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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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Highlights

1. **Defeat the Terrorists and Neutralize the Insurgents**
   Attacks in Ramadi are down 25% over the past couple of months as Coalition Forces, together with the Iraqi Security Forces (ISF), have steadily increased their presence inside the city.

2. **Transition Iraq to Security Self-Reliance**
   Iraqi officials and Multi-National Division-Baghdad leaders transferred responsibility of Forward Operating Base Duke to ISF October 1. The transfer follows an Iraqis in the Lead ceremony last week in which the ISF assumed operational control for the northern Babil province and security of the cities of al-Iskandariyah, Haswah and al-Khudi.

3. **Help Iraqis to Forge a National Compact for Democratic Government**
   Prime Minister Maliki announced a new four-part plan October 2 to reduce sectarian violence and foster national reconciliation. Local committees, comprised of representatives of every party, security officials, and religious and tribal leaders will be formed in each Baghdad district to consult on neighborhood security.

4. **Help Iraq Build Government Capacity and Provide Essential Services**
   Construction was completed on the Gas Compressor Station CS2 facility in north Rumaila, Basrah province September 28. The $2.5 million US Army-funded project installed instrumentation and electrical items, and demolished facilities that were damaged during the 1991 and 2003 wars. The project will help increase the country’s liquid petroleum gas supply to meet the cooking and heating needs of the Iraqi people.
5. **Help Iraq Strengthen Its Economy**
With the support of USAID’s Izdihar project, the Intellectual Property Committee of the Government of Iraq completed an integrated draft of the intellectual property law, which aims for full compliance of the requirements of the World Trade Organization. Currently under final review, the draft will soon be discussed by the Council of Ministers and then submitted to the parliament.

6. **Help Iraq Strengthen the Rule of Law**
The Central Criminal Court of Iraq convicted 22 security detainees September 8 - 14 for various crimes, including possession of illegal weapons, using forged identification and illegal border crossing.

7. **Increase International Support for Iraq**
Romanian President Basescu reaffirmed his country’s commitment to Multi-National Forces-Iraq, saying that any withdrawal of his country’s troops would first require that the Iraqi government take control of Romania’s zone of responsibility and that the Coalition Forces agree that Romania’s presence in Iraq is no longer needed.

8. **Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents**
The Iraqi government announced on state television September 30 that anti-government insurgents were spreading false rumors about an attempted coup in Baghdad.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Battle for Ramadi Now Favors Iraqi Government and Coalition:

- Although significant challenges remain, the battle for Ramadi now favors the Government of Iraq (GoI) and the Coalition, according to the commander of the US 1st Brigade (BDE), 1st Armored Division (AD) September 30.

- Attacks in Ramadi are down 25% over the past couple of months and Coalition Forces (CF), together with Iraqi Security Forces (ISF), have steadily increased their presence inside the city.

- The 1st BDE, 1st AD Commander also said that local Iraqi police recruiting has risen tenfold and that Iraqi Army (IA) readiness has improved to the point where IA battalions are now assuming the lead in portions of the city and its suburbs. Coalition-sponsored public works projects are also bringing improvements in Iraqi quality of life; water and power projects are moving forward and by February 2007, Coalition and GOI efforts will have more than doubled both basic services.

Operations Continue Against Death Squads:

- Coalition and ISF operations have killed or captured 29 death squad cell leaders and another 254 cell members since July.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Attacks Increase in Baghdad:

• As Ramadan continues, Baghdad has seen a rise in recent attacks as terrorists and illegally armed groups attempt to discredit the GoI and the Baghdad Security Plan.
  
  • Murders and extrajudicial executions are currently the leading cause of civilian deaths in Baghdad and occur primarily along a north-south line associated with the beladiyas of Kadhimiya, Mansour and Baya and a northwest-southeast trend in eastern Baghdad along the Army Canal – generally in Sadr City, Thawra and New Baghdad area.

Baghdad Security Plan and Reconstruction Efforts:

• There are currently more than 60,000 Iraqi and Coalition forces in the city of Baghdad as part of Operation Together Forward, of which approximately 15,000 are Coalition maneuver forces.

