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This report provides weekly updates in the eight key areas identified as pillars of US government policy for victory in Iraq.

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<th>SLIDE</th>
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</table>
1. **Defeat the Terrorists and Neutralize the Insurgents**
   Soldiers from the 6th and 9th Iraqi Army Divisions, supported by Coalition Soldiers conducted one of the largest operations of the past six months and took control of a terrorist stronghold south of Baghdad.

2. **Transition Iraq to Security Self-Reliance**
   The final session of an Iraqi National Police Leadership seminar concluded on March 9, wrapping up a 10-session series that began on November 25, 2005. Each of the 10 sessions for senior leaders was facilitated by Coalition police trainers.

3. **Help Iraqis to Forge a National Compact for Democratic Government**
   Iraqi leaders began intensive meetings on March 14 to form a national unity government ahead of the Council of Representatives’ first session on Thursday. The parliament session set for March 16 is expected to remain technically open for days, without adjourning, to give time for to blocs meet a constitutional requirement to elect a speaker in the first session, officials said.

4. **Help Iraq Build Government Capacity and Provide Essential Services**
   Testing of the V94 turbine generator has proven successful at the Kirkuk power plant. With an output of 260 MW, the enormous generator provided 48 percent of Baghdad’s total electrical output on March 8, according USAID officials.
5. Help Iraq Strengthen Its Economy

At the request of the Central Bank of Iraq Governor Sinan al-Shabibi, the Paris Club Secretariat will send letters to seven of Iraq’s non-Paris Club official creditors who have not yet agreed to debt relief for Iraq urging them to conclude bilateral agreements.

6. Help Iraq Strengthen the Rule of Law

The Combined Review and Release Board (CCRB) reviewed cases of 122 male detainees and recommended release, from Theater Internment Facilities on March 8.

7. Increase International Support for Iraq

The Office of the United Nations High Commissioner for Human Rights and the UN Assistance Mission for Iraq organized a workshop on building a national commission to address abuses in Iraq.

8. Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents

President Bush delivered the first in a series of speeches on March 13, updating the American people on the National Strategy For Victory In Iraq. The President's National Strategy for Victory in Iraq has three tracks: political, economic, and security. The speech focused on the security track.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Operation Glory Light Secures Sadr-Yusufiyah:
• Soldiers from the 6th and 9th Iraqi Army Divisions, supported by Coalition Soldiers conducted one of the largest operations of the past six months and took control of a terrorist stronghold south of Baghdad. During the one-week operation, Iraqi soldiers uncovered nine weapons caches, consisting of 131 mortar rounds, nine 50 mm mortars, 17 rockets, two rocket-propelled grenade launchers, six AK-47 rifles, two BKC machine guns and a large amount of bomb making materials.

Ramadi Search Nets Suspects and Cache:
• Soldiers from the 3rd Battalion, 1st Brigade, 7th Iraqi Army Division detained six people in connection with a large cache discovered and seized in the Tammim district of western Ramadi. The seizure represents the largest find to date for the unit since they began operations 10 months ago in the area.

Iraqi General Rescued
• A retired Iraq brigadier general was rescued from kidnappers by Iraqi Counterterrorism Forces east of Ar Rashidiya. The operation also led to the detention of two men believed to be involved in the kidnapping.

National Police Seminar Held in Baghdad
• The final session of an Iraqi National Police Leadership seminar concluded on March 9, wrapping up a 10 session series that originally began on November 25, 2005. The participants, commanders of Iraq’s National Police Commandos, Public Order Division and First Mechanized Brigades, juggled seminars with their current duties and events, which dictated the length of the overall course. Each of the 10 sessions for senior leaders was facilitated by Coalition police trainers and covered a myriad of topics including ethics, human rights, leadership, rule of law and criminal procedure.

Ministry of Interior Forces

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<tr>
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<td>HIGHWAY PATROL</td>
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<td>OTHER MOI FORCES</td>
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<td>TOTAL</td>
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Ministry of Defense Forces

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<tr>
<td>NAVY</td>
<td>~800</td>
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<tr>
<td>TOTAL</td>
<td>~112,900**</td>
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</table>

Total Trained & Equipped ISF:

~240,600

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

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

Data as of March 6, 2006 (updated bi-weekly by DOD)
[3.] Help Iraqis to Forge a National Compact for Democratic Government– Developments

Iraqi Leaders Begin Meetings With US:
• Leaders of Iraq’s main political blocs began a round of marathon meetings March 14 with the US Ambassador in an attempt to reach agreement on a unity government. Adbul-Aziz al-Hakim, leader of the main Shiite bloc, hosted the meeting, which was also attended by Kurdish, Sunni and secular leaders. All blocs agreed to establishing a committee to further refine all government formation issues and present recommendations to each bloc for endorsement. Talabani announced the new parliament will meet for the first time March 16.

