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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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1. **Defeat the Terrorists and Neutralize the Insurgents**
   Soldiers from MND-Baghdad uncovered and destroyed a large weapons cache on April 22 in two houses in a southwestern suburb of Baghdad.

2. **Transition Iraq to Security Self-Reliance**
   The Iraqi Army’s 1st Brigade, 8th Division, assumed security responsibility for a nearly 11,583-square-mile area of the An Najaf Province on April 24 during a transfer of authority ceremony with the 4th ID’s 2nd Brigade Combat Team.

3. **Help Iraqis to Forge a National Compact for Democratic Government**
   On April 22, Iraqi leaders announced agreement on the top leadership posts for a national unity government. Iraq's new Presidency Council named Nouri Al-Maliki Prime Minister-Designate, and he now has 30 days to finalize the makeup of the Iraqi cabinet.

4. **Help Iraq Build Government Capacity and Provide Essential Services**
   Renovation is complete on the Ibn al-Mathir Maternity Hospital in Ninewa Province. The $7 million GRD-PCO project was completed on April 18. This hospital provides 100 beds for inpatient care and services for approximately 35,000 outpatients in the greater Mosul area.
5. Help Iraq Strengthen Its Economy

Iraqi Finance Minister Allawi and Treasury Deputy Secretary Kimmitt co-chaired an April 26 roundtable discussion with U.S. and Iraqi officials on Iraq’s macroeconomic situation. The roundtable highlighted economic progress in Iraq to date and the economic challenges facing the new government.

6. Help Iraq Strengthen the Rule of Law

On April 24, prosecutors in the trial of Saddam Hussein played an audiotape said to be a phone call between the former Iraqi leader and one of his co-defendants discussing the destruction of farmlands during a crackdown against Shiites in the 1980s.

7. Increase International Support for Iraq

On April 23, President Talabani expressed his concern over reported Iranian and Turkish troop concentrations on those countries' borders with Iraq. Turkey has moved thousands of troops to the border region to against PKK terrorists inside Turkey. Iran also reportedly has moved forces to the border.

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

Speaking to CNN on April 24, Iraqi Prime Minister Designate Nouri al-Maliki said that “the main challenge that I see is the existence of a torn relationship in the Iraqi community with all of the sectarian and ethnic backgrounds. There’s also a state of misunderstanding that was spread in the last period, so I have to work first on uniting all of these elements together and work on a measure of national reconciliation on the basis of national dialogue and common interests.”
[1.] Defeat the Terrorists and Neutralize the Insurgency

Coalition Forces Kill Five and Detain Seven, After Coordinated Insurgent Attacks:

- Insurgents attacked an Iraqi Army patrol in the Baghdad suburb of Adhamiyah early morning on April 17, resulting in a seven hour firefight. Four hours later another estimated 50 gunmen attacked a combined Iraq and U.S. checkpoint in the same area. Reinforcing Iraqi and U.S. Army forces later joined the fight and conducted follow-up cordon and search operations. The actions resulted in five insurgents dead and seven detained.

US and Iraqi Forces Complete Operation Cowpens:

- Soldiers from MND-Baghdad uncovered and destroyed a large weapons cache on April 22 in two houses in a southwestern suburb of Baghdad. The first house contained two 55-gallon drums of home-made explosives, two pressure plates, one artillery shell, a home-made rocket launcher, two pipes filled with high-explosive material, a seven-foot missile, a 14.5-mm Dshka heavy machine gun and six anti-tank mines. The nearby second house contained eight shaped charges, a sniper rifle, five pressure plates, three RPGs, an acetylene tank and two grenades taped to a window. The interior of the rear door appeared to contain an unfinished booby-trap.

Iraqi Army Assumes Battlespace in An Najaf Province:
• The Iraqi Army’s 1st Brigade, 8th Division, assumed security responsibility for a nearly 11,583-square-mile area of the An Najaf Province on April 24 during a transfer of authority ceremony with the 4th ID’s 2nd Brigade Combat Team.

Sulaymaniayah Police Academy Graduates Its Third Class This Year:
• Sixty-three Iraqi recruits graduated from the ten-week police course at the Sulaymaniayah Police Training Center on April 13. The graduates are all from the city of Bayji, where they will shortly assume duty on the city’s police force.