• The ISF, with CF support, continue operations in the focus areas and are devoting considerable effort towards projects aimed at providing basic services, including electricity, water and sewage to the Iraqi people. Approximately $40 million in reconstruction projects is currently being spent in those focus areas with another $90 million planned and allocated.
[1.] Defeat the Terrorists and Neutralize the Insurgency
[1.] Defeat the Terrorists and Neutralize the Insurgency
1.] Defeat the Terrorists and Neutralize the Insurgency

Operations Against Death Squads in Baghdad – 18 – 24 Sept

| MND BAGHDAD: ISF & CF Conducted a raid near Abu Ghraib, 18 SEP 06, to capture Death Squad Members. 5 x Detainees |
| MND BAGHDAD: ISF Conducted a cordon and search near Adamiyah, 18 SEP 06, to capture Death Squad Members. NSTR |
| MND BAGHDAD: ISF & CF Conducted a raid near Bayaa, 19 SEP 06, to capture Death Squad Members. 1 x Detainee |
| MND BAGHDAD: ISF & CF Conducted a raid near Adamiyah, 19 SEP 06, to capture Death Squad Members. 3 x Detainees |
| MND BAGHDAD: ISF & CF Conducted a SKT OP near Bayaa, 19 SEP 06, to capture Death Squad Members. 1 x AIF, 1 x WIA |
| MND BAGHDAD: ISF & CF Conducted a raid near Bayaa, 19 SEP 06, to capture Death Squad Members. NSTR |
| MND NORT: ISF & CF Conducted a raid near AL Dujayl, 20 SEP 06, to capture Death Squad Members. 6 x Detainees |
| MND BAGHDAD: ISF Conducted a cordon and Clearance near Karkh, 20 SEP 06, to capture Death Squads. Small Cache |
| MND BAGHDAD: ISF & CF Conducted a cordon and knock operation near Doura, 20 SEP 06, to disrupt AIF and death squad activities. Small Cache |
| MND NORT: ISF conducted a cordon and search near Muqadiyah, 20 SEP 06, to capture members of kidnapping Cell. 4 x Detainees |
| MND BAGHDAD: ISF conducted a clearing operation near Adamiyah, 21 SEP 06, to reduce sectarian violence. NSTR |
| MND BAGHDAD: ISF conducted a cordon and search operation near Doura, 22 SEP 06, to disrupt death squad cells. NSTR |
| MND BAGHDAD: ISF & CF conducted a raid near Bayaa, 23 SEP 06, to capture Death Squad Members. NSTR |
| MND BAGHDAD: ISF & CF conducted a raid near Abu Ghraib, 22 SEP 06, to capture Death Squad Members. 1 x EKIA, 2 x Detainees |
| MND BAGHDAD: ISF & CF conducted a raid near Abu Ghraib, 23 SEP 06, to capture Death Squad Members. 1 x EKIA |
| MND BAGHDAD: ISF & CF conducted a raid Abu Ghraib, 24 SEP 06, to capture Death Squad Members. 2 x Detainees |
| MND BAGHDAD: ISF & CF conducted a raid near Bayaa, 24 SEP 06, to capture Death Squad Members. 1 x Cell Leader, & 11 x Detainees |
| MND BAGHDAD: ISF & CF stopped a civilian convoy (8 of 20 vehicles) that ran a check point near Karshah on 23 SEP 06, 13 AIF Detainees. (Incidental) |
| MND BAGHDAD: ISF & CF conducted an arrest near Doura, 24 SEP 06, to capture Death Squad Members. 3 x Detainees. (Incidental) |

Baghdad Province (Not Shown on Map)
NOTE: 1, 14, 15 & 16 - Operations West of Baghdad City in Abu Garayb.

Operation Outside Baghdad Province (Not Shown on Map)
NOTE: #7 – Operation in Salah ad Din Province
#10 – Operation in Diyala Province

ISF Assumes Control of FOB Duke:


- The transfer of the base follows an Iraqis in the Lead ceremony last week in which the ISF assumed operational control for the northern Babil province and security of the cities of al-Iskandariyah, Haswah and al-Khudi from the 2nd Battalion, 8th Infantry Regiment, 2nd Brigade Combat Team.

Iraqi Air Force Takes Over First-Line Maintenance:

- The 23rd Squadron of the Iraqi Air Force at the new al-Muthanna Air Base took control of the first-line maintenance operations of their C-130E aircraft from Coalition Forces in September.

  - The Iraqi Air Force currently has three C-130Es and expects to receive another three by 2008.

