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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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Notes and Source Citations
Highlights

1. Defeat the Terrorists and Neutralize the Insurgents
   In a press conference May 22 with the governor of al-Anbar province, Mamun Sami Rashid al-Awani, the deputy commander of Multi-National Force-West, BG John Allen, said that Anbar province is in transition and the recent security improvements across the province have created significant political and economic opportunities.

2. Transition Iraq to Security Self-Reliance
   U.S. forces handed over security responsibility in Iraq’s three northern provinces to the Kurdish regional government May 30. The handover of Sulaymaniyah, Irbil, and Dohuk provinces was followed by a parade of Kurdish soldiers.

3. Help Iraqis to Forge a National Compact for Democratic Government
   On May 24, Iraqi Prime Minister Nuri al-Maliki nominated six ministers to replace the Cabinet seats vacated by loyalists to Muqtada al-Sadr six weeks ago. The nominees are Ali al-Bahadli (agriculture), Dr. Sabah Rasul Sadiq (health), Amer Abd al-Jabr Ismail (transport), Thamir Jaafar Mohammed al-Zubaidi (civil society), Dr. Khalid Sami Azar al-Maajun (provincial affairs) and Zuhair Mohammed Ridha Sharba (tourism).

4. Help Iraq Build Government Capacity and Provide Essential Services
   The U.S.-funded project to Widen/Pave Street for Front Industrial Center in the Governorate of Najaf has been completed, providing access to vital road arteries and increasing effective traffic movement for over 500,000 area residents.
Highlights

5. **Help Iraq Strengthen Its Economy**
   The World Trade Organization (WTO) Working Party meeting on Iraq, held in Geneva May 25, was characterized as a successful start to the WTO accession process.

6. **Help Iraq Strengthen the Rule of Law**
   The Central Criminal Court of Iraq convicted 37 individuals May 6-May 12 for violations of the Iraqi Terrorist Law, Penal Code, and Coalition Provisional Authority Orders enforced by the Iraqi judiciary.

7. **International Support for Iraq**
   Ambassador Ryan Crocker met with Iranian counterpart Hassan Qazimi Qumi at an event hosted by Iraqi Prime Minister Maliki. The Prime Minister led the first session, and the subsequent discussion was hosted on the Iraqi side by National Security Advisor Dr. Muwaffak al-Ruba’i. The talks were positive and the atmosphere was businesslike.

8. **Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents**
   For the first time in months, Shia cleric Muqtada al-Sadr appeared in public May 25, delivering an anti-American sermon to thousands of supporters in his base of Kufa in Najaf province and demanding that U.S. troops leave Iraq. Sadr also called on Sunnis to join with him in the fight against U.S. presence, and criticized the Iraqi government for its inability to provide reliable services to its people.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Iraqi and Coalition Forces Rescue 42 Individuals at AQI Hideout in Diyala:

• Iraqi Army and Coalition Forces (CF) conducted a raid based on a tip from a local citizen and discovered 42 individuals at an al-Qaida in Iraq (AQI) hideout six miles south of Baquba May 27. Some of the men claimed to have been held as long as four months; others also had broken bones and showed other signs of torture.

Al-Anbar Rejection of al-Qaida Creates Economic, Political Opportunities:

• In a press conference May 22 with the governor of al-Anbar province, Mamun Sami Rashid Al-Awani, the deputy commander of Multi-National Force-West, BG John Allen, said that Anbar province is in transition, and the recent security improvements across the province have created significant political and economic opportunities.

  • The security improvements have been brought about by a groundswell of opposition to al-Qaida, which has largely been expelled from the province’s population centers.

  • Additionally, a partnership exists today in the province between CF, the Iraqi Police and the Iraqi Army. Iraqi security forces’ recruiting has increased dramatically and in just one year, the police forces in al-Anbar have grown from about 2,000 to 14,500.

Coalition Operations Continue against al-Qaida:

• Coalition spokesman MG Caldwell announced May 24 that during the past week, from May 16-22, CF conducted 45 focused operations against al-Qaida, resulting in the killing of 19 terrorists and the detention of 88 more.

