al-wahda district, Quarter 902, st.14, house 24.

3-LEADERS OF THE COMPANY WITH THE IRE ADDRES:

Aiman. A. Kummona	*0088216 2120 6191*
Ali. M. Kadim	*0088216 2155 0205*
Joseph. H. Yassi	*0088216 6550 1768*

4-THE C.V. OF THE COMPANY:

Our field is cooling, heating and refrigeration systems, condensing, and evaporating units, boilers and all other relevant accessories like pumps, control devices, control boards .....Etc.

-Power company for air-conditioning and refrigeration was founded in 2000, when seven of very well known A/C specialists decided to merge in one company.

Some of these specialists were contractors, other were manufacturer, and traders.

Our services include:

1-Trading in A/C units starting from small units up to big central equipments.

2- Designing and manufacturing the mechanical and electro-mechanical systems and devices.

3- Designing, supplying, and fixing controlling devices for industrial purposes.

4- Manufacturing and re-fixing of condensing and evaporating systems.

5- Manufacturing and repairing boilers (fire-tube type).

6-Building and repairing cooling towers.

7- Construction of mechanical and electro – mechanical projects.

8- Re-creation of various systems to comply with the necessities of project.

9-Suppling fully or partly manufactured units or their spare-parts.

10-Designing and making power and electronic control boards.

11- Manufacturing Ice-factories.

12-Suppling and fixing elevators and electric – stairs.
13-Technical and engineering consultation.
14-servicing and repairing contracts.
15-Technical and engineering appreciation and judgment of industrial projects, and even to provide solutions and answers to non-standard tasks.

5-THE FINANC STATE:

Theirs no profit because the profit is equal to the expense of the company.

6-List of shares partners names of the company and the name of the general director:

No.	Names	Profession	Previous job	Share
1	Aiman. A. Kummona	Engineer privet sector	Aiman Office	8.25
2	Ali. M. Kadim		Zoqaq Office	7.5
3	Joseph. H. Yassi		AL-Reaam co.	7.5
4	Hadder. H. Ahmad		AL-Maras Office	7.5
5	Ali. Maatook. Kadim		AL-Manar Office	7.5
6	Hithem. S. Abd Al. Karim		Ibn-AL- Hithem Office	24.75
7	Harition. A. bogos	Industrial private sector	Harot Towers	7.5
8	Basel. J. Abd Al. Karim	Merchant	Basel Exibition	7.5
9	Mic	Socialist sector	-	15%
10	Other	Private sector	-	7%

7-OWNER OF THE COMPANY: (Not found).

8-THE DEPT TO GOVERNMENT STAT:

No.	End user	Amount
1	FAO.CO	63519022
2	TAHADI CO.	72000000
3	MIC	17280 $
4	MIC	4300 $
5	Petrochemical industry	4750000
	MAJD CO.	355965675

9-NOMBER OF EMPLOY: (12 Employers).

Supplementary Budget Guidance and Spending Priorities for 2004

Overview

There are three parts to this document.

- Budget Guidance – this is additional technical information that supplements the advice received from the Ministry of Finance on 24 July 2003.
- Budget Spending Allocation – this outlines how much funding each ministry can expect to receive in the 2004 Budget. Ministries will be expected to frame their spending priorities around this amount, but there is no guarantee that these funds will be allocated to that ministry.
- Outline of the key dates in the 2004 Budget process – this includes a description of the operation of Expenditure Review hearings.

Additional Budget Guidance

General

The upcoming Budget and expenditure review process will concentrate on funding allocations for 2004. However, Ministries must also provide spending and revenue estimates for 2005 and 2006.

Submissions should be completed using traditional Iraqi expenditure categories, with the following columns:

Full year 2002	2003 Budget (half year)	Proposed savings	2004 Spending	Total expenditures requested

Submissions should include actual expenses incurred in 2002.

Budget Submissions should be expressed in Iraqi dinar when submitted to the Ministry of Finance. An exchange rate of 1500ID to $1US should be used in preparing budget estimates. Submissions should be prepared on the basis of zero inflation.

It is also important for ministries to be able to produce measurable characteristics of the programs they intend to fund. For example, "this spending will result in a 10% increase in the number of people receiving potable drinking water" – this will be important in helping in the prioritization process.

Ministries will assume responsibility for all salary payments in 2004. The 'four tier' salary system will be terminated on 31 December 2003.

Ministries should also prepare a list of savings measures (eg, low priority programs) and options for revenue raising – in particular, user charges for services provided by the Ministry.

Regional Allocation of Funds

Ministries must be able to provide information on where in the country the budget funds will be spent, to get an overall sense of how the Budget will be allocated regionally (at least at the governate level). Ministries are expected to seek input from their offices in the Governorates, to develop regional spending priorities for the country.

As in 2003, the Kurdish regions of Iraq should not be incorporated into budget submissions.

State Owned Enterprises (SOEs)

All SOEs should complete the company information questionnaire.

SOE budgets should be prepared on the basis that the salaries of employees of SOEs will not be funded from 1 January 2004.

State companies will be able to seek loans to provide them working capital. However, this does not mean that some companies will not be subsidised.

Where subsidies are proposed for an SOE, they should be treated as an expense for the Ministry in the 2004 Budget. If they are not identified, they will not be funded. Where subsidies are requested, they need to be thoroughly quantified, and justified in detail, including an explanation of why a loan on commercial terms would not be an adequate substitute.

The 2004 Budget will identify all subsidies to companies, both direct (eg payments from the Ministry to the company) and indirect (eg where the company receives goods or services cheaper than their market price or received a preferential exchange rate).

As a starting point, Ministries - in consultation with their SOEs - should identify all of the subsidy arrangements made to their SOEs in 2003. Identify all goods or services that the company received at no cost, at a discount (eg goods, rents), or received cheaper because a lower exchange rate was used.

Companies should also provide information on all of those goods they sell at a discount, or using a lower exchange rate than the official rate.

Companies may trade off all cost categories, but must identify to the Ministry of Finance when restructuring results in a change of more than 5 per cent of the number of employees.

Operating Expenses

The 2004 Budget aims to maintain funding to Ministries for their core operations. In this regard, 2002 and 2003 will provide the basis for allocating spending in 2004 to 2006. Where proposed spending deviates significantly from 2002, Ministries will need to explain why this is the case.

Most capital projects will also have ongoing costs associated with them – for example the cost of additional workers, or ongoing maintenance. These effects on operating expenses must be identified and quantified.

Ministries will not be allowed to reallocate funds between operating expenditure categories without written approval from the Ministry of Finance. It is therefore very important that each expenditure category is considered separately, and adequately funded.

The Budget allocation process will again use the familiar categories from previous Budgets. Guidance on specific issues within these categories is provided below.

Salaries and Employment estimates - provide estimates of the total number of employees employed (by grade) by the Ministry in 2004 (not including SOEs), and how this has changed from 2003 and the total salary cost. Do not include those Iraqis that are employed in the State Owned Companies (see above).

Capital – Priority must be given to repairing existing equipment rather than seeking new capital items. Ministries should use what they have wherever possible.

Goods – In particular, provide estimates of the quantity of gasoline and the quantity of electricity that is expected to be consumed in 2004, using 2002 as a base.

Capital Budget

Capital spending will continue the priorities established in the 2003 Budget: security, oil industry production, infrastructure and the social safety net.

Projects should be identified as either continuing from 2003, new, or reconstruction, and should be identified in priority order. This should be irrespective of where funding might be sourced from (eg Budget, USAID funding, donor funds). Ministries should also advise on donor interest in the project.

Ministries must clearly articulate why a project should be undertaken, and why it is a high priority compared to other projects. Ministries should therefore estimate how many Iraqis the project will employ, and for what duration – and Ministries should consider whether the proposed investment can be done labour intensively.

Ministries should break capital projects into discrete sections where possible. This will enable parts of a project to be commenced, where there is not sufficient funding to complete the project entirely.

It is important that Ministry consider known World Bank/UN Needs assessment data.

The entire cost of projects should be identified - even spending required beyond 2006. Project completion dates are also required, including key project milestones.

Ministries should also identify any revenues that may be generated by the investment.

Budget Process and Timelines

Expenditure Review Hearings will be held with individual Ministries, the Ministry of Finance and the Ministry of Planning.

At these hearings the Interim Iraqi Minister for that Ministry (with officials) will argue their Submission to the Interim Iraqi Ministers for Finance and Planning (and their officials). Also attending will be CPA Senior Advisers.

More than one hearing may be required for each Ministry, as required.

The following are key dates in the 2004 Budget process.

Key Date	**Event**
31 July	Budget guidance to ministries, including indicative spending envelope
31 July to 14 August	Ministries prepare budget submissions
No later than 15 August	Draft budget Submissions provided to Ministry of Finance.
15 Aug – 5 Sept	Expenditure review hearings with Ministries *(UN/World Bank Budget officials in Baghdad 20 Aug to 30 Aug)*
Early September	*UN/WB/IMF needs assessment delivered*
22 September to 29 September	Deliberations and final decision making including the Governing Council
1 October	Budget delivered
15 October	Donor's conference

Private Sector Development

Estimated total need: ?

CPA estimate of U.S. share: $353 million

Proposed results metrics:

American-Iraqi Enterprise Fund established and makes at $10 million in initial loans/investments
22 new Employment Centers established and fully functional
250,000 new workers hired through on-the-job training
120,000 trainees complete computer literacy course
9,000 trainees complete specialized computer training
20,000 Iraqis complete six month intensive English as a Second Language course
6 upgraded Vocational Training Institutes train X thousand Iraqis

Timeframes:

Enterprise Fund completes $10 million in loans/investments:	X months
New Employment Centers fully functional:	X months
250,000 workers hired through on-the-job training:	12 months
120,000 trainees complete computer literacy course	12 months
9,000 trainees complete specialized computer training	12 months
20,000 Iraqis complete six month intensive ESL course:	12 months
6 upgraded Vocational Training Institutes train X thousand Iraqis:	X months

Additional Sectors Requiring Estimate of Total Needs:

Oil
Agriculture (restore production to wean from OFF)
Health
Economic/Currency
Governance: Constitutional, media, elections issues
Environment
Education
GC and Follow-on Government Budget Support

Private Sector Development.

Establish an American-Iraqi Enterprise Fund. *$200M is required to capitalize* an Iraqi-American Enterprise Fund. This fund would operate independently from the US Government under the guidance of a Board of Directors appointed by the President of the United States. The primary purpose of this fund would be to promote the private sector development of Iraq. To accomplish this, the Fund would invest in a wide array of private enterprises, disseminate western business know-how, and assist business to play an appropriate role in shaping public policy. Estimated minimum cost: $200M.

Expand network of Employment Centers. Iraq has 27 cities with a population exceeding100,000. Funding was approved in 2003 for 5 centers. Each Employment Center would serve the unemployed by offering aptitude and ability testing, job counseling, job search assistance, and referrals to employment and training opportunities. Funds would cover 22 new Employment Centers at a cost of $350,000 each. Estimated minimum cost: $8M.

On-the-Job Training for Private Sector Employment. CPA requests $35M to offer private sector employers a subsidy to cover the on-the-job costs of training newly hired workers. De facto a wage subsidy, this should provide a major incentive to private employers to increase their employment. These funds are to be executed through the American-Iraqi Enterprise Fund.

Program design elements: Private employers would be eligible to receive a subsidy, averaging $ 25/month, for wages paid to newly hired (through local Ministry of Labor offices) workers. Subsidies would range from 25,000 Iraqi dinars to 50,000 ID per month per worker, depending upon the wage, occupation and intensity of training. Subsidies would last four to six months. Employers who do not retain the workers after the subsidy ends would not be eligible for future participation.

Cost calculation: $25/worker x 100,000 enrolled = $2.5 million/month wage costs (= $30 million/year). Four to six month enrollment duration implies 2.5 yearly turnover = 250,000 newly hired workers. Plus $5 million for program administration, intake, referral, and monitoring of wages/worksites. Estimated minimum cost for a one-year program: $ 35 million.

Market- Oriented Specialized Training. $110M is required to fund four separate employment training programs.

1) *Basic Computer Literacy Training*. $40M is needed to increase productivity of the Iraqi workforce and facilitate a qualified labor force for emerging private sector jobs. At 250 locations throughout Iraq, each with approximately 20 desk-tops, provide currently employed (first priority) or unemployed (second priority) workers introductory computer skills; program is envisioned as half-day training for one month, allowing two shifts per day at each location = 10,000/month.

Cost calculation for a one-month course for 120,000 trainees: Capital costs, including 5,000 computers, = $ 15 million; instructional salaries = $20 million; operating

expenses = $5 million. (Providing each student a $25/month stipend would add $3 million, plus admin costs). Estimated minimum cost: $40M.

2) *Specialized Computer Training*. Funds to drive up productivity of the workforce by developing market oriented skills. At approximately 50 locations in Iraq, each with 20 places, provide public and private sector employees with enhanced computer skills relevant to their jobs.

Cost calculation for of three-month, afternoon/evening courses for 9,000 trainees: Capital costs = $4 million; instructional salaries = $9 million; operating expenses = $2 million. Estimated minimum cost: $15M.

3) *English as a Second Language (ESL)*. $30M is required to increase productivity of Iraqi workforce, and ease Iraq's integration into the world economy. At 250 training locations, each with 20 spaces, provide half-day ESL instruction for six months to each participant.

Cost calculation to provide intensive (4 hours/day) ESL to 20,000 Iraqis for six months: Capital costs = $5 million; instructional salaries = $20 million; operating expenses = $5 million. (As above, providing a stipend adds $3 million). Estimated minimum cost: $30M.