Iraqis In the Lead

Baghdad Province

In the Lead
Battalions: 88
Brigades: 27
Divisions: 6

<table>
<thead>
<tr>
<th>Ministry of Interior Forces</th>
<th>Ministry of Defense Forces</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPONENT</td>
<td>TRAINED &amp; EQUIPPED</td>
</tr>
<tr>
<td>POLICE</td>
<td>~123,500***</td>
</tr>
<tr>
<td>NATIONAL POLICE</td>
<td>~ 24,400</td>
</tr>
<tr>
<td>OTHER MOI FORCES</td>
<td>~28,300</td>
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<tr>
<td>TOTAL</td>
<td>~176,200**</td>
</tr>
<tr>
<td>COMPONENT</td>
<td>OPERATIONAL</td>
</tr>
<tr>
<td>ARMY</td>
<td>~129,700***</td>
</tr>
<tr>
<td>AIR FORCE</td>
<td>~800</td>
</tr>
<tr>
<td>NAVY</td>
<td>~1,100</td>
</tr>
<tr>
<td>TOTAL</td>
<td>~131,600**</td>
</tr>
</tbody>
</table>

Total Trained & Equipped ISF: ~307,800****

* 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 September 18, 2006 (updated bi-weekly by DOD)
Maliki Plans to Quell Violence Via Multi-Party Committees:

- Iraqi Prime Minister Maliki announced a four-point plan October 2 aimed at ending the deepening crisis between Shia and Sunni parties in his government and uniting them behind the drive to stop sectarian killings that have plagued the country for months. The plan will 1. form civil subcommittees; 2. form a central follow-up committee; 3. form a committee to monitor the media; and 4. implement monthly reviews of the plan.

- According to the plan, local committees will be formed in each Baghdad district -- made up of representatives of every party, religious and tribal leaders and security officials -- to consult on security efforts. Although the committees would have no police powers, they would work with Iraqi authorities to set up checkpoints and identify dangers in the community, as well as advise police officers on other security issues. A central committee, also comprising all the parties, will coordinate with the armed forces.
[3.] Help Iraqis to Forge a National Compact for Democratic Government– Developments

**Sadr Leaders Call for Cabinet Shuffle:**

- The political bloc of Shia cleric Muqtada al-Sadr demanded a shake-up of Prime Minister Maliki’s cabinet October 2. Bahaa al-Araji, a senior Sadr legislator, accused the government of relationships with terrorists. Araji's remarks appeared to be aimed at Adnan al-Dulaimi, the leader of the largest Sunni Arab coalition in parliament, one of whose bodyguards was arrested September 29 on suspicion of planning suicide bombings inside the fortified Green Zone. The demands of the Sadr movement—a major bloc in the United Iraqi Alliance and the dominant Shia coalition holding 130 of the 275-seat parliament—exposed deep rifts in the government, as well as mounting frustration with its perceived failure to stem violence.

**Number of Internally Displaced Persons Rising:**

- The International Organization for Migration (IOM) has said the number of Iraqis fleeing their homes in order to escape sectarian violence is rising dramatically and has now reached 9,000 per week. The IOM warned that though host communities—usually from the same religious community—are taking in the displaced, funding for assistance is running low and as winter approaches, the situation for victims will likely deteriorate.
## 3. Help Iraqis to Forge a National Compact for Democratic Government - Iraqi National Unity Government