Iraqi Kurdish Provinces Receive Security Responsibility:

- U.S. forces handed over security responsibility in Iraq’s three northern provinces to the Kurdish regional government May 30. The handover of Sulaymaniyah, Irbil and Dohuk provinces was followed by a parade of Kurdish soldiers.

Investigators Sharpen Interview Techniques:

- Approximately 40 Iraqi Ministry of Defense inspectors and their support staff from the inspector general’s office completed a three-day training course titled “Interviewing Victims and Witnesses” May 25. The goal of the training was to create understanding how to more effectively deal with the various types of witnesses and victims they encounter on a daily basis.

Supplies Aid Iraq Border Forts Police:

- In the last four weeks, Coalition forces have delivered over 87 tractor trailer truckloads of supplies to the Iraqi Department of Border Enforcement. The supplies range from small end items such as uniforms, heaters, and mattresses, to large items such as ambulances, medium trucks, and patrol vehicles. The supplies will be dispersed to border forts all along Iraq’s borders.

Ministry of Interior Forces

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>TRAINED &amp; EQUIPPED</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLICE</td>
<td>~135,000</td>
</tr>
<tr>
<td>NATIONAL POLICE</td>
<td>~ 26,300</td>
</tr>
<tr>
<td>OTHER MOI FORCES</td>
<td>~32,900</td>
</tr>
<tr>
<td>TOTAL</td>
<td>~194,200**</td>
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</tbody>
</table>

Ministry of Defense Forces

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>OPERATIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARMY</td>
<td>~152,500***</td>
</tr>
<tr>
<td>AIR FORCE</td>
<td>~900</td>
</tr>
<tr>
<td>NAVY</td>
<td>~1,100</td>
</tr>
<tr>
<td>TOTAL</td>
<td>~154,500**</td>
</tr>
</tbody>
</table>

Total Trained & Equipped ISF: ~348,700****

* 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 May 30, 2007 (updated bi-weekly by DOD)
[3.] Increase International Support for Iraq – Developments

Maliki Makes Nominations for Vacated Cabinet Seats:

- On May 24, Iraqi Prime Minister Nuri al-Maliki nominated six ministers to replace the Cabinet seats vacated by loyalists to Muqtada al-Sadr six weeks ago. The nominees are Ali al-Bahadli (agriculture), Dr. Sabah Rasul Sadiq (health), Amer Abd al-Jabr Ismail (transport), Thamir Jaafar Mohammed al-Zubaidi (civil society), Dr. Khalid Sami Azar al-Maajun (provincial affairs) and Zuhair Mohammed Ridha Sharba (tourism).

Sadr Returns to the Public:

- In his first speech in seven months, Shia cleric Muqtada al-Sadr called for national unity and the withdrawal of U.S. troops. The speech he delivered had new nationalistic overtones, calling on Sunnis to join with him in the fight against the U.S. presence. He also criticized the Iraqi government’s inability to provide reliable services to its people.
[3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi National Unity Government

President: Jalal Talabani
Deputy President: ‘Adil ‘Abd al-Mahdi
Prime Minister: Nuri al-Maliki
Deputy Prime Minister: Salam al-Zawba’i

Minister of Agriculture: Muhammad Tawfiq Alawi
Minister of Communications: Karim Wahid
Minister of Culture: Khudayyir al-Khuza’i
Minister of Defense: Abdul Qadir Muhammed Jasim
Minister of Displacement & Migration: Abd al-Samad Rahman Sultan
Minister of Electricity: Karim Wahid

Minister of Education: Wijdan Mikha’il (F)
Minister of Environment: Fawzi al-Hariri
Minister of Finance: Bayan Jabr
Minister of Foreign Affairs: Hoshyar Zebari
Minister of Health: Abd Dhiyab al-Ajili
Minister of Higher Education: Mahmud Muhammad Jawad al-Radi