4. *Modernize Vocational Training Institutes*. The Ministry of Labor has six vocational training centers (Arbil, Mosul, Kerkuk, Baghdad, Najaf, and Basrah) which are well-located, but with antiquated equipment and curriculum unsuited to a new Iraqi economy. Updated at a cost of $25M, they would serve both employer needs and as train-the-trainer locations for staff of the 265 Ministry of Education vocational education facilities.

Cost calculation of new curriculum development, equipment, materials, and train-the trainers activities for six existing vocational training centers: $3 million per location for curriculum, equipment, training materials, supplies; $1 million per institute for staff development; = $4 million per institute plus $1 million for central planning/coordination. Estimated minimum cost: $25M.

Donor Matching Funds.

The UN Development Program (UNDP) announced that the Spanish Government is set to host a United Nations-organized donor conference on 24 October in Madrid to seek billions of dollars to finance Iraq's reconstruction. CPA requests the U.S. Congress to contribute up to $7 billion in one-for-one donor matching funds. The direct appropriations justified in our supplemental request are strategically targeted towards the security and infrastructure needs of the country. These sorts of investments cover needs that do not typically generate strong interest from donor nations. Yet the CPA urgently needs investment into softer areas of humanitarian assistance to cover the complete spectrum of requirements the Iraqi people so desper

Estimated total need: $518 million

CPA estimate of U.S. share: $353 million

Proposed results metrics:

American-Iraqi Enterprise Fund established and makes at $10 million in initial loans/investments
22 new Employment Centers established and fully functional
250,000 new workers hired through on-the-job training
120,000 trainees complete computer literacy course
9,000 trainees complete specialized computer training
20,000 Iraqis complete six month intensive English as a Second Language course
6 upgraded Vocational Training Institutes train 10,000 thousand Iraqis

Timeframe

Enterprise Fund completes $10 million in loans/investments:	6 months
New Employment Centers fully functional:	9 months
150,000 workers hired through on-the-job training:	12 months
38,500 trainees complete computer literacy course	12 months
9,000 trainees complete specialized computer training	12 months
30,000 Iraqis complete six month intensive ESL course:	12 months
6 upgraded Vocational Training Institutes train 100,000 Iraqis:	12 months

9/9/2003

month per worker, depending upon the wage, occupation and intensity of training. Subsidies would last four to six months. Employers who do not retain the workers after the subsidy ends would not be eligible for future participation.

Cost calculation: $25/worker x 100,000 enrolled = $2.5 million/month wage costs (= $30 million/year). Four to six month enrollment duration implies 2.5 yearly turnover = 250,000 newly hired workers. Plus $5 million for program administration, intake, referral, and monitoring of wages/worksites. Estimated minimum cost for a one-year program: $ 35 million.

Market- Oriented Specialized Training. $110M is required to fund four separate employment training programs.

1) *Basic Computer Literacy Training*. $40M is needed to increase productivity of the Iraqi workforce and facilitate a qualified labor force for emerging private sector jobs. At 250 locations throughout Iraq, each with approximately 20 desk-tops, provide currently employed (first priority) or unemployed (second priority) workers introductory computer skills; program is envisioned as half-day training for one month, allowing two shifts per day at each location = 10,000/month.

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3) *English as a Second Language (ESL)*. $30M is required to increase productivity of Iraqi workforce, and ease Iraq's integration into the world economy. At 250 training locations, each with 20 spaces, provide half-day ESL instruction for six months to each participant.

Cost calculation to provide intensive (4 hours/day) ESL to 20,000 Iraqis for six months: Capital costs = $5 million; instructional salaries = $20 million; operating expenses = $5 million. (As above, providing a stipend adds $3 million). Estimated minimum cost: $30M.

4. *Modernize Vocational Training Institutes*. The Ministry of Labor has six vocational training centers (Arbil, Mosul, Kerkuk, Baghdad, Najaf, and Basrah) which are well-located, but with antiquated equipment and curriculum unsuited to a new Iraqi economy. Updated at a cost of $25M, they would serve both employer needs and as train-the-trainer locations for staff of the 265 Ministry of Education vocational education facilities.

Cost calculation of new curriculum development, equipment, materials, and train-the trainers activities for six existing vocational training centers: $3 million per location for curriculum, equipment, training materials, supplies; $1 million per institute for staff development; = $4 million per institute plus $1 million for central planning/coordination. Estimated minimum cost: $25M.

Refugees, Human Rights & Civil Society.

Migration and Refugee Assistance (MRA). CPA must respond to the immediate protection and assistance needs of Iraqis and support the eventual return of over 500,000 Iraqis from neighboring countries and over one million internally displaced persons (IDPs) through international and non-governmental partners.

Current and Planned Activities: To date, the State Department Bureau of Population, Refugees and Migration PRM has allocated nearly $40 million to International Organization (IO) and Non-Governmental Organization (NGO) partners. An additional $26 million to be provided to UNHCR, IOM, WFP, UNSECOORD, and a number of NGOs is pending Congressional Notification, but has been approved by CPA and OMB to support humanitarian assistance activities. Anticipated large-scale returns have not yet begun, but are expected in 2004. CPA is working on a national strategy, which includes a significant refugee and internally displaced persons (IDP) return component. Even if conditions are not ripe for significant refugee returns early in 2004, we expect that over one million Iraqi IDPs will require immediate support and hopefully integration to new communities and that refugee returns will commence in large numbers when security conditions dictate. Ambassador Bremer and CPA will rely heavily on UN and NGO partners to implement an orderly and voluntary repatriation operation; these partners will rely on support from State and USAID. Insecurity and access remain challenges for the international relief community and some UN/NGO staffs have drawn down. However, by 2004, we expect security to improve and staff levels to be restored, if not increased, in order to implement programs as the repatriation operation gets underway. We will be launching a major effort to secure international funding for reconstruction activities in Iraq. That effort will only be successful if adequate security assurances are offered. Those same assurances will describe the conditions necessary to support significant refugee and IDP returns.

ICRC has been present and active in Iraq without interruption since 1980. Although major hostilities have ended in Iraq, ICRC's work is far from over. In recent months ICRC had been building up a large-scale operation to ensure protection and assistance for Iraqis. The murder of one of its delegates in July led to tightened security for the organization and temporarily reduced staff in country, but work has resumed to visit detainees, trace family members, and implement major water and sanitation activities. We expect ICRC's program to remain at current levels in 2004, if not expand in order to implement its mandate under the Geneva Conventions.

Partners

United Nations High Commission for Refugees (UNHCR) – coordinates and facilitates CPA-led refugee and IDP returns. Refugee returns will come primarily from Iran, Jordan, and Saudi Arabia. IDP returns will be coordinated closely with IOM in the north. Assistance includes registration, non-food items, construction materials, quick impact reintegration programs, seeds and tools (for rural dwellers), and other assistance. FY 2003 USG response -- $31M. FY 2004 -- $50M.

International Committee of the Red Cross (ICRC) – implements major protection and assistance activities, including tracing, prison visits, missing, family reunification, water and sanitation, and some health activities. FY 2003 USG response -- $10 million. FY 2004 -- $26M.

International Organization for Migration (IOM) – transports refugee and IDP returnees in the region in addition to facilitating overall IDP returns in southern Iraq. Will continue to assist with the return of Third Country Nationals. FY 2003 PRM response -- $6.63M. FY 2004 -- $6.5M.

Other International Organizations (IOs) – provide key complimentary assistance (health, education, water and sanitation, security, coordination) to returning refugees and IDPs as well as the coordination and security functions necessary for the implementing agencies. FY 2003 PRM response -- $3.6M. FY 2004 -- $10M.

Non-Governmental Organizations (NGOs) – assume key roles in health, shelter, food distribution, water and sanitation, and reintegration activities connected with expected large-scale returns. As in other repatriation operations, we expect to support those NGO activities filling gaps in the provision of UN assistance. Projected FY 2003 response from PRM -- $1.5M. FY 2004 current funding -- $10M. Additional FY 2004 -- $12M.

Partner	Est. Add'l '04 Needs	PRM Contribution
UNHCR	$200M	$50M
ICRC	$100M	$26M
IOM	$25M	$6.5M
Other IOs	N/A	$10M
NGOs	N/A	$12M
PRM Admin	$0.5M	$0.5M
	TOTAL	**$105M**

Local Governance and Municipalities: The innovative decentralization processes initiated in each of the Governorates in Iraq since April 2003 has brought a new sense of local ownership and prioritization for the delivery of services. The primary challenge facing the Ministry of Municipalities and Public Works now is to coordinate these new local political structures – the Governorate and Municipal Councils – with the existing decentralized Ministry administrative network so that development proposals and investments can reflect local priorities, and payments can flow to pay for the local

COALITION PROVISIONAL AUTHORITY

IRAQ INFRASTRUCTURE RECONSTRUCTION PROGRAM

IRAQ INFRASTRUCTURE RECONSTRUCTION OFFICE – BAGHDAD, IRAQ

PROJECT IDENTIFICATION FORM

MINISTRY		PROJECT TITLE	
LABOR AND SOCIAL AFFAIRS		**EMPLOYMENT CENTERS**	
LOCATION (GOVERNORATE)		LOCATION (MUNICIPALITY)	
		COUNTRYWIDE	
SECTOR / SUBSECTOR	CONTACT PERSON & TITLE	CONTACT TELEPHONE	CONTACT E-MAIL
GPS START (FORMAT DDD.DDDDD)	GPS END (FORMAT DDD.DDDDD)	CPA PRIORITY	PROJECT COST IN US DOLLARS
N	**N**		
E	**E**		
IRAQI CONTACT	PROJECT IDENTIFICATION N°.	OTHER FUNDING REQUESTED?	FROM WHOM?

PROJECT OBJECTIVE AND JUSTIFICATION (Note: Address coordination with other projects, if known.)

Objective: **CREATE EMPLOYMENT SYSTEM FOR IRAQ. ESTABLISH CENTERS AND PROGRAMS TO CREATE JOBS.**

Justification: **IN IRAQ NO DEPARTMENT OF LABOR EVER EXISTED. TODAY WITH HIGH UNEMPLOYMENT AS THE RESULT OF THE WAR, TRANSITION TO A MARKET ECONOMY AND THE ELIMIMNATION OF THE ARMY, THERE EXISTS A NEED TO GET PEOPLE BACK TO WORK. MINISTRY OF LABOR NEEDS TO BE DEVELOPED FROM THE GROUND UP TO INCLUDE THE ORGANIZATION, SYSTEMS DEVELOPMENT, EQUIPMENT, PERSONNEL, TRAINING AND MISSION.**

SCOPE OF PROJECT

Scope: **DEVELOP 27 EMPLOYMENT CENTERS THROUGHOUT THE COUNTRY. CREATE A DEPARTMENT OF LABOR THAT HAS AN EMPLOYMENT AND TRAINING DEPARTMENT WHICH HAS THE CAPABILITIES TO LINK UP EMPLOYERS WITH EMPLOYEES AND TO DEVELOP THOSE CRITICAL JOB SKILLS. PROVIDE EMPLOYERS WITH TRAINED WORKERS . ASSIST IN THE DEVELOPMENT OF IRAQ LABOR FORCE TO MEET FUTURE JOB NEEDS IN THE 21ST CENTURY. DEVELOP PROGRAMS FOR EMPLOYERS TO EMPLOY UNEMPLOYED WORKERS AND UTILIZE THEM FOR ON THE JOB TRAINING.**