Ja’fari Stands Firm:
• Iraq's prime minister has repeatedly said that he has the support of the Iraqi public and that he would not step aside despite strong opposition from some Iraqi political parties. The UIA rejected Kurd, Tawafuq and Allawi letters requesting reconsideration of their support for Ja’fari.
[3.] Help Iraqis to Forge a National Compact for Democratic Government - Developments

IECI Official Announced 15 December 2005 Election Results:

<table>
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<tr>
<th>Political Entity Name</th>
<th>Ballot Number</th>
<th>Total Votes</th>
<th>Governorate Seats</th>
<th>Compensatory Seats</th>
<th>National Seats</th>
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<td><strong>275</strong></td>
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</table>
[3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi Transitional Government

President
Jalal Talabani

Deputy President
Sheikh Ghazi al-Yawr

Deputy President
‘Adil ‘Abd al-Mahdi

Prime Minister
Ibrahim al-Ja‘fari

Deputy Prime Minister
Rawsh Shaways

Deputy Prime Minister
‘Abd Mutlak al-Juburi

Deputy Prime Minister
Ahmad al-Chalabi

Deputy Prime Minister
Vacant

Minister of Agriculture
Ali al-Bahadili

Minister of Communications
Juwan Fu‘ad Ma‘sum (F)

Minister of Culture
Nuri al-Rawi

Minister of Defense
Sa’dun al-Dulaymi

Minister of Displacement & Migration
Suhayla al-Kinani (F)

Minister of Higher Education
Sami al-Muzaffar

Minister of Electricity
Muhsin Shalash

Minister of Education
Abdul Mun‘im al-Falah Hasan

Minister of Environment
Narmin ‘Uthman (F)

Minister of Foreign Affairs
‘Ali ‘Allawi

Minister of Health
Abd al-Muttalib al-Rubay‘i

Minister of Labor & Social Affairs
Idris Hadi

Minister of Human Rights
Vacant

Minister of Industry & Minerals
Usama al-Najafi

Minister of Interior
Bayan Jabr

Minister of Justice
‘Abd al-Husayn Shandal

Minister of Housing & Construction
Jasim Ja‘far

Minister of Transportation
Salam al-Maliki

Minister of Oil
Hashem al-Hashemi (Acting)

Minister of Planning
Barham Salih

Minister of Trade
‘Abd al-Basit Mawlud

Minister of Science & Technology
Basima Butrus (F)

Minister of Municipalities & Public Works
Nasreen Berwari (F)

Minister of Water Resources
‘Abd al-Latif Rashid

Minister of Youth & Sports
Talib Aziz al-Zaini

Minister of State for Civil Society
‘Ala‘ abib Kazim

Minister of State for National Assembly Affairs
Safa‘ al-Din al-Safi

Minister of State for National Security Affairs
‘Abd al-Karim al-‘Anzi

Minister of State for Provinces
Sa‘d al-Hardan

Minister of State for Tourism and Antiquities
Hashim al-Hashimi

Minister of State for Women’s Affairs
Azhar al-Shaykhli (F)

(F) = Female
[4.] Help Iraq Build Government Capacity and Provide Essential Services –
Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

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As of March 14, 2006
Electricity availability in Baghdad dropped slightly in the last week (7-13 March 2006) with an average of 7.3 hours per day.

Nationwide average electricity availability increased slightly to 13.0 hours per day.

Electricity output for March 2006 is 17 percent higher than it was for the same period in March 2005.
Electricity:
• Testing of the V94 turbine generator has proven successful at the Kirkuk power plant. With an output of 260 MW, the enormous generator provided 48 percent of Baghdad’s total electrical output on March 8, according USAID officials. Discussions are ongoing with the Iraqi Ministry of Oil to ensure the provision of the needed "dry-gas" for operating the V94 on a continuous basis.

• The US Army Corps of Engineers completed a $507,000 electrical distribution project in Rusafa, Baghdad Province on March 7. This is an essential electrical distribution system upgrade for over 25,000 Rusafa residents.