### Ministry of Interior Forces

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>TRAINED &amp; EQUIPPED</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLICE</td>
<td>~95,500</td>
</tr>
<tr>
<td>HIGHWAY PATROL</td>
<td>~39,400</td>
</tr>
<tr>
<td>OTHER MOI FORCES</td>
<td>~115,100**</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>~134,900*</td>
</tr>
</tbody>
</table>

### Ministry of Defense Forces

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>OPERATIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARMY</td>
<td>~113,700***</td>
</tr>
<tr>
<td>AIR FORCE</td>
<td>~600</td>
</tr>
<tr>
<td>NAVY</td>
<td>~800</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>~115,100**</td>
</tr>
</tbody>
</table>

**Total Trained & Equipped ISF:**

~250,000****

* 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
*** Army numbers include Special Operations Forces and Support Forces
**** Does not include the approximately 144,000 Facilities Protection Service personnel working in 27 ministries

Data as of April 17, 2006 (updated bi-weekly by DOD)
[3.] Help Iraqis to Forge a National Compact for Democratic Government– Developments

Iraq's Top Posts Decided:
• On April 22, Iraqi leaders announced agreement on the top leadership posts for a national unity government. The Iraqi parliament elected Jalal Talibani President for a second time and Adil Abd al-Mahdi and Tariq Al-Hashimi as Vice Presidents. Mahmod Al-Mashadani was also elected as Speaker with Khalid Atiyah and Arif Tayfur as his deputies. The new Presidency Council named Dawa’s Nouri Al-Maliki as Prime Minister-designate. He now has 30 days to finalize the Iraqi cabinet for confirmation by the Council of Representatives. Al-Maliki told press he will assemble the Cabinet in 15 days and will make the abolition of militia a top priority.

Secretary Rice Speaks on Government Formation Progress:
• “By selecting the presidency council and the speaker and deputies and having nominated now a candidate for prime minister, the Iraqis are now well on their way to the formation of this government of national unity. And as I said, it is an important milestone… And in this transition period as they start to address the many challenges and problems and concerns of the Iraqi people, the United States is looking forward to working with them as their program develops and as their efforts to really begin to address these questions begin.”
[3.] Help Iraqis to Forge a National Compact for Democratic Government—Developments

IECI Official Announced December 15, 2005 Election Results:

<table>
<thead>
<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>
<th>Total Seats</th>
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</thead>
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<tr>
<td>Unified Iraqi Coalition</td>
<td>555</td>
<td>5021137</td>
<td>109</td>
<td>0</td>
<td>19</td>
<td>128</td>
</tr>
<tr>
<td>Kurdsistani Gathering</td>
<td>730</td>
<td>2642172</td>
<td>43</td>
<td>0</td>
<td>10</td>
<td>53</td>
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<tr>
<td>Tawafoq Iraqi Front</td>
<td>618</td>
<td>1840216</td>
<td>37</td>
<td>0</td>
<td>7</td>
<td>44</td>
</tr>
<tr>
<td>National Iraqi List</td>
<td>731</td>
<td>977325</td>
<td>21</td>
<td>0</td>
<td>4</td>
<td>25</td>
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<tr>
<td>Hewar National Iraqi Front</td>
<td>667</td>
<td>499963</td>
<td>9</td>
<td>0</td>
<td>2</td>
<td>11</td>
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<tr>
<td>Islamic Union of Kurdistan</td>
<td>561</td>
<td>157688</td>
<td>4</td>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Liberation and Reconciliation Gathering</td>
<td>516</td>
<td>129847</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Mithal Al Aloosi List for Iraqi Nation</td>
<td>620</td>
<td>32245</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Iraqi Turkoman Front</td>
<td>630</td>
<td>87993</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Progressives</td>
<td>631</td>
<td>145028</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Al Ezediah Movement for Progressing and Reform</td>
<td>668</td>
<td>21908</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Al Rafedain List</td>
<td>740</td>
<td>47263</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
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<td><strong>Total</strong></td>
<td><strong>230</strong></td>
<td><strong>230</strong></td>
<td><strong>1</strong></td>
<td><strong>44</strong></td>
<td><strong>44</strong></td>
<td><strong>275</strong></td>
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</table>
[3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi Transitional Government

