Table of Contents

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

<table>
<thead>
<tr>
<th>SECTION</th>
<th>SLIDE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highlights</td>
<td>3</td>
</tr>
<tr>
<td>1. Defeat the Terrorists and Neutralize the Insurgents</td>
<td>5</td>
</tr>
<tr>
<td>2. Transition Iraq to Security Self-Reliance</td>
<td>6</td>
</tr>
<tr>
<td>3. Help Iraqis to Forge a National Compact for Democratic</td>
<td>8</td>
</tr>
<tr>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>4. Help Iraq Build Government Capacity and Provide Essential</td>
<td>10</td>
</tr>
<tr>
<td>Services</td>
<td></td>
</tr>
<tr>
<td>5. Help Iraq Strengthen Its Economy</td>
<td>13</td>
</tr>
<tr>
<td>6. Help Iraq Strengthen the Rule of Law and Promote Civil</td>
<td>21</td>
</tr>
<tr>
<td>Rights</td>
<td></td>
</tr>
<tr>
<td>7. Increase International Support for Iraq</td>
<td>22</td>
</tr>
<tr>
<td>8. Strengthen Public Understanding of Coalition Efforts and</td>
<td>24</td>
</tr>
<tr>
<td>Public Isolation of the Insurgents</td>
<td></td>
</tr>
</tbody>
</table>

Sources and Contact Information

Notes and Source Citations
Highlights

1. **Defeat the Terrorists and Neutralize the Insurgents**
   Suspected al-Qaida terrorists destroyed the two minarets of the Askariyah shrine in Samarra early June 13, in a repeat of the 2006 attack that shattered the mosque’s famous golden dome. To ward off a surge of violence, Prime Minister Maliki quickly imposed a curfew on vehicle traffic and large gatherings in Baghdad. The following day, bombers posing as television cameramen destroyed the Talha Bin al-Zubair mosque, an important Sunni shrine outside of Basrah, causing Maliki to order a curfew for that city as well. The attack appeared to be the work of Shiite militants seeking revenge for the Samarra attack. Overall, however, the 2007 Samarra attack has not yet ignited the same waves of sectarian violence seen in the wake of the 2006 Samarra bombing.

2. **Transition Iraq to Security Self-Reliance**
   The Department of Defense’s June 2007 report to Congress, “Measuring Stability and Security in Iraq,” reports trained and equipped Iraqi Security Forces increased by 18,000 since the last quarterly report in March. In addition, nine Iraqi divisions, 31 brigades, and 95 battalions are in the lead or operating independently in their areas. That is an increase of one division headquarter and two battalions since March. These troops are working alongside Coalition forces to provide greater security to the Iraqi population.

3. **Help Iraqis to Forge a National Compact for Democratic Government**
   A handful of Sunni mosques were attacked or burned in Baghdad June 14, and two major Sunni mosques were burnt down in Basrah. Imposing immediate curfew and increased troop levels kept Iraq in relative calm a day after suspected al-Qaida bombers toppled the towering minarets of the Samarra mosque. Additionally, the U.S. military said Iraqi forces had arrested the Emergency Service Unit commander and 12 policemen responsible for security at the shrine at the time of the explosions.

4. **Help Iraq Build Government Capacity and Provide Essential Services**
   Approximately 20,000 people in Baghdad, Karkh, Baghdad province, will receive improved sewage and wastewater disposal service from the completed U.S.-funded repair of the Um al-Dilal sewage lift station.
5. **Help Iraq Strengthen Its Economy**

Fifteen Basrah senior bankers representing government and private banks met to discuss constraints on the development of the banking sector, and proposed new institutions to assist the business community, especially small and medium projects (SMEs). The banks also discussed the possible establishment of a formal association, and ways to utilize available funding for increasing use of the banking system, rather than the current cash-based methods.

6. **Help Iraq Strengthen the Rule of Law**

As part of the continual, standardized training of the Iraqi security forces, more than 2,000 national policemen from the 6th Brigade, 2nd Iraqi National Police Division, graduated from a four-week training course at the National Police Academy in al-Numaniyah June 8. U.S. Army Maj. Gen. Kenneth W. Hunzeker, the Civilian Police Assistance Training Team commanding general, tasked with training, equipping and mentoring the Iraqi civilian police forces, talked to the national policemen about their role in Iraq’s developing democracy. Hunzeker said, “You are the blue line between insurgency and peace. You’ll be the champion of justice and an enforcer of the rule of law.”

7. **International Support for Iraq**

The UN Security Council’s routine mid-year review of the mandate of the U.S.-led multi-national force resulted in its continuation as requested by Iraq.

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

Several religious leaders in Iraq used their June 15 sermons to discuss the bombing of the Askariyah shrine in Samarra. A representative of Grand Ayatollah Ali al-Sistani in Karbala reportedly implicated lax security in the attacks and questioned whether political sensitivities had prevented proper disclosure of information available to the Iraqi government. He also argued that the more serious political problem will be the sectarian violence that can result from attacks on holy places.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Suspected AQI Terrorists Bomb Samarra Mosque:

- Suspected al-Qaida terrorists destroyed the two minarets of the Askariyah shrine in Samarra early June 13, in a repeat of the 2006 attack that shattered the mosque’s famous golden dome. To ward off a surge of violence, Prime Minister Maliki quickly imposed a curfew on vehicle traffic and large gatherings in Baghdad.

- The following day, bombers posing as television cameramen destroyed the Talha Bin al-Zubair mosque, an important Sunni shrine outside of Basrah, causing Maliki to order a curfew for that city as well. The attack appeared to be the work of Shiite militants seeking revenge for the Samarra attack.

- Overall, however, the 2007 Samarra attack has not yet ignited the same waves of sectarian violence seen in the wake of the 2006 Samarra bombing.