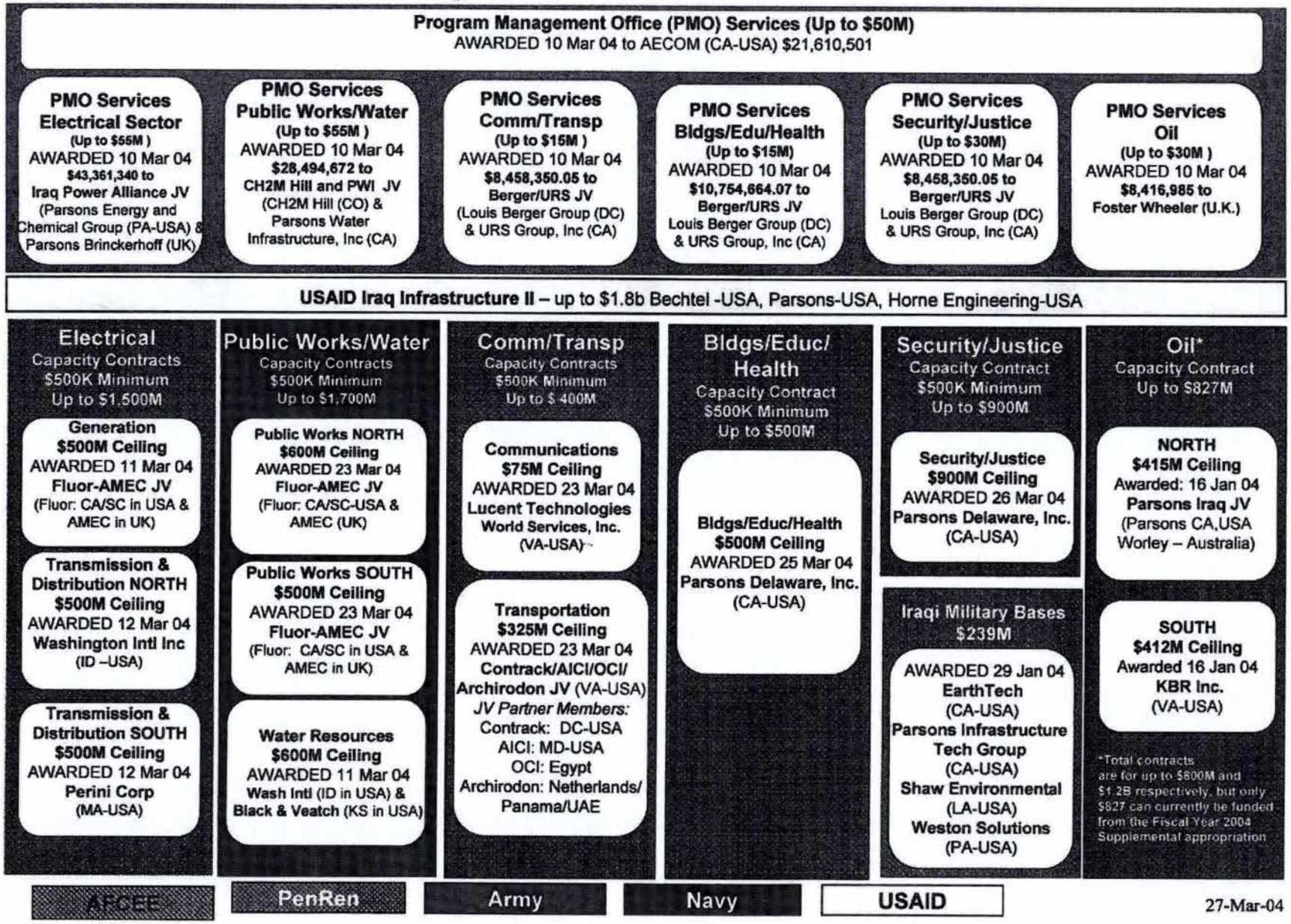
COST ESTIMATE

ITEM	Unit/ Measurement	QUANTITY	UNIT COST	COST ($ 000)
OJT DEVELOPMENT WITH PRIVATE EMPLOYERS		**5000.00**	**250**	**$1,250,000.00**
VOCATIONAL TRAINING		**1000.00**	**200**	**$200,000.00**
LITERACY TRAINING		**2500.00**	**150**	**$350,000.00**
EMPLOYMENT OUTREACH		**200000.00**	**5**	**$1,000,000.00**
ENGLISH AS A SECOND LANGUAGE		**2500.00**	**150**	**$350,000.00**
COMPUTER TRAINING		**5000.00**	**150**	**$750,000.00**
STAFF/CAPACITY TRAINING		**500.00**	**200**	**$100,000.00**
			TOTAL $	**$4,000,000**

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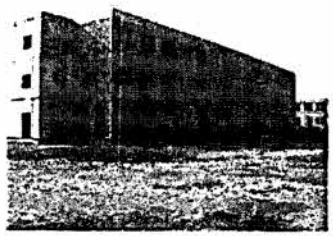
Friday, November 14, 2003

Program Management and Construction Contracts



Coalition Provisional Authority

Iraq Program Management Office



Senior Advisor Update

17 April 2004

4/17/2004 1

AGENDA

- PMO Update
- Construction Update
- Security
- Work Under Way

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80 million for Training

215 + ↑ PMO

Contracts Awarded (SPMO)

10K$, 5B.

- Program Management Office Support
  - AECOM ($21,610,501)
- Public Works and Water Sector
  - CH2M Hill/Parsons ($28,494,672)
- Transportation/Communications Sector
  - Berger/URS Group, Inc. ($8,458,350)
- Security/Justice Sector
  - Berger/URS Group, Inc. ($8,458,350)

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Contracts Awarded (SPMO)

- Buildings/Education/Health Sector
  - Berger/URS Group, Inc. ($10,754,664)
- Electrical Sector
  - Iraq Power Alliance Joint Venture (Parsons Energy and Chemicals Group) ($43,361,340)
- Oil Sector
  - Foster Wheeler ($8,416,985)

Crinkenhoff

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Contracts Awarded (PMO Construction)

- Power Generation
  - — Fluor AMEC ($500 Million)
- Transmission/Distribution/communications and controls for the Northern Region of Iraq.
  - —Washington International, Inc. ($500 Million)
- Transmission/Distribution/communications and controls for the Southern Region of Iraq.
  - —Perini Corporation ($500 million)
- Water Resources
  - — Washington International/Black & Veatch Joint Venture ($600 Million)

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Construction Contracts Awarded

- Public Works for Northern Iraq
  - — Fluor AMEC ($600 Million)
- Public Works for Southern Iraq
  - — Fluor AMEC ($500 Million)
- Transportation
  - — Contrack/AICI/OCI/Archirodon, Joint Venture ($325 Million)
- Communications
  - — Lucent Technologies World Services ($75 Million)

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Design Build K's

Contracts Awarded (PMO Construction)

- Public Buildings/Health/Education
  - — Parson Delaware ($500 Million)
- Security and Justice
  - — Parsons Delaware ($900 million)

Post Award Outreach Visit

- Locations: Dubai, Amman, Rome, Madrid, London, Istanbul, Sydney, Singapore and Seoul.
- Dates: 16-30 April 2004.
- Purpose: Provide overview of contracts, Opportunities, Resources, and Process/Protocol.
  - — Introduction of Prime Contractors.

Donor collaboration Efforts

- **Ministry of Planning & Development Cooperation Partnering**
- **Project List available to all Donors**
- **Offer to exchange project with others**
- **Donor World Bank and UN conferences**
- **International PMO Staff**

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Supplemental Funds Breakdown

$18.4 Billion for Reconstruction
(5.8) Non-Construction items — 1.8 capacity building, Goods/Services
$12.6
(4.0) Temporary Reserve
$ 8.6 Available for construction now

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The Process & Listing

- Ministries and Advisors develop requirements.
- Project listings and initial estimates developed.
- Coordinated with MSC Commanders and Governorates.
- Flexibility.

4/17/2004

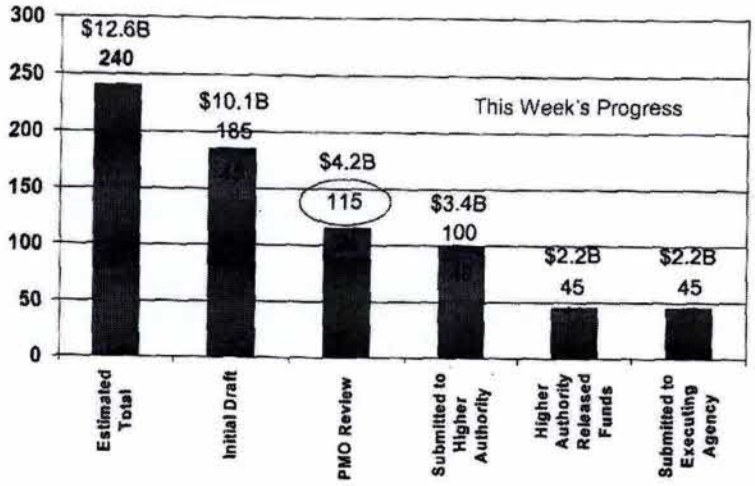
11

Financial Status in $ (Millions)

As of:15 April 2004

		Apportionment		Committed		Obligated	
Sector	2207 Report	Previous	Update	Previous Week	Current	Previous Week	Current
Security and Law Enforcement	3243	2483	2483	1222	1221	496	484
Electricity Sector	5539	1708	1708	1412	1435	1191	1191
Oil Infrastructure	1701	1600	1600	908	940	455	455
Justice, Public Safety, and Civil Society	1038	526	526	149	157	37	37
Democracy	451	458	458	341	332	260	244
Education, Refugees, Human Rights, Governance	259	203	203	22	37	22	32
Roads, Bridges, and Construction	370	119	119	34	119	8	8
Health Care	793	330	330	31	31	0	0
Transportation and Telecommunications	500	165	165	137	165	22	22
Water Resources and Sanitation	4148	496	496	277	307	41	41
Private Sector Development	184	70	70	15	53	0	15
Admin Expense (USAID, CPA Successor)	213	29	29	14	14	14	14
TOTAL	18439	8186	8168	4458	4811	2532	2529
CONSTRUCTION	12406	3950	3950	2383	2530	1490	1518
NON-CONSTRUCTION	5582	4280	4280	1824	1949	782	767
DEMOCRACY	451	458	458	341	332	260	244
Total	18439	8186	8186	4548	4811	2532	2529

Current Status – Task Orders



4/17/2004

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Projected Construction Tasks Committed by 1 Jul 04

Sector	$M Committed
Oil	$ 865
Electrical	$1,993
Security/Justice	$ 749
Water/PW	$ 722
Trans/Comm	$ 367
Bldgs/Ed/Health	$ 371
Total	$5,067 Million

4/17/2004

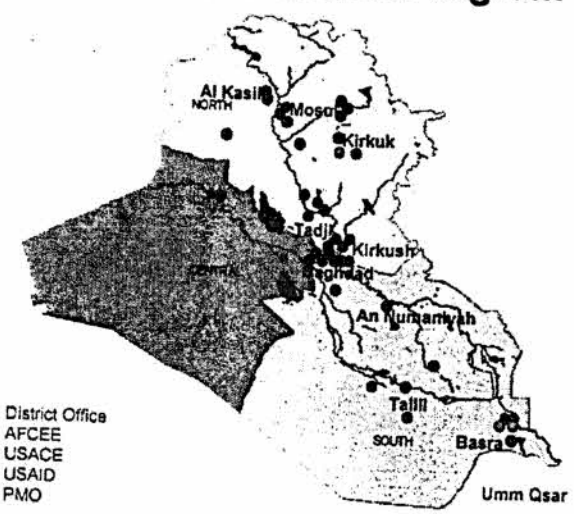
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Construction Projects Underway

4/17/2004

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PMO Construction Program



4/17/2004

As of 15 April 04

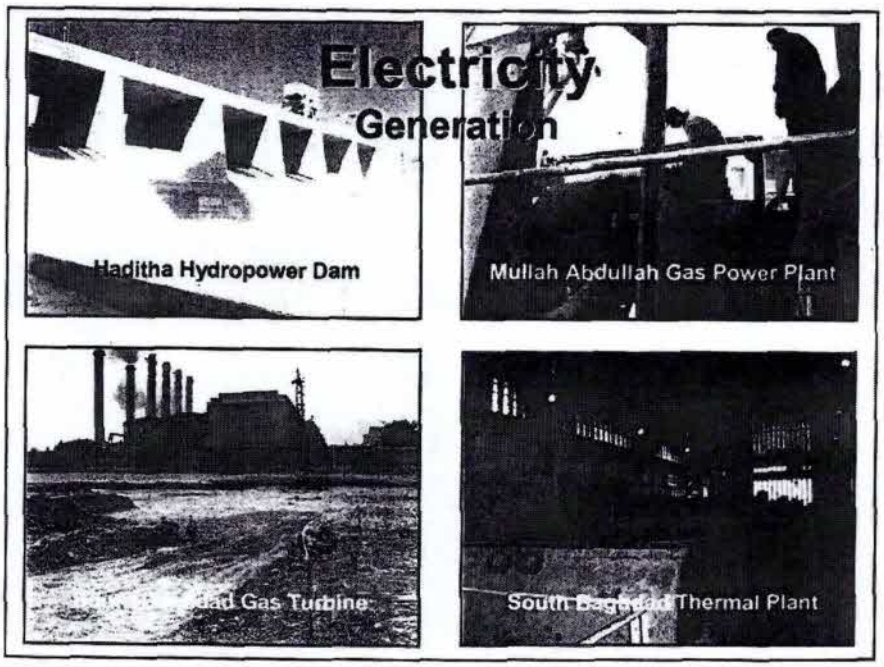
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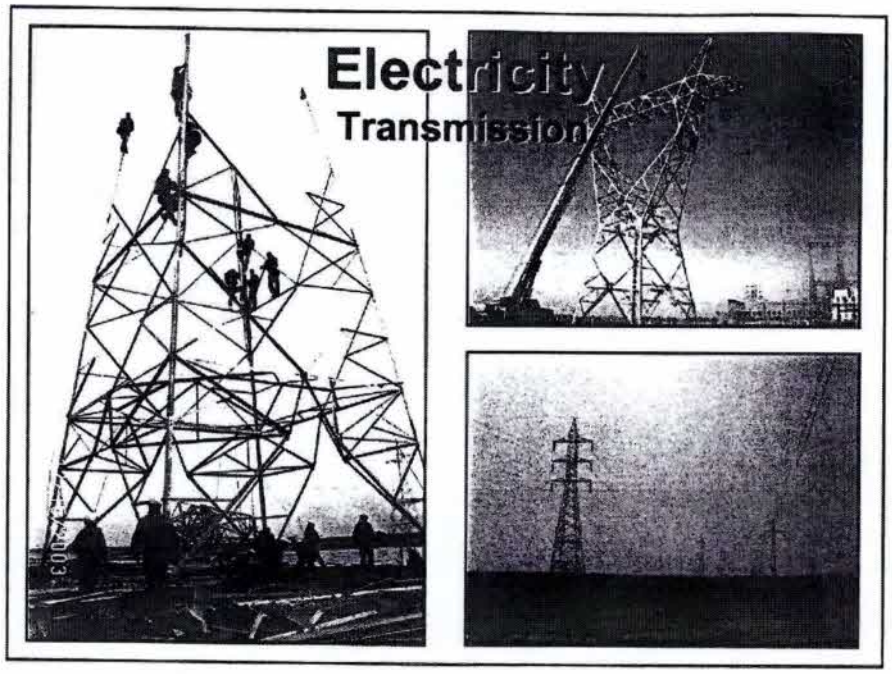
Program Management Office