<table>
<thead>
<tr>
<th>Ministry of Agriculture</th>
<th>Minister of Communications</th>
<th>Minister of Culture</th>
<th>Minister of Defense</th>
<th>Minister of Displacement &amp; Migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ali al-Bahadili</td>
<td>Juwan Fu’ad Ma’sum (F)</td>
<td>Nuri al-Rawi</td>
<td>Sa’dun al-Dulaymi</td>
<td>Suhayla al-Kinani (F)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ministry of Education</th>
<th>Minister of Environment</th>
<th>Minister of Finance</th>
<th>Minister of Foreign Affairs</th>
<th>Minister of Health</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Ministry of Human Rights</th>
<th>Minister of Industry &amp; Minerals</th>
<th>Minister of Interior</th>
<th>Minister of Justice</th>
<th>Minister of Housing &amp; Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant</td>
<td>Usama al-Najafi</td>
<td>Bayan Jabr</td>
<td>‘Abd al-Husayn Shandal</td>
<td>Jasim Ja’far</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ministry of Oil</th>
<th>Minister of Planning</th>
<th>Minister of Trade</th>
<th>Minister of Science &amp; Technology</th>
<th>Minister of Municipalities &amp; Public Works</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hashem al-Hashemi (Acting)</td>
<td>Barham Salih</td>
<td>‘Abd al-Basit Mawlood</td>
<td>Basima Butrus (F)</td>
<td>Nasreen Berwari (F)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ministry of Water Resources</th>
<th>Minister of Youth &amp; Sports</th>
<th>Minister of State for Civil Society</th>
<th>Minister of State for National Assembly Affairs</th>
<th>Minister of State for National Security Affairs</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Ministry of State for Provinces</th>
<th>Minister of State for Tourism and Antiquities</th>
<th>Minister of State for Women’s Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sa’d al-Hardan</td>
<td>Hashim al-Hashimi</td>
<td>Azhar al-Shaykhli (F)</td>
</tr>
</tbody>
</table>
[3.] Help Iraqis to Forge a National Compact for Democratic Government—Presidency Council & Office of Prime Minister

Executive Branch

- **PRESIDENT**
  - Jalal Talibani (Kurd)

- **VICE PRESIDENT**
  - Tariq al-Hashemi (Sunni)

- **VICE PRESIDENT**
  - Adil Abd al-Mahdi (Shia)

- **D/PRIME MINISTER** *
- **D/PRIME MINISTER** *

- **NATIONAL SECURITY COUNCIL** (Advisory Role)

- **PRIME MINISTER**
  - Nouri al-Maliki
  - PM-Designate (Shia)

- **NATIONAL SECURITY ADVISOR**

Legislative Branch

- **SPEAKER COR**
  - Mahmud al-Mashadani (Sunni)

- **DEPUTY SPEAKER**
  - Khalid al-Attiyah (Shia)

- **DEPUTY SPEAKER**
  - Arif Tayfur (Kurd)

- **MIN of STATE FOR NAT. SEC. AFFAIRS**

- **FOREIGN AFFAIRS**

- **MIN of DEFENSE**

- **MIN of INTERIOR**

- **CONSTITUTION REVIEW COMMITTEE**
  - Constitution (ART.142)

---

*One DPM will be named Deputy Chairman of the Ministerial Council for National Security.*
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