### Ministries

<table>
<thead>
<tr>
<th>Ministry of Agriculture</th>
<th>Ministry of Communications</th>
<th>Ministry of Culture</th>
<th>Ministry of Defense</th>
<th>Ministry of Displacement &amp; Migration</th>
<th>Ministry of Electricity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ya'rub Nathim</td>
<td>Muhammad Tawfiq Allawi</td>
<td>As'ad Kamal</td>
<td>Abdul Qadir Muhammad Jasim</td>
<td>Abd al-Samad Rahman Sultan</td>
<td>Karim Wahid</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Ministry of Education</th>
<th>Ministry of Environment</th>
<th>Ministry of Finance</th>
<th>Ministry of Foreign Affairs</th>
<th>Ministry of Health</th>
<th>Ministry of Higher Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khudayyir al-Khuza'i</td>
<td>Narmin ‘Uthman (F)</td>
<td>Bayan Jabr</td>
<td>Hoshyar Zebari</td>
<td>Ali al-Shammari</td>
<td>Abd Dhiyab al-Ajili</td>
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<tbody>
<tr>
<td>Wijdan Mikha'il (F)</td>
<td>Fawzi al-Hariri</td>
<td>Jawad al-Bulani</td>
<td>Hashim al-Shibli</td>
<td>Bayan Daza'l (F)</td>
<td>Mahmud Muhammad Jawad al-Radi</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ministry of Oil</th>
<th>Ministry of Planning</th>
<th>Ministry of Trade</th>
<th>Ministry of Science &amp; Technology</th>
<th>Minister of Municipalities &amp; Public Works</th>
<th>Ministry of Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Husayn al-Shahristani</td>
<td>Ali Baban</td>
<td>Abd al-Falah al-Sudani</td>
<td>Ra’id Fahmi Jahid</td>
<td>Riyad Ghurayyib</td>
<td>Karim Mahdi Salih</td>
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<tbody>
<tr>
<td>‘Abd al-Latif Rashid</td>
<td>Jasim Muhammad Ja'far</td>
<td>Adil al-Asadi</td>
<td>Akram al-Hakim</td>
<td>Shirwan al-Waili</td>
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</tbody>
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<thead>
<tr>
<th>Ministry of State for Foreign Affairs</th>
<th>Ministry of State for Governorates Affairs</th>
<th>Ministry of State for Tourism and Antiquities</th>
<th>Ministry of State for Women’s Affairs</th>
<th>Ministry of State for CoR Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rafi Hiyad al-Isawi</td>
<td>Sa’d Tahir Abd Khalaf al-Hashimi</td>
<td>Liwa Sumaysim</td>
<td>Fatin Abd al-Rahman Mahmoud (F)</td>
<td>Safa al-Safi</td>
</tr>
</tbody>
</table>
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

Status of the Iraq Reconstruction & Relief Fund not available this week due to the end of fiscal year reconciliation.

As of October 3, 2006
During the week of September 27-October 3, electricity availability averaged 2.4 hours per day in Baghdad and 10.4 hours nationwide. Electricity output for the week was 7% below the same period in 2005.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Water and Natural Gas

Water:

- Construction was completed on the Abo Bosari compact water unit in Basrah province. The $590,000 US Army-funded project was completed September 17, a month ahead of schedule. The project designed and constructed a new compact water treatment plant that provides water to more than 3,000 residents of Abo Bosari.

Natural Gas:

- Construction was completed on the Gas Compressor Station CS2 facility in north Rumaila, Basrah province September 28. The $2.5 million US Army-funded project installed instrumentation and electrical items, and demolished facilities that were damaged during the 1991 and 2003 wars. The project will help increase the country’s liquefied petroleum gas to meet the cooking needs of the Iraqi people.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity

Electricity:

- Baghdad continues to receive no power from northern generation and from Haditha dam, increasing the city’s dependence on local generating plants. A fire sharply reduced output at one of those plants September 29, and a second plant went down October 2. As a result, supply on the latter date fell short of the requirements of essential services and ordinary customers received zero hours of power.

- Construction was completed on the mobile substation at the Midway Pump Station in Anbar province September 18. The $2.1 million US Army-funded project provided for all services necessary to carry out the engineering, procurement, supply, erection and commissioning of the mobile substation. The pump station supports al-Qaim with a population of 80,000 residents.
[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation

Oil Update:
- Crude oil prices in world markets for the week ending September 29 closed with the following prices:
  - Basrah Light at $53.67/barrel
  - Dated Brent at $60.48/barrel
  - WTI Cushing at $62.12/barrel
  - Oman/Dubai at $56.35/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>21,389</td>
<td>21,389</td>
<td>0.00%</td>
</tr>
<tr>
<td>USAID</td>
<td>68,461</td>
<td>68,371</td>
<td>-0.13%</td>
</tr>
<tr>
<td>AIRP (Accelerated Iraqi Reconstruction Program)</td>
<td>687</td>
<td>687</td>
<td>0.00%</td>
</tr>
<tr>
<td>MILCON (Military Construction)</td>
<td>159</td>
<td>159</td>
<td>0.00%</td>
</tr>
<tr>
<td>CERP*</td>
<td>7,234</td>
<td>7,234</td>
<td>0.00%</td>
</tr>
<tr>
<td>MNSTC-I</td>
<td>8,386</td>
<td>7,598</td>
<td>-9.40%</td>
</tr>
<tr>
<td>IRRF NON-CONSTRUCTION</td>
<td>11,254</td>
<td>11,254</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>117,570</strong></td>
<td><strong>116,692</strong></td>
<td><strong>-0.75%</strong></td>
</tr>
</tbody>
</table>

* CERP employment numbers are representative of Baghdad only.