Public Health and Healthcare:
• The Health Attaché's office at Embassy Baghdad reports that approximately 95% of USG-purchased medical equipment has been delivered to the Ministry of Health for distribution to clinics and hospitals across Iraq. The USG has procured approximately $117 million in new equipment and supplies to date, which will help to modernize and improve patient care capabilities in Iraq.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – **Water and Sanitation, Education**

**Water and Sanitation:**

- As many as one million Iraqis in south Baghdad now enjoy improved tap water service, thanks to USG-funded renovation of two water treatment plants. Some of the residents had not had water flowing from their faucets for nearly eight years. A Baghdad firm was awarded the rehabilitation project, and the USACE provided oversight. Despite setbacks from insurgent attacks, local workers succeeded in cleaning sedimentation basins, repairing generators and water pumps, and installing chlorine pumps to complete the project in four months.

- The Ministry of Municipalities and Public Works (MMPW) in Basrah Province received 49 water tanker trucks valued at over $6 million. The USG-purchased trucks have restored the ability of the Basrah Directorate to deliver drinking water to citizens.

**Education:**

- Construction is complete for six Commander’s Emergency Response Program (CERP) school projects in the Ninawa Province. Each school cost $48,100 and will provide a better learning environment for approximately 150 students and six teachers.
Communications:

• The Consolidated Fiber Network (CFN) is an extension to the existing Iraq Telephone and Postal Company (ITPC) fiber network that provides command, control and communications for the Ministry of Electricity (MoE) and additional capacity for ITPC. The overall project is 40 percent complete and is scheduled to end in summer 2006.

Transportation:

• In the UK, 12 Iraqi students are enrolled and attending air traffic training at Bournemouth Business School International. This 22-week program includes immersion in English and living with a local host family.
[5.] Help Iraq Strengthen Its Economy – **Oil Update and Job Creation**

**Oil Update:**
- Crude oil prices in world markets for the week ending March 10 closed with the following prices:
  - Basrah Light at $53.03/barrel
  - Dated Brent at $60.26/barrel
  - WTI Cushing at $60.89/barrel
  - Oman/Dubai at $57.60/barrel
  - Kirkuk Crude at $55.61/barrel

**Employment Update:**
- The following chart shows the number of Iraqis employed by USG-administered projects:

<table>
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<tr>
<th>Employing Organization</th>
<th>Iraqis Last Week</th>
<th>Iraqis This Week</th>
<th>% Increase on Week</th>
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</thead>
<tbody>
<tr>
<td>PCO (Project and Contracting Office)</td>
<td>38,223</td>
<td>36,760</td>
<td>-3.83%</td>
</tr>
<tr>
<td>USAID</td>
<td>53,597</td>
<td>54,261</td>
<td>1.24%</td>
</tr>
<tr>
<td>AIRF (Accelerated Iraqi Reconstruction Program)</td>
<td>1,268</td>
<td>1,268</td>
<td>0.00%</td>
</tr>
<tr>
<td>MILCON (Military Construction)</td>
<td>254</td>
<td>254</td>
<td>0.00%</td>
</tr>
<tr>
<td>CERP (Commanders’ Emergency Response Program)</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>MNSTC-I</td>
<td>16,310</td>
<td>12,870</td>
<td>-21.09%</td>
</tr>
<tr>
<td>IRRF NON-CONSTRUCTION</td>
<td>16,012</td>
<td>16,049</td>
<td>0.23%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>125,664</strong></td>
<td><strong>121,462</strong></td>
<td><strong>-3.34%</strong></td>
</tr>
</tbody>
</table>

- CERP numbers have not been updated recently and PCO will be reporting on a bi-weekly basis.
- USAID continues to update weekly.
[5.] Help Iraq Strengthen Its Economy - Banking Sector

Central Bank’s US Dollar (USD) Currency Auction:

- The following table shows volume sold and exchange rates for USD in the Iraqi currency auction since October 2, 2005. The dinar remained stable against the dollar this week, ending at 1,477 dinars per USD on March 13.

*On January 8, the CBI purchased $1,320,000 of Iraqi Dinars at the exchange rate of 1481 NID/$.

*The NID exchange rate line is calculated as a weekly weighted average.
Trade of Iraqi Bonds on the International Secondary Bond Market:

- The following table shows the daily bond resale price and yield on Iraq bonds issued January 20. The bonds were originally issued to about two-thirds of Iraq’s commercial creditors to repay 20 percent of Iraq’s $22 billion in commercial debt. The bonds, which are not yet rated, will mature in 2028. These are the only Iraqi sovereign debt instruments trading on the international market. With a current yield of 9.25 percent, it is slightly lower than Ecuador and Argentina, but the return is still one of the highest in the world for sovereign debt instruments.