<table>
<thead>
<tr>
<th>Sector</th>
<th>$Millions</th>
<th>2207 Report</th>
<th>Apportion</th>
<th>Last Week</th>
<th>Current</th>
<th>Change</th>
<th>Last Week</th>
<th>Current</th>
<th>Change</th>
<th>Last Week</th>
<th>Current</th>
<th>Change</th>
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</thead>
<tbody>
<tr>
<td>Security and Law Enforcement</td>
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<td>5036.00</td>
<td></td>
<td>4,922.1</td>
<td>4,932.9</td>
<td>10.81</td>
<td>4,887.0</td>
<td>4,895.6</td>
<td>8.57</td>
<td>4,435.4</td>
<td>4,462.7</td>
<td>27.3</td>
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<tr>
<td>Electricity Sector</td>
<td>4220.02</td>
<td>4220.02</td>
<td></td>
<td>4,037.8</td>
<td>4,031.9</td>
<td>(5.90)</td>
<td>3,541.5</td>
<td>3,537.9</td>
<td>(3.65)</td>
<td>2,128.1</td>
<td>2,136.2</td>
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<tr>
<td>Oil Infrastructure</td>
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<td>1735.60</td>
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<td>1,622.8</td>
<td>1,617.6</td>
<td>(5.14)</td>
<td>1,544.1</td>
<td>1,545.8</td>
<td>1.74</td>
<td>866.6</td>
<td>880.2</td>
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<td>Justice, Public Safety and Civil Society</td>
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<td>1315.95</td>
<td></td>
<td>1,213.2</td>
<td>1,217.3</td>
<td>4.16</td>
<td>1,188.4</td>
<td>1,187.5</td>
<td>(0.98)</td>
<td>832.2</td>
<td>830.2</td>
<td>(2.0)</td>
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<tr>
<td>Democracy</td>
<td>1033.85</td>
<td>1033.85</td>
<td></td>
<td>982.4</td>
<td>982.4</td>
<td>0.00</td>
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<td>982.4</td>
<td>0.00</td>
<td>690.1</td>
<td>716.9</td>
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<tr>
<td>Education, Refugees, Human Rights, Governance</td>
<td>410.00</td>
<td>410.00</td>
<td></td>
<td>354.5</td>
<td>354.5</td>
<td>0.01</td>
<td>340.1</td>
<td>340.1</td>
<td>0.01</td>
<td>245.2</td>
<td>260.5</td>
<td>15.3</td>
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<tr>
<td>Roads, Bridges and Construction</td>
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<td>333.71</td>
<td></td>
<td>315.1</td>
<td>319.5</td>
<td>4.35</td>
<td>308.8</td>
<td>313.2</td>
<td>4.35</td>
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<td>Health Care</td>
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<td>717.9</td>
<td>0.00</td>
<td>671.3</td>
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<td>3.71</td>
<td>438.4</td>
<td>444.5</td>
<td>6.1</td>
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<tr>
<td>Transportation and Communications</td>
<td>465.51</td>
<td>465.51</td>
<td></td>
<td>445.5</td>
<td>442.1</td>
<td>(3.42)</td>
<td>421.2</td>
<td>421.4</td>
<td>0.19</td>
<td>259.1</td>
<td>260.4</td>
<td>1.3</td>
</tr>
<tr>
<td>Water Resources and Sanitation</td>
<td>2131.08</td>
<td>2131.08</td>
<td></td>
<td>1,677.6</td>
<td>1,767.5</td>
<td>89.94</td>
<td>1,549.3</td>
<td>1,553.3</td>
<td>4.02</td>
<td>939.3</td>
<td>963.7</td>
<td>24.4</td>
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<td>Private Sector Development</td>
<td>805.28</td>
<td>805.28</td>
<td></td>
<td>788.9</td>
<td>788.9</td>
<td>0.00</td>
<td>782.4</td>
<td>782.4</td>
<td>0.00</td>
<td>614.8</td>
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<td>0.1</td>
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<tr>
<td>Admin Expense (USAID, STATE)</td>
<td>213.00</td>
<td>213.00</td>
<td></td>
<td>212.4</td>
<td>212.4</td>
<td>0.00</td>
<td>212.4</td>
<td>212.4</td>
<td>0.00</td>
<td>84.2</td>
<td>92.3</td>
<td>8.1</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>18439.00</strong></td>
<td><strong>18439.00</strong></td>
<td></td>
<td><strong>17,290.0</strong></td>
<td><strong>17,384.8</strong></td>
<td><strong>94.82</strong></td>
<td><strong>16,429.0</strong></td>
<td><strong>16,446.9</strong></td>
<td><strong>17.96</strong></td>
<td><strong>11,709.2</strong></td>
<td><strong>11,841.8</strong></td>
<td><strong>132.5</strong></td>
</tr>
</tbody>
</table>