Data as of October 3
[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 January 3. The dinar modestly appreciated against the dollar this week, ending at 1,472 dinars per USD October 2.

<table>
<thead>
<tr>
<th>Date</th>
<th>USD Sold (Millions)</th>
<th>NID Exchange Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 3-4, 2006</td>
<td>1,460</td>
<td></td>
</tr>
<tr>
<td>Jan 8-9</td>
<td>1,465</td>
<td></td>
</tr>
<tr>
<td>Jan 15-19</td>
<td>1,470</td>
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</tr>
<tr>
<td>Jan 22-26</td>
<td>1,475</td>
<td></td>
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<tr>
<td>Jan 29-Feb 2</td>
<td>1,480</td>
<td></td>
</tr>
<tr>
<td>Feb 6-8</td>
<td>1,485</td>
<td></td>
</tr>
<tr>
<td>Feb 12-16</td>
<td>1,490</td>
<td></td>
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<tr>
<td>Feb 19-22</td>
<td>1,495</td>
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<tr>
<td>Feb 28-29</td>
<td>1,500</td>
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<tr>
<td>Mar 5-9</td>
<td>1,460</td>
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<tr>
<td>Mar 12-15</td>
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<tr>
<td>Mar 19-23</td>
<td>1,470</td>
<td></td>
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<tr>
<td>Mar 26-30</td>
<td>1,475</td>
<td></td>
</tr>
<tr>
<td>Apr 2-6</td>
<td>1,480</td>
<td></td>
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<tr>
<td>Apr 12-16</td>
<td>1,485</td>
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<tr>
<td>Apr 19-23</td>
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<td>Apr 26-30</td>
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<tr>
<td>May 2-6</td>
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<td>May 9-13</td>
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<td>May 16-20</td>
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<tr>
<td>May 23-27</td>
<td>1,470</td>
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</tr>
<tr>
<td>May 30-Jun 3</td>
<td>1,475</td>
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<tr>
<td>Jun 6-10</td>
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<td>Jun 13-17</td>
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<td>Jun 20-24</td>
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<td>Jun 27-Jul 1</td>
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<td>Jul 4-8</td>
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<td>Aug 1-5</td>
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<td>Oct 3-7</td>
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<td>Oct 10-14</td>
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<td>Oct 17-21</td>
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<tr>
<td>Oct 24-28</td>
<td>1,495</td>
<td></td>
</tr>
</tbody>
</table>

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’ current yield of 9.59 percent remains one of the highest in the world for sovereign debt instruments.

*Iraqi Commercial Bond Sales*
*January 20, 2006 - September 29, 2006*

<table>
<thead>
<tr>
<th>Bond Price in USD</th>
<th>Yield Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$60.00</td>
<td>7.50%</td>
</tr>
<tr>
<td>$62.00</td>
<td>8.00%</td>
</tr>
<tr>
<td>$64.00</td>
<td>8.50%</td>
</tr>
<tr>
<td>$66.00</td>
<td>9.00%</td>
</tr>
<tr>
<td>$68.00</td>
<td>9.50%</td>
</tr>
<tr>
<td>$70.00</td>
<td>10.00%</td>
</tr>
</tbody>
</table>

Trading High = $73.98 (January 24)
Trading Low = $64.66 (August 30)

*Bond Price* – *Yield*
[5.] Help Iraq Strengthen Its Economy – Recent Economic Events

Intellectual Property Rights Law:

- The Intellectual Property Committee of the Government of Iraq completed an integrated draft of the intellectual property law. Currently under final review, the draft will soon be discussed by the Council of Ministers and then submitted to the parliament. The draft under review could fall short of World Trade Organization requirements.

Citigroup $70 Million Structured Credit Facility:

- Citigroup, in cooperation with US Overseas Private Investment Corporation, announced October 3 the launch of a $70 million structured credit facility that guarantees reimbursement obligations on Trade Bank of Iraq letters of credit. This represents the first time commercial lenders have extended letters of credit in Iraq that are not fully cash collateralized.