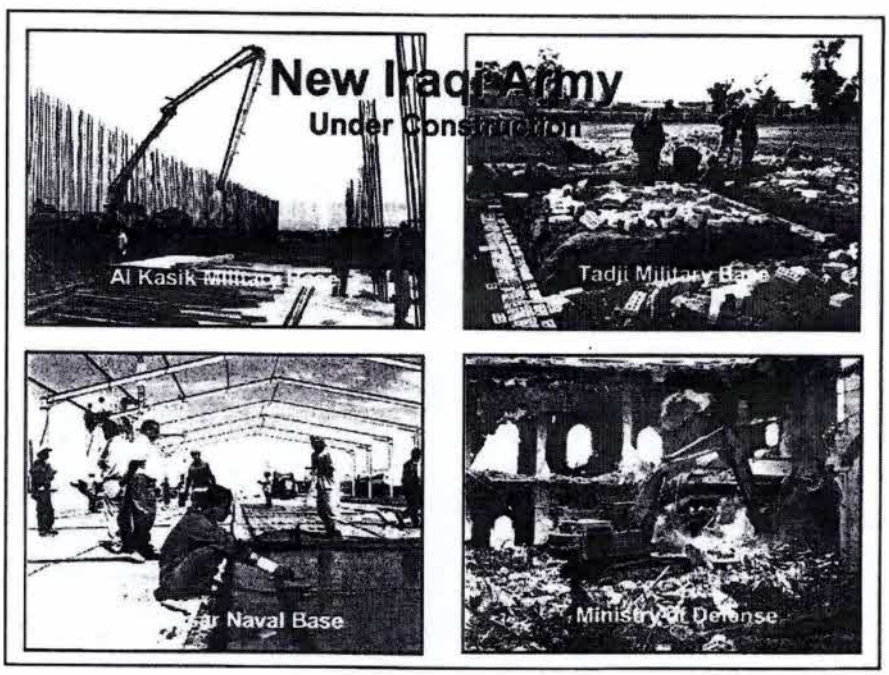
FY04 Supplemental Projects Under Construction
By Sector

Projects	Award $
Public Works & Water	$ 18,659,200
Oil	41,050,000
Transportation/Communication	3,483,292
Electricity	1,042,718,074
Security and Justice	425,635,954
TOTAL	**$1,531,546,520**

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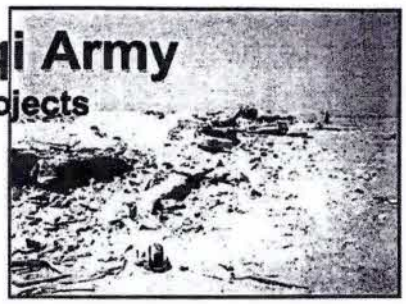



Electricity
Transmission


New Iraqi Army
Under Construction
Tadji Military Base
Ministry of Defense

New Iraqi Army
New Projects


Al Kasik Military Base III




Ar Rustamiyah Military Academy


Kirkush Military Training Base

Security Conditions and Requirements

Delays Due to Current Security Situation

- **Construction**
  - Local national workforce attendance varies
    - Lowest show rate: 25%
    - Current show rate: 50%
  - Building materials unavailable because of shipping delays at Jordanian and the Kuwaiti borders
- **Water and Public Works**
  - Had to relocate Baghdad landfill site due to existence of unexploded ordnance
- **Electricity**
  - Qudas (New Generation)
    - GE has taken people off project until 19-Apr-04 at which time an internal full assessment is conducted on security.

Delays Due to Current Security Situation, *cont'd*

- **Electricity**
  - Baiji (Maintenance/Rehabilitation)
    - Siemens has pulled their people out of the thermo plant
    - The plant cannot run on Heavy Fuel oil until inspections are performed
    - GE has taken people off project until 19-Apr-04 at which time an internal full assessment is conducted on security
  - Baghdad Area, Taji and Mosul (both Rehabilitation)
    - GE has taken people off project until 19-Apr-04 until an internal full assessment is conducted

Delays Due to Current Security Situation, *cont'd*

- **Oil**
  - — No issues at this time
- **Transportation/Communications**
  - — No issues at this time
- **Security and Justice**
  - — Attendance of local national workforce and construction contractors returning to normal
- **Buildings, Health and Education**
  - — Nothing to report

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Non-Construction by Sector

Sector	# of Requirements	Total $M
Security & Law	101	2,289
Justice & Public Safety	107	1,102
Electric	14	187
Oil	9	906
Water Resources	18	183
Transport & Telecom	47	272
Health	10	325
Roads Bridges & Construction	3	3
Private Sector Development	15	180
Education, Migration, Human Rights	40	259
Totals	**364**	**5,858**

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who will do + mge this?

Democracy Building Activities

PROGRAM ELEMENTS	AMOUNT
Elections	30,000,000
Political Party Assistance	17,500,000
Civil Society	184,5000,000
Media	20,000,000
Anti-Corruption	47,000,000
Commission on Public Integrity	5,000,000
National Government Support	29,000,000
Decentralization	125,000,000

Non-Construction Capacity Building

- **Democracy Building - $458M**
  Anticorruption, Decentralization, Education
- **Support to Governmental Institutions - $588M**
  - Development of Constitution, Promote Rule of Law
  - Support War Crimes Prosecution
- **Health Care - $50M**
  - Infectious disease control, National health policy reform, institutional decentralization
- **Assistance to Iraqi Citizens -$160M**
  - Human Rights, Property Claims Tribunal, Refugee Assistance, Civic Programs

Non-Construction Security Programs

- **Internal Security - $1,190M**
  - Police, Border Enforcement, Facility Protection
    - Training, Weapons, Vehicles, Communications, Equipment, Uniforms
- **Iraqi Civil Defense Force - $200M**
  - Training, Weapons, Vehicles, Equipment, Salaries
- **Iraqi Armed Forces - $1,141M**
  - Battalion Sets, Vehicles, Weapons, Personal Equipment, Education,Operations & Maintenance, Training
- **Electrical Infrastructure Security - $50M**
  - Train, Equip Electric Security Service
  - Aerial Surveillance capability

Non-Construction Goods and Services

- **Electricity Transmission & Network Control - $150M**
- **Oilfield Service/Repair Capacity**
  - Tools, Vehicles, Equipment- $375M
- **Humanitarian Fuels/Petroleum Products - $501M**
  - Benzene, Diesel, LPG
- **Water & Sewerage - $138M**
  - Chemicals, Pumps, Generators, Water Trucks, Piping, fittings, spare parts, vacuum trucks
- **Iraqi National Railroad - $88.8M**
  - Rolling stock, track repair parts & equipment
- **Hospital equipment Procurement/Modernization - $275M**
  - Equipment for clinics/hospitals, staff training

Projected Non- Construction Procurement Underway by 1 Jul 04

Sector	$M Committed
Oil Infrastructure	$ 836
Electrical	$ 86
Security and Law Enforcement	$ 2,308
Justice and Public Safety	$ 540
Democracy	$ 458
Water Resources and Sanitation	$ 139
Trans/Comm	$ 234
Roads, Bridges, & Construction	$ 3
Health Care	$ 325
Private Sector Development	$ 131
Education, Refugees, & Human Rights	$ 247
Total	$ 5,307 M

Management Technology

- Web-based Program Management System
- Accessible and always current
- Commercially available technology
- Will be passed to Iraq as a viable "Asset Management" system



Governorate Engagement Plan

Governorate	Date of Visit	Military Unit
Baghdad	29 Jan/4Feb 04	1 AD HQs
Babil	18 FEB 04	MND-CS HQs
Anbar	19 Feb 04	82nd Abn Hqs
Al Basrah	23 Feb 04	MND-SE/UK
Maysan	24 Feb 04	MND-SE/UK
Dhi Qar	25 Feb 04	MND-SE Italians
Muthanna	25 Feb 04	MND-SE/Dutch
Wasit	18 Mar 04	MND-CS Ukrainians

4/17/2004

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Governorate Engagement Plan

	Governorate	Date of Visit	Military Units
✓	Sulaymaniyah	20 Dec/15 Apr	4th ID
✓	Ninawa	4 Apr 04	SBCT
✓	Tameem	5 Apr 04	4th ID/1st BCT
✓	Arbil	5 Apr 04	SBCT
	Diyala	12 Apr 04	4th ID/2nd BCT
	Karbala	17 Apr 04	MND-CS Bulgarians
	Dahuk	2 May 04	4th ID
	Salah al Din	6 May 04	4th ID HQs
	Qadisiyah	8 May 04	MND-CS Dominicans
	An Najaf	9 May 04	Salvadoran

Total 12



QUESTIONS

Following companies have restarted the activities partly or wholly.

Company	Good orService	Ministry	Employees
Al-Ikhaa (Falluja)	Heavy machining, lenses	MilIndus	2282
Salahadeen (Tikrit)	Communications, radar	MilIndus	2850
Ibn-Majd (Basra)	Eng, Mfg, marine et al.	MilIndus	1500
Hamoorabi (Babylon)	Pistols, small arms	MilIndus	647
Al-Rafah	Consulting, alloy, ceramic	MilIndus	370
Al-Nidaa	Dies, molds, gears	MilIndus	1307
Al-Rasheed	CO2 producer	MilIndus	2630

Al Ikhaa (Falluja)
The Director was attending the meeting on September 8th in the Convention center giving a presentation his enterprise. He confirmed that the enterprise has not been looted and can start up its activities any time.
The enterprise has not been visited. The information in the file shows no financial data but has a description of machinery and premises even though they are not quantified. The inventory is also mentioned in the file.

Conclusion
Regarding the information in the file it seems that this enterprise is ready to start work any time and therefore it should be moved over to MIM for further action.

Salahudeen(Tikrit)
The enterprise has been visited and the view was that activities could be started up as soon as the occupation of the premises is finished.

Conclusion
The enterprise need restructuring and help with restarting activities when the armed forces move away. Move over to MIM to be held in a holding function and prepare for restructuring.

Ibn Majd(Basra)
The enterprise is working in metal constructions as well and has been building boats as well as fuel storages. The need for service to the all the refineries, cement factories and makes it clearly qualify as an asset worth to have.

Conclusion
Move over to MIM and let them restructure and privatize the enterprise accordingly.

Hammourabi (Babylon)
The enterpires has been visited and it is occupied by the armed forces. Relatively small damage to machines and buildings.

Conclusion
Move to MIM. The general council should decide upon the policy of keeping small arms manufacturing as a state monopoly or if the enterprise should be pirvatized.

Al Rafah

Conclusion

Al Nidaa
Enterprise badly looted according to information in file. However themanagement plans to start up the manufacturing similar products as Al Majid.

Conclusion
Move over to MIM and let restructuring take place

Al Rasheed
Enterprise has been visited.Military products. Totally looted.

Conclusion
Liquidate

No	Date visited	Enterprise name	Line of business	Location	Amount of workers
1		Tariq	Pesticides, chemicals	Falluja	871
2		Al Majd	Water purification	Baghdad	547
3		Ibn Al Waled	Training , Certification	Baghdad-Saydia	785
4		Ibn Firnas	R&D, marine mines, drone	Baghdad-Taiji	805
5		Nissan	Fuses, military shells	Al Nahrawar	1860
6		Al-Zahaf Al-Kabeer	Concrete additives	Baghdad	568
7		28 April Research	R&D, electronic warfare	Baghdad	99
8	9-Sep	Al-Ezz	Electronic switching, digital telephone exchanges	Baghdad	935
9		Ar-Razi	Lasers	Baghdad	
10		Al Karama	Al Sumoud missles	Baghdad	1950
11	8-Sep	Bader	Tools & dies	Baghdad	1631
12	23-Sep	Jaber Ben Hayan	Rubber, plastics, filters	Mosul	925
13		Tabooq	Powder for cartridges	Baghdad	534
14	22-Sep	Al-Kindi	R&D, radar	Mosul	970
15		Al-Yarmouk	Ammunition, barbed wire	Baghdad	2709
16		Al-Khawarezmi	Software	Baghdad	280
17		Al-Fat'h	R&D, missles, explosives	Baghdad	186
18		Al-Battany	R&D, space tech	Baghdad	269
19		Al-Harith	R&D, air defense, repair.Irrigation systems	Baghdad	1382

No	Date visited	Enterprise name	Line of business	Location	Amount of workers
20	15-Sep	AL Qudis	Ammunition, guns, mortar	Iskandariya	716
21	8-Sep	Um-Almarik	Machining,casting	Baghded	1560
22	8-Sep	Ibn-Rushd	Qual mgmt, testing, inspec	Baghdad	451
23	10-Sep	Al-Kadisiya	Guns, grenades, mortars	Baghdad	3943
24		Al Ubour	Machining	Baghdad-Doura	890
25	15-Sep	Huteem	Ammunition, guns, mortar	Iskandariya	5443
26	15-Sep	Al-Qaqa	Explosives, powder, TNT	Latifiya	5400
27	23-Sep	Al-Hadhar	Chemical products	Mosul	555
28		Ibn-Majd	Eng, Mfg, marine et al.	Basra	1500
29		Al-Melad	R&D, electronics		790
30		Al Nidaa	Dies, molds, gears	BaghdadöSaydiya	1307
31		Sakar Al-Arab	R&D, electronic warfare		34
32	15-Sep	Al Rashid			2630
33		Al-Radhwam	Machining		755

No	Date visited	Enterprise name	Line of business	Location	Amount of workers
34	9-Sep	Al Fidaa	Hydraulic, pneumatic sys.	Baghdad	1285
35		Al Rafah	Consulting, alloy, ceramic	Baghdad Zaraniya	370
36	9-Sep	Sanareeb	Irrigation systems		654

A black scenario with closing these enterprises will result in this amount of unemployed people. **45,589**

BearingPoint

formerly KPMG Consulting

Summary

Enterprise Name	Total of workers	Area Square meters	Level of destruction %	Area Square meters	Machines destruction and looting %
1.Jaber ben Hayan	904	58,560	25.7	43,507	95
2.Al Saheed	1,300	83,402	11.9	73,496	45
3.Al Yarmuk	2,708	81,500	65.8	27,850	100
4.Al Ezz	1,046	36,500	23.7	27,855	100
5.Tareq	896	37,012	30.6	25,668	25
6.Hammurabi	636	8,536	2.8	8,299	15
7.Al Kadissiya	3,035	102,650	69.9	30,900	100
8.Al Tahady	399	13,470	10.4	12,071	35
9.Ibn Al Walid	926	46,050	10.5	41,220	60
10.Al Ikhaa	2,382	108,680	1.7	106,814	20
11.Al Fidaa	1,285	16,360	50.2	8,141	100
12.Al Karama	2,287	52,192	51.4	25,378	40
13.Al Rashed	2,290	147,385	43.2	83,708	50
14.Azahf al Kabir	86	32,266	26.1	23,856	35
15.Al Noaman	643	23,791	6.0	22,373	10
16.Um Almarek	1,217	110,863	70.4	32,804	100
17.Uboor	1,243	32,124	36.8	20,296	95
18.Al Qaqa	5,365	104,202	36.6	66,115	85
19.Bader	1,631	34,681	82.8	5,976	100
20.Tabook	532	36,156	0.3	36,056	20
21.Al Mansour	670	25,694	0.2	25,631	5
22.Al Hadhar	572	88,975	70.6	26,150	100
23.Al Radhwan	760	44,260	34.0	29,228	60
24.7 Nissan	2,652	89,000	94.2	5,175	100
25.Al Hareth	1,387	47,025	0.0	47,025	60
26.Al Nidaa	1,281	35,400	41.8	20,605	80
27.Al Kindi	976	48,392	38.0	29,997	90
28.Sanahareeb	675	10,936	22.3	8,492	100
29.Training center					
30.Salahuddeen	2,900	49,800	34.2	32,748	75
31.Al Salam	752	11,281	7.7	10,407	100
32.Ibn Rushd	448	6,957	50.0	3,479	100
33.Ibn Majed	1,648	22,073	21.6	17,309	30
34.Mic Administration					
35.Hutteen	5,473	244,762	25.9	181,327	70
Totally	51,005	1,890,935	38.7	1,159,953	75

No warranties for the informatoin in this document is given.

