### CPA Priorities:
- Essential Services
- Security
- Governance
- Economy

### CPA Intermediate Objectives:
- Repair electric power infrastructure
- Rebuild the telecomms system
- Establish police training program
- Implement new media strategies
- Successful Donor’s Conference

### Weekly Highlights:
- Maintenance program for power plants began 10 Oct and ends in Mar 04 affecting power production
- 5,000 more Iraqi Police officers on duty in last two weeks; total exceeds 54,000
- Iraqi delegation departed for OIC meeting in Kuala Lumpur
- Currency exchange going well - no major problems
TF Restore Iraqi Electricity (RIE) Overview

Goal 1 Oct 03: 4400 MW
Production and Transmission

Goal 1 Jun 04: 6000 MW
Production and Transmission

- Weekly National Electric Output: 4,086 MW
- Weekly Baghdad Power Consumption Average: ~1,400 MW
- Autumn Overhaul / Outage Program began 13 Oct 03 and ends Mar 04. Estimated power production range during this period is 3,800-4,800 MW as generators are taken off line for maintenance, currently 400MW offline for scheduled maintenance
- TF-RIE is tracking 26 Power Generation, Transmission, and Management Control Projects worth $1.1 Billion. 23 of 26 projects are started
Crude Oil Production

As of 20 1515 EDT Oct 03

Domestic Need: 450,000 BPD

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

Current Price Per Barrel: c. $26.53

Long Term Target (Dec 04): 3.1 MBPD (Pre-War Capacity)

- Pre-War Peak: 2.5 MBPD in Feb 03
- Post-war Peak: 2.099 MBPD on 12 Oct 03
Diesel Supply

Goal: 16.0 M Liters

- Iraqi Ministry of Oil raised supply goal to 16.0 M liters/day
- Supply currently 94% of new goal
Kerosene Production

- Kerosene imports began 05 Oct. Initial goal = 2.0M liters/day
- Current supply 123% of total goal
Gasoline / Benzene Supply

Goal: 16 M Liters

- Current supply 111% of goal
Labor disputes at South Gas Plant delayed testing and charging of 14” LPG pipeline; loading of line now underway

Current supply 62% of revised goal
Essential Services - Education

Functioning Educational Institutions

- 01 Oct: Primary and secondary schools opened to some 5.5 million students
- 20 Major Universities
- 43 Technical Schools

- 02 Oct: Mosul University graduated 2,200 students
- Foundation Technical Institute graduated 1,200

Current Activities

- UNICEF-printed textbooks will be delivered in November 03
- Saddam Hussein’s image removed from texts
- Ministry of Education distributing 1.5 million bookbags with basic supplies to secondary school students

<table>
<thead>
<tr>
<th>K-12 School Buildings In Iraq</th>
<th>13,597</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabilitations Completed by 10/14</td>
<td>1,628</td>
</tr>
<tr>
<td>Rehabilitation goal by 10/1</td>
<td>1,000</td>
</tr>
<tr>
<td>Ongoing school rehabilitations</td>
<td>393</td>
</tr>
</tbody>
</table>

Includes repair / replacement of doors, windows, restroom facilities; generally no major reconstruction or new construction.
Essential Services - Healthcare

Milestones

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

Current Activities

• Kirkuk GC coordinating with Turkish and Iraqi Red Crescent to build and operate a city hospital
• Installation of generators 75% complete at six hospitals
  – Program on course to install 128 generators and 10 uninterrupted power supply units throughout Baghdad this year
  – $40 million initiative
• 17 Iraqi children receive specialized medical care in Germany
  – MEDEVAC by US Air Force from Baghdad on 05 Oct to Ramstein Air Base
Essential Services - Water

Water Supply and Sewage Treatment Milestones (in Liters)

<table>
<thead>
<tr>
<th></th>
<th>Pre-War</th>
<th>Post-war</th>
<th>Jun 04</th>
<th>Nov 04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potable Water Availability</td>
<td>12.9 Million</td>
<td>4.0 Mil</td>
<td>13.4 Mil</td>
<td>21.3 Mil</td>
</tr>
<tr>
<td>Sewage System Coverage</td>
<td>6.2 Million</td>
<td>85% cap</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Current Activities

- 800 Facilities Protection Service officers trained to protect all 26 dam sites in Baghdad and four sites in Diyala Governorate (about 40% of total officers needed)
- Iraqi engineers working in California with US Army Corps of Engineers on Tigris-Euphrates reservoir simulation model

Water Sources

- 25 major dams
- 275 pumping stations
- Produce 17% of Iraq’s electricity
- Irrigate 3.25M hectares of land
Essential Services - Telecommunications

Milestones

- Sep 03: Internet connectivity established to 15 of 18 governates
- Oct 03: Cell phone contracts awarded to Asia-Cell (N), Orascom (C), Atheer (S)
- Oct 03: Issue regulations encouraging competition and wireless Internet
- 23-24 Oct: Restore international landline connectivity
- Dec 03: Begin cell phone service
- Dec 03: Restore nationwide landline connectivity

### TELECOM Connections

<table>
<thead>
<tr>
<th>Type</th>
<th>Pre-War</th>
<th>Sept 2003</th>
<th>Jan 2004 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landline</td>
<td>1,100,000</td>
<td>850,000</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Wireless</td>
<td>0</td>
<td>0</td>
<td>50,000</td>
</tr>
<tr>
<td>Internet</td>
<td>4,500</td>
<td>4,900</td>
<td>50,000</td>
</tr>
</tbody>
</table>
Essential Services - Transportation