| IRRF 2 Construction                         |           |             |           | 9,927.1   | 10,014.3 | 87.21  | 9,270.8  | 9,276.3 | 5.47   | 6,086.7  | 6,145.7 | 59.0   |
| IRRF 2 Non-Construction                     |           |             |           | 6,380.5   | 6,388.1 | 7.61   | 6,175.8  | 6,188.3 | 12.49  | 4,932.4  | 4,979.2 | 46.8   |
| IRRF 2 Democracy                            |           |             |           | 975.0     | 975.0   | 0.00   | 974.8    | 974.8   | 0.00   | 690.1    | 716.9   | 26.8   |
| IRRF 1 Subtotal                             |           |             |           | 2473.30   | 2473.30 | 0.00   | 2,473.3  | 2,473.3 | 0.00   | 2,406.6  | 2,406.6 | 0.0    |
| Grand Total IRRF 1 & 2                      |           |             |           | 20912.30  | 20912.30 | 0.00   | 18,902.3 | 18,920.2 | 17.96  | 14,115.8 | 14,248.4 | 132.5 |

As of April 25, 2006
April 26, 2006

[4.] Help Iraq Build Government Capacity and Provide Essential Services – **Electricity Overview**

- Electricity availability in Baghdad increased in the last week (18-24 April 2006) with an average of 5.6 hours per day. Nationwide average electricity availability stayed steady at 10.9 hours per day; areas outside Baghdad had 14 hours of power, well above pre-war levels.
- On April 17, severe weather downed two transmission lines that supply power to Baghdad.
- Electricity output for April 2006 is 8 percent higher than it was for the same period in April 2005.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity, Public Health, and Healthcare

Electricity:
• The Iraqi government has set an ambitious summer target of 6,000 MW (one-time daily peak). The USG has agreed to support the GOI’s goal, recognizing that this goal represents a best-case scenario. A more likely scenario is that the GOI will achieve the following during July 2006: 5,400 MW one-time peak; 4,600 MW average daily peak; and 110,000 MWh average daily production.

• On April 12 construction was completed on a $1.04 million Gulf Region Division - Project Contracting Office (GRD-PCO) overhead power-line project. More than 5,000 Erbil Province residents will benefit from the installation of the overhead lines.

Public Health and Healthcare:
• GRD-PCO’s $7 million renovation of the Ibn al-Mathir Maternity Hospital in Ninewa Province was completed April 18. The project included installation of new equipment, a new water treatment system, force protection measures, and significant structural improvements. This hospital provides 100 beds for inpatient care and services for approximately 35,000 outpatients in the greater Mosul area.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Water and Sanitation

Water and Sanitation:

• As of April 20, construction is complete on two rural water treatment plants in Anbar Province. The Elbo Hatan and Azrakiya projects cost a total of $234,000. The GRD-PCO projects required the installation of sand filter systems at the water treatment plants. The projects will affect 2,250 people in Elbo Hatan and 3,200 people in Azrakiya.

• On April 16, GRD-PCO completed the Tahadi compact water treatment unit in Falluja, Anbar Province. The new compact water treatment unit provides potable water for up to 160,000 residents in Falluja City.
Transportation:
• As of April 20, GRD-PCO completed a $941,000 project to repave 5.3 kilometers of roads between Shaeed and Dakheeland Abu Thar streets in Sadr City, Baghdad Province. The repaved roads benefit more than 80,000 residents.
• On April 15, GRD-PCO completed a $480,000 project to resurface 4 kilometers of an asphalt roadway in Tal ‘Afar. The project will benefit 200,000 residents in Ninewa Province.

Communications:
• The telecommunications regulator, the National Communications and Media Commission, has identified qualified bidders to compete for the three new national mobile telephone licenses (succeeding those originally awarded in 2003). The auction is currently scheduled for June 2006 and is expected to raise hundreds of millions of dollars for the Iraqi government.
[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation

Oil Update:
• Crude oil prices in world markets for the week ending April 21 closed with the following prices:
  – Basrah Light at $65.13/barrel
  – Dated Brent at $73.51/barrel
  – WTI Cushing at $71.90/barrel
  – Oman/Dubai at $65.79/barrel