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Enterprises to be transferred to Ministries

Enterprise Name	Total of workers	Area Square meters	Level of destruction %	Area Square meters	Machines destruction and looting %
2.Al Saheed	1,300	83,402	11.9	73,496	45
5.Tareq	896	37,012	30.6	25,668	25
6.Hammurabi	636	8,536	2.8	8,299	15
8.Al Tahady	399	13,470	10.4	12,071	35
9.Ibn Al Walid	926	46,050	10.5	41,220	60
10.Al Ikhaa	2,382	108,680	1.7	106,814	20
13.Al Rashed	2,290	147,385	43.2	83,708	50
14.Azahf al Kabir	86	32,266	26.1	23,856	35
15.Al Noaman	643	23,791	6.0	22,373	10
17.Uboor	1,243	32,124	36.8	20,296	95
21.Al Mansour	670	25,694	0.2	25,631	5
23.Al Radhwan	760	44,260	34.0	29,228	60
26.Al Nidaa	1,281	35,400	41.8	20,605	80
29.Training center					
31.Al Salam	752	11,281	7.7	10,407	100
33.Ibn Majed	1,648	22,073	21.6	17,309	30
34.Mic Administration					
Totally	15,912	671,424	22.4	520,979	45

No warranties for the correctness of the information in this document is given.

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Enterprises in Holding Function

Enterprise Name	Total of workers	Area Square meters	Level of destruction %	Area Square meters	Machines destruction and looting %
1.Jaber ben Hayan	904	58,560	25.7	43,507	95
3.Al Yarmuk	2,708	81,500	65.8	27,850	100
4.Al Ezz	1,046	36,500	23.7	27,855	100
7.Al Kadissiya	3,035	102,650	69.9	30,900	100
11.Al Fidaa	1,285	16,360	50.2	8,141	100
12.Al Karama	2,287	52,192	51.4	25,378	40
16.Um Almarek	1,217	110,863	70.4	32,804	100
18.Al Qaqa	5,365	104,202	36.6	66,115	85
19.Bader	1,631	34,681	82.8	5,976	100
20.Tabook	532	36,156	0.3	36,056	20
22.Al Hadhar	572	88,975	70.6	26,150	100
24.7 Nissan	2,652	89,000	94.2	5,175	100
25.Al Hareth	1,387	47,025	0.0	47,025	60
27.Al Kindi	976	48,392	38.0	29,997	90
28.Sanahareeb	675	10,936	22.3	8,492	100
30.Salahuddeen	2,900	49,800	34.2	32,748	75
32.Ibn Rushd	448	6,957	50.0	3,479	100
35.Hutteen	5,473	244,762	25.9	181,327	70
Totally	35,093	1,219,511	47.6	638,974	90

No warranties of the correctness of the information in this document is given.

Control List Building Information

	Company name	NO	Description of the building and its use	Building Material and structure	Number of Floors	Construction year	Area Square meters	Volume Cubic meters	Level of destruction %	Book value 2002 1000 ID	Comments
1	1.Jaber ben Hayan		OK	OK	OK	OK	OK	OK	OK	OK	Questions about the sites and material not on disc
2	2.Al Shaheed	OK	OK	OK	OK	OK	OK			OK	OK
3	3.Al Yarmuk	OK	OK	OK	OK	OK	OK	OK	OK	partly	
4	4.Al Ezz	OK	OK	OK	OK	OK	OK	OK	OK	X	X
5	5.Tareq	OK	OK	OK	OK	OK	OK	OK	OK	X	X
6	6.Hammurabi	OK	OK	X	X	X	OK	X	OK	X	X
7	7.Al Kadissiya	OK	OK	OK	OK	OK	OK	OK	OK	X	X
8	8.Al Tahady	OK	OK	OK	OK	OK	OK	OK	OK	X	X
9	9.Ibn Al Walid	X	X	X	X	X	X	X	X	X	X
10	10.Al Ikhaa	OK	OK	OK	OK	OK	OK	OK	OK	OK	X
11	11.Al Fidaa	OK	OK	OK	OK	OK	16,360	103,440	OK	X	X
12	12.Al Karama	OK	OK	OK	OK	OK	52,192	306,794	OK	X	X
13	13.Al Rashed	OK	OK	OK	OK	OK	121,755	586,321	OK	34,667,968	OK
*14	14.Azahf al Kabir	OK	OK	OK+½	OK	OK	OK	OK	OK	OK+½	OK
15	15.Al Noaman	OK	OK	OK	OK	OK	23,791	270,150	OK	34,459	OK
16	16.Um Almarek	OK	OK	OK	OK	OK	110,563	736,789	OK	18,764,160	OK
17	17.Al Uboor	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
18	18.Al Qaqa	virus									In different format but info exists
19	19.Bader	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
20	20.Tabook	virus									
21	21.Al Mansour	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
22	22.Al Hadhar	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
23	23.Al Radhwan	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
24	24.7 Nissan	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
25	25.Al Hareth	Occupied by the Armed Forces and could not be completed up til now									
26	26.Al Nidaa	OK	OK	X	OK	OK	OK	X	OK	X	X
27	27.Al Kindi										
28	28.Sanahareeb										
29	29.Training center										
30	30.Salahuddeen										
31	31.Al Salam	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
32	32.Ibn Rushd	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
33	33.Ibn Majed	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
34	34.Mic Administration										
35	35.Hutteen										
	Returned 11.12.03 to be completed ASAP										

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Visit report

Enterprise visited	**Al Whaleed (Al Khadra)**
Address	**Bagdad- There are four location- the main is occupied by troops, Al Khadra, Al Whaleed and a R&D used as living area.**
Date and Time	**01.10.03 12.30 pm**
Accompanying people	**MC; Musadak; Radja;**
People met	**Director of the enterprise and top officials**

General

Al Whaleed consists in three locations facilities and was an enterprise dedicated for D level maintenance manufacturing also spare parts for tanks and armoured vehicles wheeled or tracked rocket launchers.

First location visited is under refurbishing and intent to perform electric generators repairing. They ordered tools and jigs to be paid with the money collected from the scrape sold, under the coordination of the military area commander. For the time being there's no production activity.

Second location was just handover by the military unit located there. There are some tools like rolling cranes and facilities adequate for to provide services in heavy trucks repairing. The people in are to prepare the facilities for the mentioned activities.

Third location is the main facility and is occupied by the US military. Within the facilities there are left machining equipment mainly damaged, rolling cranes and as a good point the most of the facilities are OK.

All of the mentioned facilities might be used to start other civilian production or services for engines, automotives or others.

Conclusions

The are possibilities to separate the three locations in order to proceed for the liquidation and privatization. Starting any production in these areas would require repairing of the outside machinery and installation of new machinery.

There are few assets and land would generate revenues if it is possible to sell.

Next steps

Let the management refurbish the existing machines and make maintenance on products delivered in order to employ the people they have on their pay list. Make sure the military units when leaving to hand over the facilities to the management to prevent looting and destroying the buildings

Examine possible liquidation or privatization.

1		**Ibn Firnas**	R&D, marine n	Baghdad-Taiji	805
2		**28 April Research**	R&D, electronic warfare	Baghdad	99
3	9-Sep	**Al-Ezz**	Electronic switching, digital telephone exchanges	Baghdad	935
4		**Al Karama**	Al Sumoud missles	Baghdad	1950
5	8-Sep	**Bader**	Tools & dies	Baghdad	1631
6	22-Sep	**Al-Kindi**	R&D, radar	Mosul	970
7		**Al-Khawarezmi**	Software	Baghdad	280
8		**Al-Fat'h**	R&D, missles, explosives	Baghdad	186
9		**Al-Battany**	R&D, space tech	Baghdad	269
9	15-Sep	**AL Qudis**	Ammunition, guns, mortar	Iskandariya	716

10	8-Sep	Um-Almarik	Machining,casting	Baghdad	1560
11	8-Sep	Ibn-Rushd	Qual mgmt, testing, inspec	Baghdad	451
12	10-Sep	Al-Kadisiya	Guns, grenades, mortars	Baghdad	3943
13		Al Ubour	Machining	Baghdad-Dour	890
14	15-Sep	Huteem	Ammunition, guns, mortar	Iskandariya	5443
15	15-Sep	Al-Qaqa	Explosives, powder, TNT	Latifiya	5400
16	23-Sep	Al-Hadhar	Chemical products	Mosul	555
17		Al-Melad	R&D, electronics		790
18		Sakar Al-Arab	R&D, electronic warfare		34
19	15-Sep	Al Rashid			2630
20		Al Rafah	Consulting, alic	Baghdad Zaraf	370
					29907

21		Tariq	Pesticides, che	Falluja	871
22		Nissan	Fuses, military shells	Al Nahrawar	1860
23		Al-Zahaf Al-Kabeer	Concrete additives	Baghdad	568
24		Ar-Razi	Lasers	Baghdad	
25		Al-Yarmouk	Ammunition, barbed wire	Baghdad	2709
26		Al-Harith	R&D, air defense, repair.Irrigation systems	Baghdad	1382
27		Ibn-Majd	Eng, Mfg, mari	Basra	1500
28	9-Sep	Al Fidaa	Hydraulic, pneumatic sys.	Baghdad	1285
					10175
29		Al Majd	Water purificat	Baghdad	547
30		Ibn Al Waled	Training , Certi	Baghdad-Sayd	785
31	23-Sep	Jaber Ben Hayan	Rubber, plastics, filters	Mosul	925
32		Tabooq	Powder for cartridges	Baghdad	534
33		Al Nidaa	Dies, molds, g	BaghdadöSayd	1307
34	9-Sep	Sanareeb	Irrigation systems		654
					4752

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1.Jaber ben Hayan

Company facts				Recommendation
Workers	Numbers			The destruction of the buildings in conjunction with the loss of machinery up to 90% suggests that this enterprise should be closed.
	904			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	35,400	42	20,605	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	Few	90	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

2.Al Shaheed

Company facts				Recommendation
Workers	Numbers			The destruction of the buildings is small. The Inventory has a value of 5,5 billion ID, however the information of machinery is not existing and thus this enterprise should be rehabilitated and put to work.
	1300			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	83,402	12	73,496	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	N/A	5,540,737	

3.Al Yarmuk

Company facts				Recommendation
Workers	Numbers			No possibility to revive, close down.
	2708			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	81,500	66	27,850	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

4.Al Ezz

Company facts				Recommendation
Workers	Numbers			Buildings can be used for any purpose. All machinery and inventory looted. Close down. Verify ownership of big adjacent piece of land.
	1046			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	36,500	24	27,855	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

5.Tareq

Company facts				Recommendation
Workers	Numbers			Destruction of machniery and buildings relatively small. Revive enterprise as it is not a military company.
	896			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	37,012	31	25,668	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	33	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	isting in considerable amounts		N/A	

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6.Hammurabi

Company facts				Recommendation
Workers	Numbers			Occupied by the armed forces. The enterprise is not destroyed and should be included in the new defense Industry program. The enterprise can be privatized later conditionally that it produces a certain quota as
	636			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	8,536	3	8,299	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	<10	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
			165,000	

7.Al Kadissiya

Company facts				Recommendation
Workers	Numbers			Totally destroyed by professional looters. Nothing was destroyed during the war. Close the company as the production similar to Hammurabi and two enterprises in this filed are not needed.
	3035			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	102,650	70	30,900	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

8.Al Tahady

Company facts				Recommendation
Workers	Numbers			The enterprise should be encouraged to continue its business as destruction is very little and the products are in use in the major industries in Iraq as in the oil refineries.
	399			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	13,470	10	12,071	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	25	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

9.Ibn Al Walid

Company facts				Recommendation
Workers	Numbers			Enterprise has four sites. Two sites are occupied by armed forces and the others have interested parties for a lease or a purchase agreement.
	1698			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	35,400	42	20,605	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