Trading High = $73.98 (January 24)
Trading Low = $67.76 (March 8)
[5.] Help Iraq Strengthen Its Economy

Paris Club to Intercede with Other Iraqi Creditors:
• At the request of the Central Bank of Iraq Governor Sinan al-Shabibi, the Paris Club Secretariat will send letters to seven of Iraq’s non-Paris Club official creditors who have not yet agreed to debt relief for Iraq urging them to conclude bilateral agreements. The creditors include Bulgaria, Cyprus, Hungary, Poland, Czech Republic, Greece, and the committee representing the former Yugoslavia, account for approximately $6 billion of Iraq’s outstanding debt.

Fourteen Iraqi Provinces to Benefit from USAID Microfinance Grants:
• USAID’s Izdihar project awarded $8.9 million in grants the week of March 6 to three international NGOs to help build a sustainable microfinance industry in Iraq. The grants, approximately $3 million each, will help build the capacity of Iraqi microfinance institutions in 14 of Iraq’s 18 provinces. Two of the recipients already have existing operations in Iraq.
  – The NGOs, through the microfinance institutions, will provide loans to small businesses and will train a cadre of Iraqi loan officers to work in the 14 provinces.
[5.0] Help Iraq Build Government Capacity and Provide Essential Services – Crude Oil Production

Iraqi Oil Ministry Goal: 2.5 MBPD

- Weekly Average (Mar 6-12) of 2.02 Million Barrels Per Day (MBPD)
[5.0] Help Iraq Build Government Capacity and Provide Essential Services – Crude Oil Export

- 2005 Revenue Estimate: $23.5 B
- 2006 Revenue Estimate: $4.7 B (Year to Date)
[5.0] Help Iraq Build Government Capacity and Provide Essential Services –
Total Critical Refined Product Supplies

**Note:** This is a daily average for the week of March 6-12

- **Diesel:** 11.9 ML supply of 20.6 ML target
- **Kerosene:** 6.9 ML supply of 10.5 ML target
- **Gasoline:** 16.1 ML supply of 23.4 ML target
- **LPG:** 2,932 tons supply of 4,400 tons target
The goal is to have on hand 15 days supply of all refined products, calculated on the basis of maximum consumption over the year and not adjusted for seasonal variation. The numbers given above are monthly averages.

### National Stock Levels

<table>
<thead>
<tr>
<th>Product</th>
<th>Jan-06</th>
<th>Feb-06</th>
<th>Mar-06</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Kerosene</td>
<td>9</td>
<td>7</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Gasoline</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>LPG</td>
<td>15</td>
<td>14</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>
Detainees Released Following CRRB Review:

- The Combined Review and Release Board (CRRB) reviewed cases of 122 male detainees and recommended release, from Theater Internment Facilities on March 8. The Iraqi-led CRRB, which was established in August 2004, consists of members from the Ministries of Human Rights, Justice and Interior, as well as officers from the Multi-National Forces. To date the board has reviewed the cases of more than 30,000 detainees, recommending more than 15,400 individuals for release.
[7.] Increase International Support for Iraq – Developments

UN Hosts UN Human Rights Workshop:

- The Office of the United Nations High Commissioner for Human Rights (OHCHR) and the UN Assistance Mission for Iraq (UNAMI) organized a workshop on building a national commission to address abuses in the Iraq. The workshop aimed to lay the groundwork for building an independent national human rights commission for Iraq, as provided for in the Iraqi Constitution, according to UNAMI. Participants discussed topics including the independence of a national human rights commission; its core functions, structure and methodology; and best practices from other similar commissions.

Britain Reduces Troops Levels, Remains Committed:

- In an expected announcement, Britain said it will cut its forces in Iraq by 10 percent - a reduction of about 800 troops - by May. Defense Secretary John Reid said Britain's commitment to the Iraqi people "remains total.” Reid emphasized that British troops, which are focused primarily in the south of the country, will continue to have a presence in all four provinces for which they are responsible. Reid added, “that the reductions I have announced are not part of a handover of security responsibility,” but, “they do reflect the completion of some of our security sector reform tasks in developing the capability of the Iraqi forces.”
26 Countries with forces in Iraq (in addition to US)

Albania  Armenia  Australia  Azerbaijan  Bosnia-Herzegovina  Czech Republic  Denmark
El Salvador  Estonia  Georgia  Italy  Japan  Kazakhstan  Latvia
Lithuania  Macedonia  Moldova  Mongolia  Netherlands  Poland  Portugal
Romania  Slovakia  South Korea  Ukraine  UK

TOTAL ~ 20,000 Forces

*Note: Fiji participating as a part of the UN mission in Iraq.