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

<table>
<thead>
<tr>
<th>Employing Organization</th>
<th>Iraqis Last Week</th>
<th>Iraqis This Week</th>
<th>% Increase on Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCO (Project and Contracting Office)</td>
<td>31,604</td>
<td>31,089</td>
<td>-1.63%</td>
</tr>
<tr>
<td>USAID</td>
<td>67,149</td>
<td>67,076</td>
<td>-0.11%</td>
</tr>
<tr>
<td>AIRP (Accelerated Iraqi Reconstruction Program)</td>
<td>1,158</td>
<td>1,158</td>
<td>0.00%</td>
</tr>
<tr>
<td>MILCON (Military Construction)</td>
<td>234</td>
<td>233</td>
<td>-0.43%</td>
</tr>
<tr>
<td>CERP*</td>
<td>8,958</td>
<td>8,958</td>
<td>0.00%</td>
</tr>
<tr>
<td>MNSTC-I</td>
<td>9,937</td>
<td>10,415</td>
<td>4.81%</td>
</tr>
<tr>
<td>IRRF NON-CONSTRUCTION</td>
<td>16,281</td>
<td>16,281</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>126,363</strong></td>
<td><strong>135,210</strong></td>
<td><strong>7.00%</strong></td>
</tr>
</tbody>
</table>

• CERP (Commanders’ Emergency Response Program) numbers have not been updated recently and PCO will be reporting on a bi-weekly basis.
• USAID continues to update weekly.

Data as of April 25
[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 November 15, 2005. The dinar remained stable against the dollar this week, ending at 1,478 dinars per USD on April 23.

The New Iraqi Dinar (NID) exchange rate line is calculated as a weekly weighted average (NID/USD).
[5.] Help Iraq Strengthen Its Economy – Securities Markets

Trading of Iraqi Bonds on the International Secondary Bond Market:

- The following table shows the daily bond resale price and yield on Iraqi bonds issued January 20. The bonds were originally issued to about two-thirds of Iraq’s commercial creditors as part of a debt exchange arrangement at Paris Club terms. Iraq’s commercial debt was approximately $22 billion before the debt-swap arrangement. The bonds, which are not yet rated, will mature in 2028. The bonds are currently trading at just under their original asking price. The drop in price and accompanying increase in yield around the end of February probably reflect increased concerns following the February 22 bombing of the Al Askari Mosque in Samarra. The bonds’ current yield of 9.12 percent remains one of the highest in the world for sovereign debt instruments.

**Iraqi Commercial Bond Sales**

January 20, 2006 - April 21, 2006

Trading High = $73.98 (January 24)
Trading Low = $67.34 (March 28)
[5.] Help Iraq Strengthen Its Economy – Market Economy Transition

Agriculture Market Price Information:

- In order to improve the collection and dissemination of agricultural prices in Iraq, the Agriculture Reconstruction and Development Program for Iraq (ARDI) has established a monitoring system for wholesale price information for agricultural products and inputs. ARDI employs price monitors in all 18 provinces in Iraq to collect price information and produces a daily report of fruit and vegetable wholesale prices, and a weekly report of prices for animal products, dry goods and agricultural inputs. The report is sent to traders, farmers and government officials via email, SMS text messages to mobile phones, radio broadcast, and www.IraqMarketPrices.net. ARDI also performs analyses of price data, including a review of price data over the past year to detect seasonal price variations and other price patterns by region, type of product and origin.

- ARDI held a training course the week of April 17 for 40 staff members of the Ministries of Agriculture (MoA) in Baghdad, Erbil and Sulaymaniyah. MoA staff were trained in the techniques used by ARDI to disseminate price data to the local markets. This capacity building effort will increase the efficiency in agricultural markets throughout Iraq.

Iraq Printing Industry:

- Iraqi printing houses are a growing private sector success. According to the Department of Defense, there were nine government-sponsored newspapers and four magazines in Iraq under Saddam Hussein's regime. Since then, at least 294 independent newspapers and magazines have been established in Iraq.
[5.] Help Iraq Strengthen Its Economy – **Budget Allocation**

**Budget Allocation Strategy:**

While in Washington for the IMF/World Bank annual meetings April 22-23, Iraqi Finance Minister Allawi held talks with USG, IMF and World Bank staff. Allawi and Treasury Deputy Secretary Kimmitt co-chaired an April 26 roundtable discussion with U.S. and Iraqi officials on Iraq’s macroeconomic situation that highlighted economic progress in Iraq to date and the economic challenges facing the new government.