10.Al Ikhaa

Company facts				Recommendation
Workers	Numbers			Company untouched can work. Split up and sell or lease in parts.
	2382			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	108,680	0	108,182	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	74,543,152,500	0	74,543,152,500	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

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11.Al Fidaa

Company facts				Recommendation
Workers	Numbers			The enterprise is destroyed morevthan 50%and hsould closed down. The asset is the land in an expensive are close to Baghdad.
	1285			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	16,360	50	8,141	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

12.Al Karama

Company facts				Recommendation
Workers	Numbers			Close down. Assets are many plots of land and some machines. Production only military orientated.
	2287			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	52,192	51	25,378	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	25	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
			19,000	

13.Al Rashed

Company facts				Recommendation
Workers	Numbers			Less hat 50% destroyed acnnot be closed according to existing legislation.
	2290			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	121,755	44	68,688	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	33	6,129,395	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

14.Azahf al Kabir

Company facts				Recommendation
Workers	Numbers			Less hat 50% destroyed acnnot be closed according to existing legislation.
	502			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	32,266	26	23,856	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	85	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

15.Al Noaman

Company facts				Recommendation
Workers	Numbers			Capable to operate and has ongoing contracts that are fulfilled. To continue its work and to be privatized.
	643			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	23,791	6	22,373	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	<2	1,117,699	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A			

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16.Um Almarek

Company facts				Recommendation
Workers	Numbers			Close down. Fully looted and not operating. Salvage parts of the 25 million USD machines if possible.
	1217			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	110,863	70	32,804	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	25 million USD	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

17.Al Uboor

Company facts				Recommendation
Workers	Numbers			Try to save as speciallized in machining and total destruction less than 50%.
	1243			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	32,124	37	20,296	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	105,000	50	50,000	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

18.Al Qaqa

Company facts				Recommendation
Workers	Numbers			Gunpowder and explosives factory. Polluted ground. Could be interested for manufacturer of dynamite and other explosives. Close down.
	5473			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

19.Bader

Company facts				Recommendation
Workers	Numbers			Totally destroyed by professional looters. Close down
	1631			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	34,681	83	5,976	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

20.Tabook

Company facts				Recommendation
Workers	Numbers			Close down. Before final recommendation verify the status of looting!
	532			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

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21.Al Mansour

Company facts				Recommendation
Workers	Numbers			Operating and working. Should be moved to MIM. Check value of machinery.
	670			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	25,694	0	25,631	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	0	74,551,102,534	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

22.Al Hadhar

Company facts				Recommendation
Workers	Numbers			Close down.
	572			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	88,975	71	26,150	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		1,006,850	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

23.Al Radhwan

Company facts				Recommendation
Workers	Numbers			Destruction less than 50%. Should be encouraged and restructured.
	760			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	44,260	34	29,228	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	50	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

24.7 Nissan

Company facts				Recommendation
Workers	Numbers			Close down!
	2652			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	89,000	94	5,175	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

25.Al Hareth

Company facts				Recommendation
Workers	Numbers			Close down!
	1387			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

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26.Al Nidaa

Company facts				Recommendation
Workers	Numbers			Try to save as specialized in machining and gears used in all the vital enterprises as cement factories, phosphate factories and oil refineries.
	1279			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	35,400	42	20,605	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	excisting	70	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

27.Al Kindi

Company facts				Recommendation
Workers	Numbers			Split up and lease parts that are not occupied.
	958			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

28.Sanahareeb

Company facts				Recommendation
Workers	Numbers			Products no longer requested by Ministry of Agriculture. Buildings could be used for any purpose. Close down.
	511			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

29.Training center

Company facts				Recommendation
Workers	Numbers			Keep until Defense Structure within MIM is decided upon
	90			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

30.Salahuddeen

Company facts				Recommendation
Workers	Numbers			Information missing
	2903			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

BearingPoint

31.Al Salam

Company facts				Recommendation
Workers	Numbers			Continue operations as destruction is minimal.
	752			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	11,281	8	10,407	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	N/A	N/A	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	N/A	N/A	

32.Ibn Rushd

Company facts				Recommendation
Workers	Numbers			Occupied by Army. Close down site and rehabilitate workers by creating quality Control department or enterprise.
	448			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	6,957	50	3,479	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	

33. Ibn Al Majid

Company facts				Recommendation
Workers	Numbers			Continue operations as destruction is less than 50%
	1648			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
	22,073	22	17,309	
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

34.Mic Administration

Company facts				Recommendation
Workers	Numbers			Keep until Defense Structure within MIM is decided upon
	[redacted]			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

35.Hutteen

Company facts				Recommendation
Workers	Numbers			no information, but close down as only manyufacturing guns, mortars and ammunition.
	5443			
Buildings	Orig. Sq.m.	destruction %	Sq.m. today	
		#DIV/0!		
Machines	Orig.Value.1000 ID		Value today 1000 ID	
	N/A	100	Zero	
Inventory	Orig.Value.1000 ID		Value today 1000 ID	
	N/A		Zero	

COALITION PROVISIONAL AUTHORITY

BAGHDAD

October 30, 2003

FOR: MIC Management Team/Directors General

FROM: Directorate, Private Sector Development (PSD)

SUBJECT: MIC Coordinator Position Elimination

SUMMARY & PURPOSE: The Coalition Provisional Authority (CPA) and Private Sector Development no longer recognizes Mr. Musadak Al-Janabi as Military Industrial Commission Coordinator.

CPA and PSD have determined that the position of MIC Coordinator has been improperly used to conduct business that violates CPA directives on assigning personnel, and disbursing assets. It has come to our attention that Mr. Musadak Al-Janabi has inappropriately assumed a position as head of MIC activities, that he has appointed management, that he has changed management personnel without prior coordination with CPA, and has sold vehicles in violation of CPA policy. Therefore until he addresses this directly with CPA and PSD, he has no authority, and is removed as MIC coordinator. Any questions on this matter may be addressed to (b)(6) (b)(6) or the undersigned.

(b)(6)

F

lopment

COALITION PROVISIONAL AUTHORITY

BAGHDAD

December 7, 2003

FOR: MIC Directors

FROM: Directorate, Private Sector Development (PSD)

SUBJECT: Formation of Problem Solving Teams

SUMMARY & PURPOSE: The Military Industrial Commission has countless people who have skills that are lying dormant. Private Sector Development suggests that this talent be mobilized to help the Iraqi people and the Coalition Provisional Authority with solutions for engineering and management challenges in Iraq.

The MIC has a large number of various types of engineers, scientists, and managers with skills that could be used to help solve challenges to the reconstruction of Baghdad and Iraq. We think that these under-employed professionals should be placed into teams and assigned responsibilitity for solving some of these challenges. We in Private Sector Development will try to match the teams with organizations within CPA that have specific problems to be tackled.

Any questions on this matter may be addressed to (b)(6)
(b)(6)

(b)(6)
Chief of Staff, Private Sector Development

Unclassified: Limited Distribution

COALITION PROVISIONAL AUTHORITY

BAGHDAD

January , 2004

To:
From:
Subject: Dissolution of the Military Industrial Commission (MIC) State Owned Enterprises (SOE: 6 Month Plan

Background:
There are currently 33 MIC SOEs. There are 50,000 MIC employees to include the MIC administration and training center. 18 of these MICs are destroyed with an employee workforce of 35,000. The 6 month MIC dissolution plan aims to permanently dismantle the MIC as an institution thus preventing MIC or a similar organization from being resurrected after the transfer of authority

1. Transfer of Viable MICs to other Iraqi Ministries

There is a draft of a CPA Order to allow for the inter-ministry transfer/consolidation/ reclassification of SOEs. This CPA Order allows the viable MICs to be transferred to other ministries. The bulk of the MIC SOEs would transfer to the Ministry of Industry and Minerals (MIM).

Completion:
All viable MICs will be transferred to other ministries by March 31, 2004

2. Transfer the employees of the non-viable, destroyed MICs to other Iraqi Ministries

The white and blue collar employees of MIC are some of the highest skilled workers in Iraq. The employees of the destroyed MICs will be matched and transferred to other Iraqi ministries to include: MIM, MOLSA, the new Ministry of Defense and the Ministry of Electricity. Any MIC employees that can not be placed in an Iraqi ministry will transfer to the Ministry of Finance

Completion:
The transfer of the employees from the destroyed MICs is scheduled for completion by April 30, 2004

3. Dissolution of Destroyed, Non-viable MICs

All remaining assets of the destroyed MICs will be stripped and transferred to other Iraqi ministries. Outstanding liabilities to include the surviving MIC SOE legal entities will be the responsibility of the Ministry of Finance. The surviving destroyed MIC legal entities will be formed into a Holding Company under the Ministry of Finance. The disposition of the Holding Company will be at the discretion of the Ministry of Finance after the transfer of sovereignty

Completion:
Transfer of assets and the formation of a Ministry of Finance Holding Company is Scheduled for completion by May 15, 2004

DRAFT

Military Industry Commission (MIC) to Ministry of Industry and Minerals (MIM):

Al Saheed
Tareq
Hammurabi
Al Tahady
Ibn Al Walid
Al Ikhaa
Al Rashed
Asahf al Kabir
Al Noaman
Uboor
Al Amnsour
Al Radhwan
Al Nidaa
Al Salam
Ibn Majed

Military Industry Commission to Ministry of Labor and Social Affairs (MOLSA):

Training Center

MIM to MOLSA:

Training and Apprentice School

Reclassification from SOEs to State Agencies:

MIM:

Geological Survey and Mining (Geological Survey portion only)
Tanmia
Training and Development (-) (training Centers go to MOLSA)

Ministry of Transportation:

Private

Ministry of Water:

Al Kadisiah
Al Hadba
Al Muthana
Al Fao
Fourat Design
Al Nassr

Ministry of Housing:

National Center for Labs
National Center for Consultancy

Ministry of Health
Kimedia

Ministry of Agriculture:
Animal Resources
Horticulture / Forestry
Veterinary

Ministry of Trade:
Grain Board
Food Stuffs
Grain Processing
Export and Import
International Fairs

SOEs to be Consolidated:

Ministry of Housing:
Al Idressy Consultants
Al Yaum Al Adeem
Ramadan Mubarak
Al Tahrir
Taj Al Ma'arik
Al Jihad
Al Anfal

MIM:
Design and Industrial Construction
Design and Consultation

Military Industry Commission Companies That Will Have Surviving Assets and Employees Transferred to Other Iraqi Government Agencies:

Jaber ben Hayan
Al Yarmuk
Al ezz
Al Kadissiya
Al Fidaa
Al Karama
Al Qaqa
Bader
Tabook
Al Hadhar
7 Nissan
Al Hareth
Al Kindi

Summary of State-Owned Enterprises

Al-Noaman	Plastic injection, irrigation	MilIndus
Al-Mansour	Solar cells, IC, gases	MilIndus
Al-Ikhaa (TBD) (Falluja)	Heavy machining, lenses	MilIndus
Salahadeen (TBD) (Tikrit)	Communications, radar	MilIndus
Sanareeb (TBD)	Irrigation systems	MilIndus
Ibn-Majd (TBD) (Basra)	Eng, Mfg, marine et al.	MilIndus
Al-Majd	Water purification	MilIndus
Al-Battany	R&D, space tech	MilIndus
Al-Kindi	R&D, radar	MilIndus
Al-Fat'h	R&D, missiles, explosives	MilIndus
28 April Research	R&D, electronic warfare	MilIndus
Al-Rafah	Consulting, alloy, ceramic	MilIndus
Al-Khawarezmi	Software	MilIndus
Al-Qudis	R&D, engineering, rockets	MilIndus
Ibn-Rushd	Qual mgmt, testing, inspec	MilIndus
Al-Zahaf Al-Kabeer	Concrete additives	MilIndus
Ibn-Al-Waled	Training, certification	MilIndus
Al-Yarmouk	Ammunition, barbed wire	MilIndus
Ibn-Firnas	R&D, marine mines, drone	MilIndus
Tariq (Falluja)	Pesticides, chemicals	MilIndus
Al-Melad	R&D, electronics	MilIndus
Al-Nidaa	Dies, molds, gears	MilIndus
Al-Qaqa	Explosives, powder, TNT	MilIndus
Nissan	Fuses, military shells	MilIndus
Huteem	Ammunition, guns, mortar	MilIndus
Al-Harith	R&D, air defense, repair	MilIndus
Jaber Ben Hayan	Rubber, plastics, filters	MilIndus
Tabooq	Powder for cartridges	MilIndus
Bader	Tools & dies	MilIndus
Al-Hadhar	Chemical products	MilIndus
Ar-Razi	Lasers	MilIndus
Al Karama	Al Sumoud missiles	MilIndus
Sakar Al-Arab	R&D, electronic warfare	MilIndus
Al-Ezz	Electronic switching	MilIndus
Al-Sumoud (no file)		MilIndus
Al-Shaheed	Ammunition raw materials	MilInd
Hamoorabi (Babylon)	Pistols, small arms	MilInd
Al-Fida	Hydraulic, pneumatic sys.	MilInd
Al-Tahady	Motors, capacitors, transfo.	MilInd
Al-Kadisiya	Guns, grenades, mortars	MilInd
Al-Uboor	Machining	MilInd
Um-Almarik	Machining	MilInd
Al-Rasheed (no file)	CO2 producer	MilInd
Al-Radhwam	Machining	MilInd