Minister of Human Rights: Wijdan Mikha’il (F)
Minister of Industry & Minerals: Fawzi al-Hariri
Minister of Interior: Jawad al-Bulani
Minister of Justice: Safa al Safi (acting)
Minister of Housing & Construction: Bayan Daza’i (F)
Minister of Labor & Social Affairs: Ra’id Fahmi Jahid

Minister of Oil: Husayn al-Shahristani
Minister of Planning: Ali Baban
Minister of Trade: Abd al-Falah al-Sudani
Minister of Science & Technology: Ra’id Fahmi Jahid
Minister of Municipalities & Public Works: Riyad Ghurayyib
Minister of Transportation: Shirwan al-Waili

Minister of Water Resources: ‘Abd al-Latif Rashid
Minister of Youth & Sports: Jasim Muhammad Ja’far
Minister of State for Civil Society: Akram al-Hakim
Minister of State for National Security Affairs: Shirwan al-Waili

Minister of State for Foreign Affairs: Rafi Hiyad al-Isawi
Minister of State for Governorates Affairs: Fatin Abd al-Rahman Mahmud (F)
Minister of State for Women’s Affairs: Safa al-Safi
Minister of State for CoR Affairs: Akram al-Hakim

Stage for CoR Affairs: Shirwan al-Waili
Stage for Civil Society: Akram al-Hakim
Stage for Women’s Affairs: Safa al-Safi
Stage for CoR Affairs: Shirwan al-Waili

UNCLASSIFIED
### 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>Apportioned</th>
<th>Committed</th>
<th>Change</th>
<th>Obligated</th>
<th>Current</th>
<th>Change</th>
<th>Disbursed</th>
<th>Change</th>
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<tbody>
<tr>
<td>Security and Law Enforcement</td>
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<td>$4,878.56</td>
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<td>Electricity Sector</td>
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<td>$3,991.21</td>
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<td>Oil Infrastructure</td>
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<td>Justice, Public Safety and Civil Society</td>
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<td>Democracy</td>
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<td>$997.91</td>
<td>$0.00</td>
<td>$934.82</td>
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<tr>
<td>Education, Refugees, Human Rights, Governance</td>
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<td>$400.13</td>
<td>$0.00</td>
<td>$400.12</td>
<td>$400.12</td>
<td>$0.00</td>
<td>$381.75</td>
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<td>Roads, Bridges and Construction</td>
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<td>$329.28</td>
<td>$0.00</td>
<td>$322.19</td>
<td>$322.19</td>
<td>$0.00</td>
<td>$220.94</td>
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<td>Health Care</td>
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<td>$773.59</td>
<td>$0.00</td>
<td>$760.12</td>
<td>$760.12</td>
<td>$0.00</td>
<td>$681.79</td>
<td>$0.00</td>
</tr>
<tr>
<td>Transportation and Communications</td>
<td>$456.72</td>
<td>$453.02</td>
<td>$0.00</td>
<td>$447.28</td>
<td>$447.28</td>
<td>$0.00</td>
<td>$352.89</td>
<td>$0.00</td>
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<tr>
<td>Water Resources and Sanitation</td>
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<td>$0.00</td>
<td>$1,971.88</td>
<td>$1,971.88</td>
<td>$0.00</td>
<td>$1,674.00</td>
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<tr>
<td>Private Sector Development</td>
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<td>$699.25</td>
<td>$699.25</td>
<td>$0.00</td>
<td>$786.05</td>
<td>$0.00</td>
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<td>Admin Expense (USAID, STATE)</td>
<td>$273.00</td>
<td>$210.48</td>
<td>$0.00</td>
<td>$210.48</td>
<td>$210.48</td>
<td>$0.00</td>
<td>$188.10</td>
<td>$0.00</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$18,406.92</strong></td>
<td><strong>$18,098.22</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$17,763.72</strong></td>
<td><strong>$17,763.72</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$15,594.80</strong></td>
<td><strong>$15,594.82</strong></td>
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<tr>
<td>IRRF II Construction</td>
<td>-</td>
<td>$10,358.01</td>
<td>$0.00</td>
<td>$10,049.08</td>
<td>$10,049.08</td>
<td>$0.00</td>
<td>$8,489.82</td>
<td>$0.00</td>
</tr>
<tr>
<td>IRRF II Non-Construction</td>
<td>-</td>
<td>$6,742.23</td>
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<td>$6,720.73</td>
<td>$6,720.73</td>
<td>$0.00</td>
<td>$6,160.27</td>
<td>$0.01</td>
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<tr>
<td>IRRF II Democracy</td>
<td>-</td>
<td>$997.98</td>
<td>$0.00</td>
<td>$997.91</td>
<td>$997.91</td>
<td>$0.00</td>
<td>$934.82</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>IRRF I Total</strong></td>
<td><strong>$2,473.30</strong></td>
<td><strong>$2,473.30</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$2,232.3</strong></td>
<td><strong>$2,232.3</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$2,139.00</strong></td>
<td><strong>$2,139.00</strong></td>
</tr>
<tr>
<td>Grand Total IRRF I &amp; II</td>
<td><strong>$20,680.22</strong></td>
<td><strong>$20,571.52</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$19,966.02</strong></td>
<td><strong>$19,966.02</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$17,733.82</strong></td>
<td><strong>$17,733.82</strong></td>
</tr>
</tbody>
</table>