• 36 bridges prioritized for repair by CPA and Ministry of Transportation

• Railroad track repair to support grain shipment
  – Land Transport State-Owned Enterprise awarded competitive contract to transport CJTF-7 containers
  – Major step toward creation of intermodal transport network

• 85% of roads already paved

• Baghdad and Basrah ready for daily NGO flights
  – 05 Oct: BIAP passenger terminal opened to process passengers for Royal Wings charter flights
  – Minister to sign overflight agreement to collect $375 per aircraft flying over Iraqi airspace; potentially generating $20 - $40M per year

• Seaports handle 30-40 humanitarian and commercial ships monthly
Total Security Forces in Iraq

- Iraq Security Force casualties (since 01 Jun): 82 KIA, 127 WIA
- US Forces decreasing as a percentage of total forces
Iraqi Security Forces

Currently Operating: 85.5K
Currently in Training: 11.5K
Current Total: 97.0K
Goal: 170.0K

* Based on 1,500 graduates per month trained in Jordan

- Police: 55K (Goal 75K Nov 05)
- Civil Defense Corps: Goal 22K Jan 04
- New Iraqi Army: 4.2K (Goal 11.8K Date TBD)
- Border Police Service: 4.7K (Goal 21.5K Jan 04)
- Facility Protection Service: 6.4K (Goal 22K Jan 04)

Operating w/Coalition
Additional Recruits
46 Countries
Potentially Supporting
Iraqi Stability and Humanitarian Relief

Countries with forces in Iraq

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

32 TOTAL ~24,000

Countries considering decision to provide forces for Iraq

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

14 TOTAL TBD

As of 17 Oct 03
MILESTONES

- 14 Jul: GC established
- 11 Aug: Constitutional Prep Committee appointed
- 01 Sep: Highly qualified interim cabinet ministers appointed
  - 9 PhDs, remainder with advanced degrees
  - 2 physicians, 1 attorney, numerous engineers
- 10 Sep: Governor of Central Bank named
- 19 Sep: Council of Judges established to supervise judicial and prosecutorial systems (began work 04 Oct) - provides independent judiciary
- Oct: Constitutional Prep Committee submits report with 3 options to choose Convention - favors direct elections for reps
- Next 90 days: Enhance capacity for elections; determine method to choose Constitutional Convention
- Challenges: Competent delegates to constitutional convention
Governance - International Recognition

MILESTONES

• 08 Sep: Arab League grants seat to GC
• 12 Sep: GC members seated at UN session
• 20 - 21 Sep: GC - Ministerial delegation attended WB / IMF meetings in Dubai
• 24 Sep: Iraqi delegation attends OPEC meeting
• 22 Sep - 03 Oct: 13 GC members attend UN sessions
• 02 Oct: GC President Chalabi addresses UN GA
• 08 Oct: GC reps attend OIC Kuala Lumpur meeting
• 16 Oct: UNSC approves resolution inviting GC to submit by 15 Dec a timetable for drafting new constitution and holding democratic elections
• 17 Oct: 108 Iraqi delegates to attend Madrid Donors’ Conference
Governance - Local

255 municipal councils mostly in urban areas

- 100% of Iraqis represented by a council at municipal or governate level
- Excludes three northern governates operating under governance system established prewar

Baghdad has one city, 88 neighborhood, and 9 district councils

- First time in 35 years people of Baghdad have direct, meaningful say in community affairs
- Represent all 5.5 million citizens in city of Baghdad
- Councils are interim and advisory
- Basic public services and social issues
- Work with Baghdad municipal employees, Iraqi ministries, GC, and coalition officials

Challenges:

- Increasing involvement of women
- Enhancing credibility of local councils
Economics - Financial Market Structures

- Rafidain and Rasheed Banks reopen over 280 branches across the country
- Satellite voice and data systems for Rafidain, Rasheed, and Central Bank will be installed by end of Oct at 80 locations, enhancing communications
- New Central Bank begins currency auctions
- Central Bank developing procedures for foreign bank licensing and establishing representative offices in Iraq
- Central Bank begins more rigorous supervision of Iraqi banks
- New nominee for Iraq Trade Bank under review

CURRENCY EXCHANGE GOING WELL

- Ongoing in approximately 250 bank branches
- Began 15 Oct; completion date 15 Jan 04
- Approximately 2 billion banknotes to be exchanged
Economics - Private Sector Development

• CPA circulates draft order consolidating state-owned enterprises into government ministries

• New order promotes foreign investment
  – Allows 100% foreign ownership of Iraqi businesses
  – Foreign firms able to lease (not own) land up to 40 years

• Small and Medium-sized Enterprises:
  – World Bank proposes facility for small business development to include $30M for technical assistance and $70-100M for investment financing
  – CPA to award $15M for National Micro and Small Enterprise Credit Program

• CPA assessed 153 state-owned enterprises and determined disposition plan for each
Economics - Donors' Conference

- United Nations, World Bank, and International Monetary Fund estimate costs to build Iraqi infrastructure: $50 - 75B
- $20.3B Supplemental covers 27 - 40% of the estimate
- USG and Coalition continue campaign to improve outcome of the Conference
  - UK announces $870M multi-year package
  - Japan unveils $1.5B in grants in 2004
  - Considering $5B for reconstruction over four-year period
- 09 Oct: World Bank proposes tightly coordinated joint donor committee with UNDG trust funds and Multi-donor Trust Fund
- 09 Oct: World Bank publishes Needs Assessment on website
- 16 Oct: UNSC resolution facilitates IMF / World Bank lending to Iraq
Iraq Funds Status ($ Millions)

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

Note: UN Oil for Food escrow account at approx $12B prewar. Approx $5.5B has been “prioritized.” Review of remaining contracts to be completed in weeks and residual funds transferred to DFI