MIC Companies

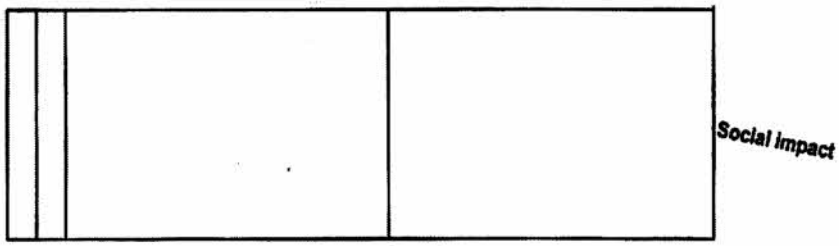
No	Date visited	Enterprise name	Line of business	Location	Amount of workers	Assets seen on the visiting date	Issues	Preliminary recommendation
1	8-Sep	**Um-Almarik**	Machining,casting	Baghdad	1560	Skeleton of INNSA millling machine bridge cranes. Parts of foundry	Take steps to stop the looting Talk to the director to save the rest of the buildings and installations	The destruction by looting is complete and the enterprise cannot start up its previous activities. In an asset sale the shells of the production buildings along with the remaining few machines could be sold to a private entrepreneur. However the value of the reamings will be neglible. The enterprise as enterprise does not exist anymore and thus the remainder of the assets should be disposed of.
2	15-Sep	**Al-Qaqa**	Explosives, powder, TNT	Latifiya	5400	No assets left.	The enteprise is situated about 40 km from Baghdad and the workforce was transported from different places as there is no housing in the area. There are contingent liabilities as pollution of the land has taken place.	28 squarekilometers of land to be sold. Assess the range of pollution before determing about sale
3		**Nissan**	Fuses, military shells	Al Nahrawar	1860	Not yet visited		
4		**Al-Kindi**	R&D, radar	Mosul	970	Not yet visited		

5	15-Sep	Huteem	Ammunition, guns, mortar	Iskandariya	5443	Almost all machines have been relocated before the war and place in storages or outside in the yard. There are no activities of production as looting as well as bombing has destroyed many buildings. Al Qudis is situated adjacent to this area.	Creating workplaces for people in other areas as here are no residential sites around	Prepare the enterprise for liquidation. Investigate possibility to move over to new Iraqi military as storage area for ammunition. Possibility to start a small scale machining factory with remaining devices and buildings.
6	15-Sep	AL Qudis	Ammunition, guns, mortar	Iskandariya	716	Looting has gone on and the buildings containing the computers are totally looted as the machinery for maintenance of diesel engines and mine destroyers. .	Only a part of previous employees could be re-employed.	Workshop buildings are standing and could be refurbished to use for other or same purposes without major investment.
7	9-Sep	Al-Harith	R&D, air defense, repair.Irrigation systems	Baghdad	1382	Al Hareth used to assemble irrigation sprinkler systems. They are totally dependant on local manufacturers of the plastic and metal parts. There used to be 126 suppliers of parts. Al Hareth provided the moulds for the sub-contractors	The workforce definitely too big for the operation they have shown us. Check what else there is.	The site is relatively well preserved and the start up of the activities requires minor investments.
8		Jaber Ben Hayan	Rubber, plastics, filters	Mosul	925		Visit planned for 23 of September	
9		Al-Khawarezmi	Software	Baghdad	280		The workforce is the asset of the enterpirse and finding a new locationwould save many workplaces	
10		Tabooq	Powder for cartridges	Baghdad	534	Not yet visited		

11	8-Sep	Ibn-Rushd	Qual mgmt, testing, inspec	Baghdad	451	Buildings are unharmed but no sight of any machinery. More temporary buildings are being erected at the base	Can the army move out to facilitate privatization orliquidateion?	The enterprise cannot be revived as long as the occupation of the premises is taking place. Machines have to be replaced.
12		Al-Hadhar	Chemical products	Mosul	555		Visit planned for 23 of September	
13		Al Karama	Al Sumoud missles	Baghdad	1950	Buildings are in good condition and could be used when relocating other SOE's		
14	9-Sep	Al-Ezz	Electronic switching, digital telephone exchanges	Baghdad	935	Partly destroyed buildings, research and development center partly under construction.	The enterprise seems to have an adjacent site of considerable size given to them for further expansion.	Production technology used is based on Yugoslavian model and in co-operation with their enterprises. The only hope for this company to survive is to find a foreign investor to take over the enterprise.The enterprise assets are a highly educated and trained workforce.
15	10-Sep	Al-Kadisiya	Guns, grenades, mortars	Baghdad	3943	Looted and completely destroyed . Walls and infarstructur of premises still avaoilable an intact.	4000 jobs gone.	Could be a potential candidate for an industrial park after reconstruction of boilerhouse.
16		Al-Zahaf Al-Kabeer	Concrete additives	Baghdad	568	Not yet visited		
17		Al-Yarmouk	Ammunition, barbed wire	Baghdad	2709	Not yet visited		
18		Al-Battany	R&D, space tech	Baghdad	269	Not yet visited		
19		Al-Fat'h	R&D, missles, explosives	Baghdad	186	Not yet visited		
20		28 April Research	R&D, electronic warfare	Baghdad	99	Not yet visited		
21		Ar-Razi	Lasers	Baghdad		Not yet visited		
22	15-Sep	Al Rashid			2630	All machines looted as well as the copper wires in the ground.		The chemical storage for rocket fuel is still intact as the chemical factory. Pollution has taken place and the assessment should be done before taking measures of sale.

23	8-Sep	Al Badr	Tools & dies	Baghdad	1631	The enterprise is adjacent to Um Al Marik and the looting has taken same patterns. Machinery has been systematically dismantled and looted. The looting is continuing and big cranes are used for lifting heavy machinery and building structures.Some of the roof trusses are still in place. The bridge cranes have been lowered onto the floor ready to be transported.		Prepare the enterprise for liquidation. Possibility to start a small scale machining factory with remaining devices and buildings.
24	9-Sep	Al Fidaa	Hydraulic, pneumatic sys.	Baghdad	1285		The technology used was based on former YU technology and could be used only for limited purposes.There is no possibility to start the enterprise as it was as that would require enormous investments.There are no assets so except land so the sale of the land would generate revenues if it is possible to sell.	The military part is destroyed and starting any production in that area would require reconstruction of all the buildings and installation of new machinery.The civilian part has no machines even though some of the buildings could be usedThere are no assets left to restart the enterprise even partly without investing in new machinery.
25		Al Majd	Water purification	Baghdad	547			Looted might be used for other destination.
26		Al Rafah	Consulting, alloy, ceramic	Baghdad Zaraa	370	Looted and completely destroyed . Walls and infarstructur of premises still avaoilable an intact.		It is a factory belonging to Al Ezz
27		Ibn Al Waled	Training , Certification	Baghdad-Sayd	785			Employees might start their activity on a private base.

28		Ibn Firnas	R&D, marine mines, drone	Baghdad-Taiji	805			Looted no equipment left
29		Al Ubour	Machining	Baghdad-Dour	890	The buildings might be reused after furbishing		Looted no equipment left
30		Al Nidaa	Dies, molds, gears	BaghdadõSayd	1307	The buildings might be used for other purposes to start new activities. Buildings are looted		Aftter assessment of the remainings in the area to be reused for other destination.


Social impact

6 Month Transition Plan for MIC

OBJECTIVE: Transfer, liquidate, lease, or sale of part of the assets and consolidate in a holding the remaining defence industry proprieties, reporting to the MoF

.

Background: The MIC assets include:

- 33 Enterprises.
  - 15 enterprises for possible restructure in the holding.
    - details presented in Annex A
  - 18 enterprises with assets and employees eligible for transfer.
    - details presented in Annex B
- The training centre.
  - Being transferred to the Ministry of Labour.
- The MIC administration and companies' personnel
  - Personnel being transferred to different Ministries.
    - by selection and interviews to all interested ministries looking for skilled personnel, i.e. electricity, defence, agriculture, labour, etc.

Establishing the team to be in charge with holding management
The remaining personnel from the companies will be as now in the Ministry of Finance payroll until a severance plan will be approved and implemented.

The level of destruction and number of employees for each enterprise are shown in the annex C.

Issues: The following outstanding items remain:

- Security requirements (guards) for
  - some of the enterprises having ordnances or dangerous materials left in their former areas of activity but the company being destroyed, or establish other steps in order to clear the areas and be destroyed by the ordnance body.
  - Enterprises working or able to restart for the civilian required goods, services or materials. For the mentioned enterprises needs assessment required are in progress.
- Electricity requirements.
- Generator refurbishment.
- Deadline is before TOA.

Action and deadlines

Action	Deadline	Comments
Move training Centre to Ministry of Labour	February 20th	In progress with Min. of Labour
Move 15 enterprises to MIM	May 20th	In progress with MIM
Assess the need and cost for use of FPS to guard remaining assets by enterprise and apply for money.	January 26th	In progress
Create the principles for the holding function	February 28th	
Assess the need of money for employees for the period July thru December 2004, and establishing budget for the transfer and other expenses	January 31st	
Assess the cost basic requirement for each company to start up their activities partly or wholly for budgetary purposes.	January 26th	
Give recommendations for leasing out assets on a continuous basis and prepare enterprise profiles (mini sales memoranda) for enterprises whose assets are being offered for lease	June 15th	Public offertt
Make plan for transfer of employees to other ministries Group all personnel issues together	February 16th	DG tasks-coordinated by Raja

From: Condurovici, Marcel Teodor (O-6)
Sent: Friday, March 05, 2004 9:37 AM
To: Bien, Lettie (O-6)
Subject: MIC SOEs list

MIC Enterprises

	Enterprise Name	Area of activity	Total amount of workers	Buildings Level of destruction %	Machines destruction and looting %
2	2.Al Saheed	Copper production	1,300	**11.9**	**45**
8	8.Al Tahady	electromecanichal	399	**10.4**	**35**
10	10.Al Ikhaa	mechanichal, optics	2,382	**1.7**	**20**
15	15.Al Noaman	plastic injection, irrigation	643	**6.0**	**10**
21	21.Al Mansour	solar cells, IC, gases	670	**0.2**	**5**
33	33.Ibn Majed	Eng.Mfg.marine et.al.	1,648	**21.6**	**30**
31	31.Al Salam	construction equip.	752	**7.7**	**100**
29	29.Training center	All defense SOEs specialties			
1	1.Jaber ben Hayan	Plastic, rubber, filters	904	**25.7**	**95**
3	3.Al Yarmuk	ammunitions, barbed wire	2,708	**65.8**	**100**
4	4.Al Ezz	electonic switching	1,046	**23.7**	**100**
5	5.Tareq	pesticides, chemicals	896	**30.6**	**25**
6	6.Hammurabi	pistols, small arms	636	**2.8**	**15**

7	7.Al Kadissiya	guns, grenades, mortars	3,035	69.9	100
9 11	Enterprise Name		Total amount of workers	Buildings Level of destruction %	Machines destruction and looting %
12	9.Ibn Al Walid	heavy armoured veh. rep	926	10.5	60
13	11.Al Fidaa	hydraulic, pneumatic sys.	1,285	50.2	100
14	12.Al Karama	missiles, mechanichal	2,287	51.4	40
16	13.Al Rashed	co2 producer, mechanical	2,290	43.2	50
17	14.Al Zahaf al Kabir	concrete additives	86	26.1	35
18	16.Um Almarek	mechanichal machining	1,217	70.4	100
19	17.Uboor	mechanichal machining	1,243	36.8	95
20	18.Al Qaqa	explosives, powder, TNT	5,365	36.6	85
22	19.Bader	tools &dies	1,631	82.8	100
23	20.Tabook	powder for cartridges	532	0.3	20
24	22.Al Hadhar	chemichal products	572	70.6	100
25 26	Enterprise Name		Total amount of workers	Buildings Level of destruction %	Machines destruction and looting %
27	23.Al Radhwan	machining	760	34.0	60
28	24.7 Nissan	fuses, military shells	2,652	94.2	100

25.Al Hareth	radars, welding equipment	1,387	**0.0**	**60**
26.Al Nidaa	dies, molds, gears	1,281	**41.8**	**80**
27.Al Kindi	R&D radars	976	**38.0**	**90**
28.San Hareeb	irrigation sys.	675	**22.3**	**100**
30.Salah Al Deen	communication, radars	2,900	**34.2**	**75**
32.Ibn Rushd	Qa, testing, inspection	448	**50.0**	**100**
34.Mic Administration				
35.Hutteen	ammunition, guns, mortars	5,473	**25.9**	**70**
Totally		**51,005**	**38.7**	**75**

Transfer	
Employees	**Assets**
MIM	MIM
MIM	MIM
MIM	MIM
MIM	MIM
MIM	MIM
MIM	MIM
Ministry of Housing	Ministry of Housing
Ministry of Labour	Ministry of Labour
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function

Ministry of Finance	Ministry of Finance Holding Function
Transfer	
Employees	**Assets**
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
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Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Transfer	
Employees	**Assets**
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function

Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function
Ministry of Finance	Ministry of Finance Holding Function