As of May 29, 2007
• For the week of May 23-29, national electricity supply was 7% below the same period in 2006.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity, Health, and Transportation

Electricity:

- The U.S.-funded construction of the al-Kula & al-Tali’a feeder project in al-Jalauwla district, Diyala province has been completed and will provide reliable power, enhancing the lives of 6,000 area residents.

- The U.S.-funded construction of the operations & maintenance electrical materials lay-down yard in Fallujah, al-Anbar province is complete. The facility stores electrical distribution materials for the renovation of the network that services 200,000 local residents.

Health Care:

- The U.S.-funded construction of the al-Washhash primary health clinic in Baghdad, Mansur M617, Baghdad province has been completed, improving the availability of health care and enhancing the quality of life for 35,000 local residents.

Transportation:

- The U.S.-funded project to Widen/Pave Street for Front Industrial Center in the Governorate of Najaf has been completed, providing access to vital road arteries and increasing effective traffic movement for over 500,000 area residents.
[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation

Oil Update:

- Crude oil price averages in world markets for the week ending April 20 closed with the following prices:
  - Basrah Light at $65.88/barrel
  - WTI Cushing at $64.914/barrel
  - Dated Brent at $70.718/barrel
  - Oman/Dubai at $66.268/barrel

Employment Update:

<table>
<thead>
<tr>
<th>Employment Program</th>
<th>Iraqis Last Week</th>
<th>Iraqis This Week</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gulf Region District (GRD) (Includes MILCON/OMA)</td>
<td>21,335</td>
<td>21,335</td>
<td>0.00%</td>
</tr>
<tr>
<td>US Agency for International Development (USAID)</td>
<td>41,298</td>
<td>43,546</td>
<td>5.44%</td>
</tr>
<tr>
<td>Commander’s Emergency Response Program (CERP)</td>
<td>4,636</td>
<td>4,636</td>
<td>0.00%</td>
</tr>
<tr>
<td>Multi-National Security Transition Command-Iraq (MNSTC-I)</td>
<td>12,502</td>
<td>10,664</td>
<td>-14.70%</td>
</tr>
<tr>
<td>Iraq Reconstruction Relief Fund (IRRF) Non-Construction</td>
<td>8,986</td>
<td>8,986</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>88,757</strong></td>
<td><strong>89,167</strong></td>
<td><strong>0.46%</strong></td>
</tr>
</tbody>
</table>

CERP employment numbers are representative of Baghdad only.
[5.] Help Iraq Strengthen Its Economy - **Banking Sector**

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

- The following table shows volume sold of and exchange rates for USD in the Iraqi currency auction since April. Since September, the Central Bank of Iraq (CBI) has slowly appreciated the dinar, as suggested by the IMF, in an effort to rein in galloping inflation. There are early signs that this effort may have begun to bear fruit, as year-to-date inflation is 2.8%, which projects a pace well below the IMF annual target of 30%. However, this decline in the rate of inflation may be temporary, as the CBI has slowed its appreciation of the currency and the rate of inflation (particularly for energy prices) typically picks up in the second half of the year.