Hydrocarbon Law:

- Iraq is working to develop a new hydrocarbon law to attract foreign investment to revitalize the oil sector, Iraq’s primary source of revenue. Oil Minister Husayn al-Shahristani has held talks with the international community in anticipation of these changes.
[5.] Help Iraq Strengthen Its Economy – Recent Economic Events

Anti-Money Laundering Training:

- Thirty bank directors and senior managers from private banks were trained September 10, as part of USAID’s Izdihar program, to understand their roles in combating money-laundering under the Iraqi Anti-Money Laundering Act of 2004. Preventing, detecting and reporting money laundering is an on-going responsibility for management and all bank employees. This training aims to establish appropriate anti-money laundering policies and procedures, roles and responsibilities, and official reporting channels.
[5.] Help Iraq Strengthen Its Economy – Crude Oil Production

- Weekly Average (September 25 – October 1) of 2.30 Million Barrels Per Day (MBPD)
[5.] Help Iraq Strengthen Its Economy – Crude Oil Export

- 2005 Revenue Estimate: $23.5 Billion
- 2006 Revenue Estimate: $24.8 Billion (Year to Date)
[5.] Help Iraq Strengthen Its Economy – **Total Critical Refined Product Supplies**

- **Diesel:** 10.5 ML supply of 21.0 ML target
- **Kerosene:** 4.2 ML supply of 8.5 ML target
- **Gasoline:** 15.7 ML supply of 22.0 ML target
- **LPG:** 3,333 tons supply of 4,460 tons target

**Note:** This is a daily average for the week of September 25 – October 1.
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.
[6.] Help Iraq Strengthen the Rule of Law and Promote Civil Rights–
Iraqi Judicial System

CCCI Convicts 22 Insurgents:

- The Central Criminal Court of Iraq (CCCI) convicted 22 security detainees
  September 8 - 14 for various crimes, including possession of illegal weapons, using
  forged identification and illegal border crossing. Upon conviction, defendants are
  transferred to the Iraqi Ministry of Justice to serve their sentences. To date, the
  CCCI has held 1,537 trials of insurgents suspected of anti-Iraqi and anti-Coalition
  activities threatening the security of Iraq and targeting Multi-National Forces-Iraq.
  These proceedings have resulted in 1,309 individual convictions with sentences
  ranging up to death.

Verdict In Hussein Case Delayed:

- The first court trying Saddam Hussein announced October 3 that it was postponing
  the verdict to give the judges more time to review evidence. The court had been
  expected to announce its verdict October 16, when it reconvenes for the first time
  since adjourning July 27. Court spokesman Raid Juhi said the October 16 session
  would be held, but “will not be for the verdict. It's for the judges' review of the
  evidence.” Juhi also said that he could not say when the verdict would be issued,
  but the review raised the possibility that the judges could ask to recall witnesses or
  seek new testimony on evidence.
[7.] Increase International Support for Iraq – Developments

Jordan to Resume Importing Cheap Oil from Iraq:

- Jordan plans to resume importing oil from Iraq at less than the international market value, bringing a three-year hiatus to an end under a deal that may include a future pipeline connecting the two nations. Analysts believe the deal may include a preferential price of $10 per barrel, although both countries declined to reveal figures.

Romania Reaffirms Commitment to MNF-I:

- Romanian President Traian Basescu acknowledged that while domestic polls show Romanian presence in Iraq is not popular, his country’s commitment to Multi-National Forces-Iraq (MNF-I) “is a pledge of honor for Romania and must be respected.” He added that any withdrawal of Romanian troops would first require that the Iraqi government take control of Romania’s zone of responsibility and that the Coalition Forces agree that Romania’s presence in Iraq is no longer needed.

Talabani Continues to make Contradictory Statements on the PKK:

- Iraqi President Jalal Talabani – who had stated that his administration had convinced the Kurdistan Workers’ Party (PKK) to declare a cease-fire, and announced the PKK was over and had no future.
[7.] Increase International Support for Iraq – **Developments**

Belgium Expected to Name Non-Resident Chargé:

- The Belgian government is expected to name Jeroen Vergeylen as the non-resident Chargé to Baghdad. Vergeylen is currently the Deputy Chief of Mission at the Belgian Embassy in Amman, Jordan.
[7.] Increase International Support for Iraq – Contributors to Iraqi Stability Operations

Data as of October 2, 2006

27 Countries with forces in Iraq (in addition to US)

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

TOTAL ~ 17,000 Forces

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

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

*34 includes the 28 countries listed above, the US, Fiji, and as four NATO, non-MNF-I countries: Hungary, Iceland, Slovenia, Turkey
Rumors of Baghdad Coup False According to Government Officials:

- The Iraqi government announced on state television September 30 that anti-government insurgents were spreading false rumors about an attempted coup in Baghdad. The Prime Minister’s military spokesman, Brigadier General Qassim Mussawi, addressed questions regarding the rumors, saying “this is not true, our forces will continue chasing terrorists in all sectors.” Rumors regarding dissatisfaction in the Iraqi Army leadership began in late July.
Barzani and Shahristani Exchange Words:

• In a statement released September 27, Nechirvan Barzani, prime minister of the autonomous Kurdistan region, attacked remarks by Oil Minister Husayn al-Shahristani that appeared in the Iraqi press September 23. In the interview, Shahristani said that the central government was not bound by contracts signed between international companies and the Kurdistan government. In response, Barzani said that he resented “Dr. Shahristani’s efforts to sabotage foreign investment in Kurdistan’s oil sector” and also accused Baghdad’s oil ministry of doing “nothing to encourage foreign investment in other parts of Iraq.”

• Barzani added that Kurdistan voluntarily took part in the Iraqi government based on its constitution and that if Baghdad was not compliant in the wording set forth in the constitution, “the people of Kurdistan reserve the right to reconsider our choice.”

• Barzani’s statement also cited $100 million in oil exploration activities in the Kurdistan region since 2003 by foreign companies.
Special Addendum: Provincial Reconstruction Teams (PRT)

**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 US 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.

**PRT Operations Status:**
- PRTs have been established in Tamim/Kirkuk; Ninewa/Mosul; Babil/Hilla; Baghdad; Anbar/Ramadi; Diyala/Baquba; Salah ad-Din; Basrah; and Dhi Qar. PRTs are comprised of representatives from the US Department of State, United States Agency for International Development, Multi-National Force – Iraq, Department of Justice, Gulf Regional Division of the Army Corps of Engineers, Multi-National Corps – Iraq and Coalition partners.

Interested in working in Iraq?
Please visit [http://careers.state.gov/opportunities/iraq/index.html](http://careers.state.gov/opportunities/iraq/index.html) for a list of available positions.
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 3)

Slide 5:

Slide 6:

Slide 7:

Slide 8:

Slide 9:

Slide 10:

Slide 11:

Slide 12:
- DoD Input to Iraq Weekly Status Report October 4

Slide 13:
Notes and Source Citations (2 of 3)

Slide 14:

Slide 15:
- NEA Political Section, NEA-I-POL-DL@state.gov

Slide 16:
- IRMO Weekly Report, October 3

Slide 17:
- 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 18:
Water:
- USACE Daily Report – September 26

Natural Gas:
- USACE Daily Report – October 2

Slide 19:
Electricity:
- Baghdad Evening Electricity Reports, September 29 – October 4
- USACE Daily Report – September 28

Slide 20:
Oil Prices:
- Oil Prices are sourced from Bloomberg

Employment Update:
- Information regarding the Employment Update was sourced from the IRMO Weekly Report – September 26
- 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 21:
- Information regarding the NID auction was gathered from the Central Bank of Iraq’s website: http://www.cbiraq.org

Slide 22:
- Iraqi Bond Prices are sourced from Bloomberg
Notes and Source Citations (3 of 3)

Slide 23:
- USAID Iraq Bi-weekly Update – Sept 25
- Embassy Baghdad Joint Public Affairs Guidance – Oct 2 - 8

Slide 24:
- USAID Iraq Bi-weekly Update – Sept 25

Slide 25:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 26:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 27:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 28:
- Department of State, NEA-I-ECON, 202-647-9885

Slide 29:
- http://news.yahoo.com/s/ap/20061003/ap_on_re_mi_ea/saddam_trial;_ylt=AhfXf4lv7j2ZHbEZY1zNfiULewgF;_ylu=X3oDMTBjMHVqMTQ4BHNlYwN5bnNTYmNhDA--

Slide 30:
- The United Nations www.un.org
- Unison.ie, Ireland

Slide 31:
- Brussels cable # 3273

Slide 32:
- DOD Input to Weekly Status Report, updated bi-weekly

Slide 33:
- AFP, “Insurgents Spreading Iraq Coup Rumors: Government,” September 30

Slide 34:
- Financial Times, “Iraq’s Kurds Threaten Secession Over Oil Rights,” September 28

Slide 35:
- NEA-I-ECON@state.gov