29 Countries and NATO*
(including US)
Support Iraqi Stability Operations

*29 includes the 26 countries listed above, the US, Fiji, and Singapore.
Strategic Communications:

- President Bush delivered the first in a series of speeches on March 13, updating the American people on the Strategy For Victory In Iraq. The President's Strategy for Victory in Iraq has three tracks: political, economic, and security. The speech focused on the security track. The President updated on progress in training Iraqi Security Forces and explained Coalition efforts to combat improvised explosive devices (IEDs).

- President Bush emphasized that “Iraqis now have a chance to show the world that they have learned the lesson of Samarra. A country that divides into factions and dwells on old grievances risks sliding back into tyranny. Soon, the new parliament will be seated in Baghdad and begin forming a new government. This will demand negotiation and compromise by the Iraqis – and patience by America and our Coalition allies. Yet out of this process, a free government will emerge that represents the will of the Iraqi people – instead of the will of one cruel dictator.”
Strategic Communications:

- On March 13, Ambassador James Jeffrey, Senior Advisor to the Secretary for Iraq, participated in “Ask the White House,” an online forum to discuss current affairs. Ambassador Jeffrey highlighted the National Strategy for Victory in Iraq on which [the administration] focuses efforts: 1) the political track, to forge a broadly supported national compact by helping the Iraqi government isolate enemy elements that cannot be won over, engaging those outside of the political process and willing to turn away from violence, and building stable, effective national institutions; 2) the security track, to defeat terrorists, neutralize the insurgency, and develop the Iraqi security forces, applying our "clear, hold, build" strategy to areas previously under insurgent control or influence; and 3) the economic track, which focuses on restoring Iraqi infrastructure, reforming the war- and dictatorship-crippled economy to ensure it becomes self-sustaining, and building the capacity of Iraqi institutions to take the lead.
Iraq Weekly Status – General Information

• This brief draws from multiple sources. References are cited on the following pages.

• Please forward all questions and/or comments to NEA-I-IPOG-DL@state.gov
Notes and Source Citations (1 of 4)

Slide 5:

Slide 6:
- The Advisor – MNSTC-I: March 4, 2006

Slide 7:
- DoD Input to Iraq Weekly Status Report 6 Mar 06

Slide 8:
- http://news.yahoo.com/s/ap/20060314/ap_on_re_mi_ea/iraq_politics_1

Slide 9:
- IECI Website http://www.ieciraq.org/English/Frameset_english.htm

Slide 11:
- The IRRF Financial Chart is sourced from the 7 Mar 06 IRMO Weekly Status Report

Slide 12:
- POC Tom Gramaglia, (202) 736-4065
- The chart shows average daily power production in megawatt hours (MWh). 120,000 MWh goal equates to 20 hours at 6000 MW average supplied load or 24 hours at 5000 MW average supply load. Currently supplies are not much improved over last year when judged by hours of power, but this is due in part to an influx of new appliances. This has dramatically altered demand and diluted the effect of increased generation capacity on actual results.

Slide 13:
- USAID Iraq Weekly Update 15 March 2006
- USACE Daily Report March 14
Notes and Source Citations (2 of 4)

Slide 14:
- PCO Weekly Iraq Reconstruction Update – Mar 15
- IRMO Weekly Status Report March 07
- Education:
  - USACE Daily Report March 10

Slide 15:
- IRMO Weekly Status Report March 07

Slide 16:
- Oil Prices:
  - Oil Prices are sourced from Bloomberg
- Employment Update:
  - Information regarding the Employment Update was sourced from the IRMO Weekly Report – March 14, 2006
  - CERP has not reported figures for some time. Until they report accurate data, the number will remain at 0.
  - PCO will be reporting on a bi-weekly basis.

Slide 17:
- Information regarding the NID auction was gathered from the Central Bank of Iraq’s website: http://www.cbiraq.org

Slide 18:
- Bond Prices:
  - Iraqi Bond Prices are sourced from Bloomberg

Slide 19:
- Information regarding the Customs Modernization Plan was sourced from the USAID Update to the Weekly Status Report – March 13, 2006
Notes and Source Citations (3 of 4)

Slide 20:
- POC Matthew Amitrano, (202) 647-5690, Iraq Petroleum Sector Facts

Slide 21:
- POC Matthew Amitrano, (202) 647-5690

Slide 22:
- POC Matthew Amitrano, (202) 647-5690

Slide 23:
- POC Matthew Amitrano, (202) 647-5690
Notes and Source Citations (4 of 4)

Slide 24:

Slide 25:

Slide 26:
- DOD Input to Weekly Status Report 06 March 06-Report is updated bi-weekly

Slide 27:

Slide 28:
- http://www.whitehouse.gov/ask/20060313.html, March 13