---

**Central Bank of Iraq**

**USD Currency Auction: June 6, 2006 – May 29, 2007**

- **US $ Sold (Weekly Avg)**
- **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 approximately two-thirds of Iraq’s commercial creditors as part of a debt exchange arrangement as per 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 9.6 percent remains one of the highest in the world for sovereign debt instruments.

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**Iraqi Commercial Bond Sales**

- **June 1, 2006 - May 25, 2007**

<table>
<thead>
<tr>
<th>Date</th>
<th>Bond Price in USD</th>
<th>Yield Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Jun</td>
<td>$61.00</td>
<td>8.60%</td>
</tr>
<tr>
<td>2-Jun</td>
<td>$62.00</td>
<td>8.80%</td>
</tr>
<tr>
<td>3-Jun</td>
<td>$63.00</td>
<td>9.00%</td>
</tr>
<tr>
<td>4-Jun</td>
<td>$64.00</td>
<td>9.20%</td>
</tr>
<tr>
<td>5-Jun</td>
<td>$65.00</td>
<td>9.40%</td>
</tr>
<tr>
<td>6-Jun</td>
<td>$66.00</td>
<td>9.60%</td>
</tr>
<tr>
<td>7-Jun</td>
<td>$67.00</td>
<td>9.80%</td>
</tr>
<tr>
<td>8-Jun</td>
<td>$68.00</td>
<td>10.00%</td>
</tr>
</tbody>
</table>

**Trading High** = $73.98 (January 24)

**Trading Low** = $64.66 (August 30)
[5.] Help Iraq Strengthen Its Economy – Economic Events

Initial Progress at WTO Meetings in Geneva:

- The Iraqi delegation to the World Trade Organization (WTO) Working Party meeting in Geneva held productive bilateral meetings with U.S., Arab, and European delegations. The Working Party meeting, in which Trade Minister Abd al-Falah al-Sudani participated, took place May 25 and was characterized as a successful start to the WTO accession process, one that is crucial to Iraq’s integration into the international economy. The next Working Party meeting could take place as early as spring 2008.

USAID Awards 75 Scholarships for Advanced Public Management Studies:

- After a nationwide competition this spring, USAID awarded 75 scholarships for advanced public management studies to Iraqi public servants as part of its National Capacity Development Program. The recipients represent 14 central government institutions, plus the Kurdish Regional Government, and come from 11 of Iraq’s 18 provinces; in addition, 36% are female.

- The 75 scholars will study topics such as strategic planning, information technology management, public finance, human resource management, public policy and project management. After concluding their studies, the scholarship recipients will return to Iraq to work for the Iraqi government.
[5.] Help Iraq Strengthen Its Economy – Economic Events

Possible Business Registry Office for Basrah:

- The Minister of Trade has expressed interest in establishing a fourth Business Registry to be located in Basrah in addition to the three in Sulaymaniyah, Irbil, and Baghdad. USAID advisors are offering technical assistance and supporting the proposal. The formation of business registries is an important reform measure designed to reduce obstacles to registering a business in southern Iraq.
[5.] Help Iraq Strengthen Its Economy – Crude Oil Production

**2007 Iraqi Oil Ministry Goal: 2.1 MBPD**

- **Weekly Average (May 21-27) of 2.03 Million Barrels Per Day (MBPD)**
[5.] Help Iraq Strengthen Its Economy – Crude Oil Export

- 2006 Revenue Estimate: $31.3 Billion
- 2007 Revenue Estimate: $12.1 Billion (Year to Date)

USD (Billions)

Millions of Barrels per Day

Jun-06 Jul-06 Aug-06 Sep-06 Oct-06 Nov-06 Dec-06 Jan-07 Feb-07 Mar-07 Apr-07 May-07