Al-Noaman	Plastic injection, irrigation	MilIndus
Al-Mansour	Solar cells, IC, gases	MilIndus
Al-Ikhaa (TBD) (Falluja)	Heavy machining, lenses	MilIndus
Salahadeen (TBD) (Tikrit)	Communications, radar	MilIndus
Sanareeb (TBD)	Irrigation systems	MilIndus
Ibn-Majd (TBD) (Basra)	Eng, Mfg, marine et al.	MilIndus
Al-Majd	Water purification	MilIndus
Al-Battany	R&D, space tech	MilIndus
Al-Kindi	R&D, radar	MilIndus
Al-Fat'h	R&D, missiles, explosives	MilIndus
28 April Research	R&D, electronic warfare	MilIndus
Al-Rafah	Consulting, alloy, ceramic	MilIndus
Al-Khawarezmi	Software	MilIndus
Al-Qudis	R&D, engineering, rockets	MilIndus
Ibn-Rushd	Qual mgmt, testing, inspec	MilIndus
Al-Zahaf Al-Kabeer	Concrete additives	MilIndus
Ibn-Al-Waled	Training, certification	MilIndus
Al-Yarmouk	Ammunition, barbed wire	MilIndus
Ibn-Firnas	R&D, marine mines, drone	MilIndus
Tariq (Falluja)	Pesticides, chemicals	MilIndus
Al-Melad	R&D, electronics	MilIndus
Al-Nidaa	Dies, molds, gears	MilIndus
Al-Qaqa	Explosives, powder, TNT	MilIndus
Nissan	Fuses, military shells	MilIndus
Huteem	Ammunition, guns, mortar	MilIndus
Al-Harith	R&D, air defense, repair	MilIndus
Jaber Ben Hayan	Rubber, plastics, filters	MilIndus
Tabooq	Powder for cartridges	MilIndus
Bader	Tools & dies	MilIndus
Al-Hadhar	Chemical products	MilIndus
Ar-Razi	Lasers	MilIndus
Al Karama	Al Sumoud missiles	MilIndus
Sakar Al-Arab	R&D, electronic warfare	MilIndus
Al-Ezz	Electronic switching	MilIndus
Al-Sumoud (no file)		MilIndus
Al-Shaheed	Ammunition raw materials	MilInd
Hamoorabi (Babylon)	Pistols, small arms	MilInd
Al-Fida	Hydraulic, pneumatic sys.	MilInd
Al-Tahady	Motors, capacitors, transfo.	MilInd

Al-Kadisiya	Guns, grenades, mortars	MilInd
Al-Uboor	Machining	MilInd
Um-Almarik	Machining	MilInd
Al-Rasheed (no file)	CO2 producer	MilInd
Al-Radhwam	Machining	MilInd

040320-13

COALITION PROVISIONAL AUTHORITY

BAGHDAD

ACTION MEMO

March 20, 2004

FOR: THE ADMINISTRATOR

FROM: Office of the General Counsel

SUBJECT: Realignment of Military Industrial Companies

The enclosed CPA Order provides for the security and destruction of materials abandoned after the closure of military industrial companies throughout Iraq. The Order is designed to secure the facilities and assets of military industrial companies and to facilitate the reconstitution of these companies for peaceful and resourceful uses.

The proposed Order:

- Identifies state-owned enterprises that previously engaged in military industrial production, the assets of which could potentially pose a threat to Coalition forces and the people of Iraq if not properly managed. and the employees of which are in need of meaningful employment in non-military enterprises;

- Permits the Administrator or relevant minister to identify additional such enterprises;

- Authorizes the Administrator to:

  - secure the facilities and dispose of the material assets of listed enterprises;
  - reclassify and/or reorganize such enterprises where appropriate;
  - reassign unemployed workers of such enterprises to other Iraqi ministries, government agencies, or state-owned enterprises;

- Requires the Ministry of Finance to keep track of budgets and associated payroll information for implicated enterprises and employees;

- Allows the Minister of Industry and Minerals to comment and make recommendations with respect to actions taken under this Order;

- Assigns enterprises that formerly engaged in military industrial production to certain ministries for management in a way that will ensure the enterprises and their assets do not constitute a risk to Coalition Forces and the people of Iraq, and are not subject to looting or spoilage.

RECOMMENDATION: That the Administrator authorize coordination of the attached proposed Order with the Finance and Planning Committee of the Governing Council and the Governing Council at large during a two-week period. The Interim Securities Law Order, the Consolidation of State Owned Enterprises Order, and this Order will be submitted to the Governing Council for its consideration at approximately the same time. All three Orders are ranked as "important" under CPA's prioritized hierarchy of pending orders.

Approve: 4/3/04 Disapprove: _____ Approve with modification: _____

ATTACHMENTS: English version of Proposed CPA Order on Realignment of Military Industrial Companies and Annex A
Arabic version of Proposed CPA Order on Realignment of Military Industrial Companies and Annex A

COORDINATION: Ministry of Industry and Minerals / (b)(6) ok)
Private Sector Development (b)(6)
(b)(6) seen)

COALITION PROVISIONAL AUTHORITY ORDER NUMBER XX

REALIGNMENT OF MILITARY INDUSTRIAL COMPANIES

Pursuant to my authority as Administrator of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant U.N. Security Council resolutions, including Resolutions 1483 and 1511 (2003),

Furthering commitments to promote public order and safety and restore the conditions of security and stability for the Iraqi people,

Having worked closely with the Governing Council to ensure that economic change occurs in a manner acceptable to the people of Iraq,

Recognizing that many state-owned enterprises previously engaged in military industrial production (heretofore "military industrial companies") sit idle and largely abandoned throughout Iraq,

Concerned that buildings and factories of companies formerly assigned to the military industrial commission (or "military industrial companies") often contain stockpiles of hardware and materials that remain deployable for violent uses against Coalition Forces and the people of Iraq, and that employees of these companies remain needlessly underemployed and unable to utilize their skills to promote the welfare of Iraq,

Determined to secure and dispose of these stockpiles and to assign responsibility for reconstituting military industrial companies and reassigning their employees as necessary for the promotion of peace, security, and stability in Iraq;

I hereby promulgate the following:

Section 1
Purposes and Objectives

This Order promotes public order and safety for the Iraqi people by providing for the security and destruction of materials abandoned after the closure of military industrial companies throughout Iraq. This order also restores conditions of stability in Iraq by assigning responsibility for the personnel and assets of military industrial companies to appropriate ministries and facilitating the reconstitution of such companies for peaceful and resourceful uses.

Section 2
Military Industrial Companies

1) Military industrial companies subject to this Order include those state-owned enterprises listed in Annex A. The absence of appropriate responsibility for the facilities and assets of these enterprises has been determined by the Administrator to constitute a continuing threat against Coalition Forces and the people of Iraq if not appropriately secured.

2) State-owned enterprises formerly assigned to institutions dissolved under CPA Order No. 2 (CPA/ORD/23 May 2003/02), Dissolution of Entities, and those enterprises formerly assigned to the military industrial commission are generally subject to inclusion in Annex A.

3) The military industrial commission is an entity dissolved under CPA Order No. 2 (CPA/ORD/23 May2003/02).

4) The Administrator retains authority to add state-owned enterprises to Annex A if it is determined that such enterprises previously engaged in military industrial production and either (a) threaten public order and safety on account of stockpiles and/or abandoned materials that may be used for violent purposes against Coalition Forces and the people of Iraq, or (b) have real property or other tangible assets that the enterprise as presently constituted cannot adequately safeguard and thus stand in danger of being looted, severely damaged, or destroyed.

5) The Minister of Industry shall be notified of any additions or deletions to Annex A within ten days of such action being taken by the Administrator. The Minister of Industry shall also inform the Administrator of any state-owned enterprise known to have been engaged in military industrial production, but not listed in Annex A

Section 3
Disposition of Military Industrial Assets and Employees

1) The Administrator retains authority to secure facilities and dispose of the material assets of enterprises listed in Annex A so long as the Administrator finds that such facilities or assets or the lack of control over such facilities and assets constitute a continuing threat to Coalition Forces and the people of Iraq.

2) The Administrator also retains authority to reclassify and/or reorganize the enterprises listed in Annex A, so long as the Administrator finds such reclassification and/or reorganization essential to the safety of Coalition Forces and the people of Iraq, the preservation of assets and property for the people of Iraq, or the restoration of societal conditions necessary to the self determination of the Iraqi people. Where an enterprise listed in Annex A is not reassigned to another Iraqi ministry, the liabilities of such enterprise shall be assumed by the Ministry of Finance.

3) The Administrator further retains authority to reassign otherwise unemployed workers of the enterprises listed in Annex A to other Iraqi ministries, governmental agencies, governmental instrumentalities, or state-owned enterprises, so long as the Administrator finds such reassignment furthers the security and safety of Coalition Forces and the people of Iraq or furthers the restoration of societal conditions necessary to the self determination of a free people.

4) To ensure continuity in the economy of Iraq and the salaries of workers reassigned under this Section, the Minister of Finance will assure that the budget of any enterprise reassigned and/or reclassified under this Section, and the associated payroll information for any employee reassigned under this Section, shall follow that enterprise or employee to their new ministry or place of employment. Employees reassigned under this Section shall be guaranteed a salary commensurate with the salary paid by their former employer.

5) The Minister of Industry must be notified in writing of any action taken under this Section, and within 14 days of such notice may issue an opinion as to whether such action serves the interests of the Iraqi people. The Minister of Industry may make specific recommendations for alternative courses of action, keeping in mind that the Administrator retains full authorization under the laws and usages of war to ensure and restore public order and security in Iraq.

Section 4
Assignment and Consolidation

1) Responsibility for military industrial companies and the assets and personnel thereof not listed in Annex A shall be assigned to the Ministry of Industry and Minerals or such other ministry as the Administrator deems appropriate. These companies shall include all state-owned enterprises formerly supervised or owned by institutions dissolved under CPA Order No. 2 (CPA/ORD/23 May 2003/02), or formerly assigned to the military industrial commission.

2) Military industrial companies assigned to the Minister of Industry and Minerals under this Section may be subject to consolidation pursuant to the procedures set forth in other CPA Orders.

Section 5
Administrative Instructions

The Administrator may delegate authority to issue Administrative Instructions to clarify and implement this Order.

Section 6

Inconsistent Legislation

Any provision of Iraqi law that is inconsistent with this Order or Annex A is hereby suspended to the extent of such inconsistency.

Section 7
Entry into Force

This Order shall enter into force on the date of signature.

L. Paul Bremer, Administrator
Coalition Provisional Authority

Annex A

Military Industry Commission Companies (MIC's) to Ministry of Industry and Minerals (MIM):

Enterprise Name	Area of Activity	Total Amount of Workers	Buildings Level of Destruction(%)	Machines Destruction and Looting(%)	Assign Employees and Assets to:
1. Al Saheed	Copper production	1,300	11.9%	45%	MIM
2. Tareq	Pesticides, chemicals	896	30.6%	25%	Ministry of Finance
3. Hammurabi	Pistols, small arms	636	2.8%	15%	Ministry of Finance
4. Al Tahady	Electromecanichal	399	10.4%	35%	MIM
5. Ibn Waleed	Heavy armored veh. Rep.	926	10.5%	60%	Ministry of Finance
6. Al Ikhaa	Mechanical, optics	2,382	1.7%	20%	MIM
7. Al Rasheed	Co2 producer, mechanical	2,290	43.2%	50%	Ministry of Finance
8. Asahf al Kabir	Concrete additives	86	26.1%	35%	Ministry of Finance
9. Al Noaman	Plastic injection, irrigation	643	6.0%	10%	MIM
10. Al Uboor	Mechanical machining	1,217	70.4%	100%	Ministry of Finance
11. Al Mansour	Solar cells, IC, gases	670	0.2%	5%	MIM
12. Radhwan	Machining	760	34.0%	60%	Ministry of Finance

Enterprise Name	Area of Activity	Total Amount of Workers	Buildings Level of Destruction(%)	Machines Destruction and Looting(%)	Assign Employees and Assets to:
13. Al Nidaa	Dies, molds, gears	1,281	41.8%	80%	Ministry of Finance
14. Al Salam	Construction Equip.	752	7.7%	100%	Ministry of Housing
15. Ibn Majed	Eng. Mfg. Marine et.al.	1.648	21.6%	30%	MIM

MIC's to Ministry of Labor and Social Affairs (MOLSA):

Enterprise Name	Area of Activity	Total Amount of Workers	Buildings Level of Destruction(%)	Machines Destruction and Looting(%)	Assign Employees and Assets to:
1. Training Center	All defense SOE's specialties	N/A	N/A	N/A	Ministry of Labor

MIC's That Will Have Surviving Assets and Employees Transferred to Other Iraqi Government Agencies:

Enterprise Name	Area of Activity	Total Amount of Workers	Buildings Level of Destruction(%)	Machines Destruction and Looting(%)	Assign Employees and Assets to:
1. Jaber ben Hayan	Plastic, rubber, filters	904	25.7%	95%	Ministry of Finance
2. Yarmuk	Ammunitions, barbed wire	2,708	65.8%	100%	Ministry of Finance
3. Al ezz	Electronic switching	1,046	23.7%	100%	Ministry of Finance
4. Al Kadissiya	Guns, grenades, mortars	3,035	69.9%	100%	Ministry of Finance

Enterprise Name	Area of Activity	Total Amount of Workers	Buildings Level of Destruction(%)	Machines Destruction and Looting(%)	Assign Employees and Assets to:
5. Al Fidaa	Hydraulic, pneumatic systems	1,285	50.2%	100%	Ministry of Finance
6. Al Karama	Missiles, mechanical	2,287	51.4%	40%	Ministry of Finance
7. Al Qaqa	Explosives, powder, TNT	5,365	36.6%	85%	Ministry of Finance
8. Bader	Tools, dies	1,631	82.8%	100%	Ministry of Finance
9. Tabook	Powder for cartridges	532	0.3%	20%	Ministry of Finance
10. Al Hadhar	Chemical products	572	70.6%	100%	Ministry of Finance
11. 7 Nissan	Fuses, military shells	2,652	94.2%	100%	Ministry of Finance
12. Al Hareth	Radars, welding equipment	1,387	0.0%	60%	Ministry of Finance
13. Al Kindi	R & D radars	976	38.0%	90%	Ministry of Finance
14. Sanahareeb	Irrigation systems	675	22.3%	100%	Ministry of Finance
15. Salahuddeen	Communication, radars	2,900	34.2%	75%	Ministry of Finance
16. Ibn Rushd	Qa, testing, inspection	448	50.0%	100%	Ministry of Finance
17. Hutten	Ammunition, guns, mortars	5,473	25.9%	70%	Ministry of Finance

Foreign Language