In an April 24 public address at the World Bank, Iraqi Finance Minister Allawi advocated the creation of several new mechanisms/institutions to manage resource transfers from central to local government levels, including:

1. Oil dividends to empower households and consumers (funded by 20-25 percent of oil revenues)
2. Several new government-run organizations, a la the Tennessee Valley Authority, to manage various central government-funded policies/programs (e.g. marshland recovery, port management, urban development, water management, electricity management, desalinization of agricultural lands)
3. Regional Development Authorities
4. Regional Development Banks
5. Empowering civil society and NGOs (by involvement in allocating regional transfers from the central budget)
[5.0] Help Iraq Build Government Capacity and Provide Essential Services – Crude Oil Production

- Weekly Average (Apr 17-23) of 2.20 Million Barrels Per Day (MBPD)

Iraqi Oil Ministry Goal: 2.5 MBPD
[5.0] Help Iraq Build Government Capacity and Provide Essential Services –

Crude Oil Export

- 2005 Revenue Estimate: $23.5 Billion
- 2006 Revenue Estimate: $8.3 Billion (Year to Date)
• Diesel: 10.1 ML supply of 21.8 ML target
• Kerosene: 3.6 ML supply of 10.5 ML target
• Gasoline: 12.8 ML supply of 23.8 ML target
• LPG: 2,534 tons supply of 4,005 tons target

[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 April 17-23
• 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.
Hussein Trial Tape Talks About Destroying Farms:

• On April 24, prosecutors in the trial of Saddam Hussein played an audiotape said to be a phone call between the former Iraqi leader and one of his co-defendants discussing the destruction of farmlands during a crackdown in Dujail against Shiites in the 1980s. In the tape, a voice purported to be that of Taha Yassin Ramadan said the leveling of farms and palm groves in the town of Dujail, carried out as retaliation for an attack on Hussein there, had been nearly completed and that the owners would be given compensation. He also talks of moving "suspect elements" out of Dujail and the nearby town of Balad and bringing in "replacements, meaning we will try to change the social reality" in the two towns. The trial has been adjourned until May 15.
[7.] Increase International Support for Iraq – Developments

UN Congratulates Iraq's New Leadership:
• Special Representative Qazi offered his best wishes to Mr. Talabani, as well as to Adel Abdul Mahdi and Tareq al-Hashemi on their election by the Council of Representatives as President and Vice-Presidents of Iraq; Nouri al-Maliki, the Prime Minister designate; and Mahmoud al-Mashhadani, Khaled al-Atiyya and Arif Tayfour as Speaker and Deputy Speakers of the new Iraqi Council of Representatives. Qazi said the UN looks forward to working with Iraq's newly-elected leaders towards the goals of fostering peace and stability in the country.

Statements of International Support for Government Formation:
• Numerous international press agencies are reporting public statements of congratulations and support for the recent steps in Iraq’s government formation process. For instance, Japan, Turkey, Russia, Romania, and the Organization of Islamic Conference issued public statements of welcome and support for Iraq’s new leaders this week.
Turkish and Iranian Troops Amass near Iraq’s Northern Border:
• On April 23, President Talabani expressed his concern over reported Iranian and Turkish troop concentrations on those countries' borders with Iraq. Turkey has moved thousands of troops to the border region to address attacks by PKK terrorists inside Turkey. Iran also reportedly has moved forces to the border, and last week shelled a mountainous region inside Iraq used by Iranian Kurd fighters for infiltration into Iran, according to Iraqi Kurd officials. No casualties were reported from the April 21 artillery and rocket barrage. Talabani said that so far Iranian and Turkish forces have stayed on their respective sides of the border.
[7.] Increase International Support for Iraq – **Contributors to Iraqi Stability Operations**

Data as of April 17, 2006

**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

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

**TOTAL ~ 20,000 Forces**

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**29 Countries and NATO***

*(including US)*

**Support Iraqi Stability Operations**

*29 includes the 26 countries listed above, the US, Fiji, and Singapore.*
Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents – Developments

Strategic Communications:

- Speaking to CNN on April 24, Iraqi Prime Minister Designate Nouri al-Maliki said that “the main challenge that I see is the existence of a torn relationship in the Iraqi community with all of the sectarian and ethnic backgrounds. There’s also a state of misunderstanding that was spread in the last period, so I have to work first on uniting all of these elements together and work on a measure of national reconciliation on the basis of national dialogue and common interests. Because I think that if the people come together and got rid of these problems, we will be able to form a wide front in which we can face these challenges from all these directions.” He also said of dissolving militias in the country, “we already have a strategy and a vision for this process and everyone must comply with dissolving the militias and end them, because the presence of these militias will add to the tension and to the danger of civil war in Iraq.”
Strategic Communications:

- Ambassador Khalilzad appeared on CNN April 23 and said that Nouri Maliki was “an Iraqi patriot,” and that he “has a reputation for being a strong leader, a patriotic leader, without being subordinate or having strong ties to any of the regional players. We look forward to working with him. He has said a number of very positive things since he was nominated, he will work for all Iraqis. He will put a competent, independent, strong team together, that he will deal with the issue of the militias and he will also review the issue of how the de-Baathification has been carried out.”

- In Sacramento on April 22, President Bush said “today the Iraqi people reached an important milestone in their journey on democracy. Iraqi leaders announced agreement on the top leadership posts for a national unity government. This agreement represents compromise and consensus among many different Iraqi groups, and it came after months of patient negotiations.” He continued by saying, “On behalf of all Americans, I congratulate the Iraqi people and their new leaders. The Iraqis are showing the world that democracy is worth the wait, that liberty is worth the sacrifice, and that freedom is the future of every man, woman and child on this earth.”
Special Addendum: Provincial Reconstruction Teams

PRT Mission Statement:
- To assist Iraq’s provincial governments with developing a transparent and sustained capability to govern, promoting increased security and rule of law, promoting political and economic development, and providing provincial administration necessary to meet the basic needs of the population.

Provincial Reconstruction Team Concept:
- The PRT concept was developed to improve on Regional Embassy Office (REO) and Provincial Support Team (PST) programs. The PRTs are a civil-military operation led by the civilians with extensive support from U.S. and Coalition Forces. The PRTs are an integrated capacity-building effort built around Local Governance Program (LGP) and include support from other agencies to cover all key capacity development needs.
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

Slide 7:
- DoD Input to Iraq Weekly Status Report 17 April 06

Slide 8:
- http://www.state.gov/secretary/rm/2006/64972.htm

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

Slide 10
- NEA Political Section, NEA-I-POL-DL@state.gov

Slide 11:
- NEA Political Section, NEA-I-POL-DL@state.gov

Slide 12:
- The IRRF Financial Chart is sourced from the April 25, 2006 IRMO Weekly Status Report
Notes and Source Citations (2 of 4)

Slide 13:
- 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 14:
  - Electricity:
    - GRD-PCO Weekly Report - April 20
  - Health:
    - GRD-PCO Daily Report - April 25

Slide 15:
  - Water and Sanitation:
    - GRD-PCO Weekly Report - April 20
    - PCO Contact John Daley

Slide 16:
  - GRD-PCO Weekly Report - April 20
  - GRD-PCO Daily Report - April 21

Slide 17:
  - Oil Prices:
    - Oil Prices are sourced from Bloomberg
  - Employment Update:
    - Information regarding the Employment Update was sourced from the IRMO Weekly Report – April 25, 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.
Notes and Source Citations (3 of 4)

Slide 18:
- Information regarding the NID auction was gathered from the Central Bank of Iraq’s website:
  http://www.cbiraq.org

Slide 19:
- Bond Prices:
  - Iraqi Bond Prices are sourced from Bloomberg

Slide 20:
- ARDI Daily Report – April 24
- White House Daily Iraq Message – April 21

Slide 21:
- DoS IIC Unclassified 24 April 2006

Slide 22:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 23:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 24:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 25:
- Department of State, NEA-I-ECON, 202-647-9885
Notes and Source Citations (4 of 4)

Slide 26:

Slide 27:

Slide 28:

Slide 29:

Slide 30:
- “Iraqi Prime Minister Designate Jawad al-Maliki Discusses His Efforts to Unify Iraqis,” CNN’s “Your World Today,” April 24

Slide 31:
- “Ambassador Khalilzad Calls Iraq’s New Prime Minister Jawad Maliki ‘An Iraqi Patriot,’” CNN’s “Late Edition,” April 23
- “President Bush Congratulates The Iraqi People and Their New Leaders,” Statement by the President on Iraq, Sacramento, California, April 22

Slide 32:
- US State Department Iraq Desk, NEA-I-POL-DL@state.gov