Revenue (US$B) Projected Exports (MBPD)
[5.] Help Iraq Strengthen Its Economy – Total Critical Refined Product Supplies

- Diesel: 8.1 ML supply of 23.1 ML target
- Kerosene: 2.1 ML supply of 7.0 ML target
- Gasoline: 13.0 ML supply of 21.5 ML target
- LPG: 1,957 tons supply of 5,080 tons target

Note: This is a daily average for the week of May 21 – 27
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 37, Sentences Eight to Life, Three to 30 Years Imprisonment:

- The Central Criminal Court of Iraq (CCCI) convicted 37 individuals May 6-May 12 for violations of the Iraqi Terrorist Law, Penal Code, and Coalition Provisional Authority (CPA) Orders enforced by the Iraqi judiciary.

- Six Iraqis who were part of an al-Qaida terrorist group that attacked Multi-National Forces February 27 in Sumalat were convicted and sentenced to life imprisonment by the CCCI May 8 for violating CPA Order 3/2003, possessing illegal weapons. After the attack, U.S. forces arrested the attackers and searched several buildings used by the terrorists; discovering a large weapons cache that included rockets, rocket propelled grenade launchers, numerous automatic machine guns, and improvised explosive devise (IED)-making materials.

- The CCCI also convicted Majid Frayhan Hiwal May 8 for violating CPA Order 3/2003, and sentenced him to life imprisonment. Majid was apprehended by U.S. Forces May 9, 2006 after U.S. soldiers searched his dump truck in North Baghdad and found twenty-eight rockets, 82 anti-personnel land mines, 43 rocket-propelled grenades, a rocket-propelled grenade launcher, two complete mortar systems, and IED components.

- Nasir Taha Abbas was also convicted and sentenced to life imprisonment May 9 by the CCCI for violating CPA Order 3/2003. Nasir was captured January 27 by I Marine Expeditionary Force units in Modiq, near Ramadi while he was attempting to adjust the position of an IED set near a local mosque. After Nasir’s capture, IED activity in the area ceased for more than 30 days.

- Since its establishment, the CCCI has held 2,143 trials for suspected criminals apprehended by Coalition forces. The Iraqi Court proceedings have resulted in the conviction of 1,858 individuals with sentences ranging from imprisonment to death.
[7.] Increase International Support for Iraq – Developments

Ambassador Crocker Meets with Iranian Counterpart:

- Ambassador Crocker met with his Iranian counterpart, Hassan Qazimi Qumi, at an event hosted by the Iraqi Prime Minister. The Prime Minister led the first session and the subsequent discussion was hosted on the Iraqi side by the National Security Advisor Dr. Muwaffak al-Ruba’i. The talks were positive and the atmosphere was businesslike. The subject and focus of the meeting was Iraq and how the U.S. and Iran can help and support the government and people of Iraq in improving conditions in the country, particularly security conditions.

- The U.S. delegation made it clear that this is about actions, not just principles. Ambassador Crocker related to the Iranians a number of specific concerns about their behavior in Iraq, including their support for militias that are fighting both the Iraqi Security and Coalition forces; the fact that much of the explosives and ammunition that are used by these groups are coming into Iraq from Iran; that such activities led by the Iranian Revolutionary Guards Corps (IRGC) – Quds Force needed to cease, and that the U.S. would be looking for results.

Minister of Trade Underscores Importance of First Working Party Meetings:

- Abed Falah al-Sudani told ambassadors meeting in Geneva for initial discussions on Iraq’s bid to enter the World Trade Organization (WTO) that “joining the WTO is an important step toward integration into the global trading system and restores its position with the international community after decades of isolation from the world.”
[7.] Increase International Support for Iraq – Developments

Turkish Prime Minister Warns of Potential Attacks in Northern Iraq:

- Prime Minister Recep Tayyip Erdogan said May 23 that Turkey would move against Kurdish militants in northern Iraq if necessary, hours after the Turkish authorities said they had identified the suicide bomber in an attack May 22 in Ankara as a man from a predominantly Kurdish city. The officials all but accused Kurdish militants of the attack, which left six dead, but the main militant group - the Kurdistan Workers’ Party - denied involvement. The suicide bomber, officials said, had been wearing plastic explosives.
Increase International Support for Iraq – **Contributors to Iraqi Stability Operations**

Data as of May 25, 2007

**25 Countries with forces in Iraq (in addition to US)**

<table>
<thead>
<tr>
<th>Albania</th>
<th>Denmark</th>
<th>Lithuania</th>
<th>Slovakia</th>
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<tr>
<td>Armenia</td>
<td>El Salvador</td>
<td>Macedonia</td>
<td>South Korea</td>
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<td>Australia</td>
<td>Estonia</td>
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<td>Azerbaijan</td>
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<td>Bosnia-Herzegovina</td>
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<td>Czech Republic</td>
<td>Latvia</td>
<td>Singapore</td>
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</tbody>
</table>

**TOTAL ~ 12,112 Forces**

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

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**34 Countries and NATO***

**(including US)**

Support Iraqi Stability Operations

*34 includes the 25 countries listed above, the US, Fiji, and seven NATO, non-MNF-I countries: Hungary, Iceland, Italy, Netherlands, Portugal, Slovenia, Turkey*
Sadr Makes First Public Appearance in Months:

- For the first time in months, Shia cleric Muqtada al-Sadr appeared in public May 25, delivering an anti-American sermon to thousands of supporters in his base of Kufa in Najaf province and demanding that U.S. troops leave Iraq. Sadr also called on Sunnis to join with him in the fight against U.S. presence, and criticized the Iraqi government for its inability to provide reliable services to its people.

- Sadr’s sermon, which received significant coverage in both Arabic and Western media, outlined nine demands that needed to be met in order to improve the situation in Iraq, including: a timetable for the withdrawal of Coalition forces, the Iraqi government providing basic services, rebuilding of two shrines in Samarra and Palestinian factions uniting against Israel.

Ambassador Crocker Delivers Press Conference:

- After talks with Iranian counterpart Hassan Qazimi Qumi, Ambassador Ryan Crocker delivered a press conference May 28, which was broadcasted live by both Arabic and Western media. Ambassador Crocker described the meeting as “businesslike” and said that all three parties (Iran, Iraq, and the U.S.) agreed that the purpose of the meeting was to focus on Iraq, and Iraq only and that - from the U.S. point of view - the meeting was about actions and not just principles.
• 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:
- AFP - http://news.yahoo.com/s/afp/20070525/pl_afp/iraquwhousesadr

Slide 9:
- NEA Political Section, NEA-I-POL-DL@state.gov

Slide 10:

Slide 11:
- POC Bob Means, Department of State (202) 647-9815
- 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.
Notes and Source Citations (2 of 3)

Slide 12:

- **Electricity:**
  - USACE Daily Report – May 25
  - USACE Daily Report – May 23

- **Health Care:**
  - USACE Daily Report – May 23

- **Transportation:**
  - USACE Daily Report – May 29

Slide 13:

- Oil Prices are sourced from Bloomberg

- **Employment Update:**
  - Information regarding the Employment Update was sourced from the ITAO Weekly Report – May 29, 2007.
  - 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 14:

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

Slide 15:

- Iraqi Bond Prices are sourced from Bloomberg

Slide 16:

- IIC May 25
  - Baghdad OI 27 May

Slide 17:

- May 23 Baghdad OI

Slide 18:

- Department of State, NEA-I-ECON, 202-647-9885

Slide 19:

- Department of State, NEA-I-ECON, 202-647-9885
Notes and Source Citations (3 of 3)

Slide 20:
– Department of State, NEA-I-ECON, 202-647-9885

Slide 21:
– Department of State, NEA-I-ECON, 202-647-9885

Slide 22:

Slide 23:

Slide 24:

Slide 25:
– DOD Input to Weekly Status Report, updated bi-weekly

Slide 26:
– Baghdad Communications Division, May 26
– Ambassador Crocker Press Conference, May 28