Coalition and Iraqi Special Operations Forces Capture Two Key Individuals:

- Coalition and Iraqi special operations forces detained two wanted individuals June 15. The first al-Hilfi was the head of the secret cells of the extremist elements associated within the Jaysh al-Mahdi and was reportedly involved in kidnappings and operations against Coalition Forces (CF). The second was Abu Tiba who was a member of the Ajur al-Dulaimi gang that is believed to be associated with the recent kidnapping of the British citizens at the Ministry of Finance in Baghdad.

Joint Forces Kill Key AQI Leader:

- Iraqi Army and CF killed terrorist leader Kamal Jalil Bakr ‘Uthman, also known as Sa’id Hamza, during a search operation in western Mosul June 12. Kamal was known to be the al-Qaida in Iraq (AQI) military emir of Mosul, and intelligence indicates he planned, coordinated, and facilitated suicide bombings in the Mosul area.

Quarterly Report Describes ISF Development:

• The Department of Defense’s June 2007 report to Congress, “Measuring Stability and Security in Iraq,” reports trained and equipped Iraqi Security Forces (ISF) increased by 18,000 since the last quarterly report in March.

• In addition, nine Iraqi divisions, 31 brigades, and 95 battalions are in the lead or operating independently in their areas. That is an increase of one division headquarters and two battalions since March. These troops are working alongside Coalition forces to provide greater security to the Iraqi population.

**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><strong>TOTAL</strong></td>
<td>~194,200**</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>~156,900***</td>
</tr>
<tr>
<td>AIR FORCE</td>
<td>~900</td>
</tr>
<tr>
<td>NAVY</td>
<td>~1,100</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>~158,900**</td>
</tr>
</tbody>
</table>

**Total Trained & Equipped ISF:**

~353,100****

* 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
[3.] Help Iraqis to Forge a National Compact for Democratic Government

Reprisals After Second Attack on Samarra Mosque:

- Some Sunni mosques were attacked or burned June 14, but most notably, two major Sunni mosques were totally destroyed in Basrah. A Government ordered curfew was imposed, and increased troop levels kept Iraq in relative calm a day after suspected al-Qaida bombers toppled the towering minarets of the Samarra mosque. Additionally, the U.S. military said Iraqi forces had arrested the Emergency Service Unit commander and 12 policemen responsible for security at the shrine at the time of the explosions.

- Prime Minister Maliki fired the Basrah police chief June 18 over his forces’ failure to stop reprisal attacks this weekend on Sunni mosques. At least two major mosques were attacked in the Basrah area over the weekend in retaliation for June 13 attack of the Samarra shrine.

Iraqi Sunni Leader Dies of Heart Attack:

- Iraq’s top Sunni Arab religious leader, Shaykh Jamal al-Din Abd al-Karim al-Dabban, died June 17 at the age of 68. Dabban suffered a heart attack in his hometown of Tikrit.
### [3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi National Unity Government

<table>
<thead>
<tr>
<th>Minister 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>
<th>Minister of Electricity</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td>Muhammad Tawfiq Allawi</td>
<td>*</td>
<td>Abdul Qadir Muhammed Jasim</td>
<td>Abd al-Samad Rahman Sultan</td>
<td>Karim Wahid</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minister of Education</th>
<th>Minister of Environment</th>
<th>Minister of Finance</th>
<th>Minister of Foreign Affairs</th>
<th>Minister of Health</th>
<th>Minister of Higher Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khudayir al-Khuza'i</td>
<td>Narmin ‘Uthman (F)</td>
<td>Bayan Jabr</td>
<td>Hoshyar Zebari</td>
<td>*</td>
<td>Abd Dhiyab al-Ajili</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minister 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>
<th>Minister of Labor &amp; Social Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wijdan Mikha'il (F)</td>
<td>Fawzi al-Hariri</td>
<td>Jawad al-Bulani</td>
<td>Safa al Safi (acting)</td>
<td>Bayan Daza'I (F)</td>
<td>Mahmud Muhammad Jawad al-Radi</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minister 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>
<th>Minister 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>Riyadh Ghurayyib</td>
<td>*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minister 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 Dialogue Affairs</th>
<th>Minister of State for National Security Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Abd al-Latif Rashid</td>
<td>Jasim Muhammad Ja'far</td>
<td>*</td>
<td>Akram al-Hakim</td>
<td>Shirwan al-Waili</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minister of State for Foreign Affairs</th>
<th>Minister of State for Governorates Affairs</th>
<th>Minister of State for Tourism and Antiquities</th>
<th>Minister of State for Women's Affairs</th>
<th>Minister of State for CoR Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rafi Hiyad al-Isawi</td>
<td>*</td>
<td>*</td>
<td>Fatin Abd al-Rahman Mahmud (F)</td>
<td>Safa al-Safi</td>
</tr>
</tbody>
</table>

(F) = Female
* Vacant
### [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>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>
<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>
</tr>
</thead>
<tbody>
<tr>
<td>Security and Law Enforcement</td>
<td>$5,004.79</td>
<td>$4,978.21</td>
<td>$4,978.21</td>
<td>$0.00</td>
<td>$4,975.17</td>
<td>$4,975.17</td>
<td>$0.00</td>
<td>$4,797.45</td>
<td>$4,797.45</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity Sector</td>
<td>$4,216.87</td>
<td>$4,171.28</td>
<td>$4,171.28</td>
<td>$0.00</td>
<td>$4,046.30</td>
<td>$4,046.30</td>
<td>$0.00</td>
<td>$3,322.85</td>
<td>$3,322.85</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oil Infrastructure</td>
<td>$1,724.70</td>
<td>$1,623.09</td>
<td>$1,623.09</td>
<td>$0.00</td>
<td>$1,572.42</td>
<td>$1,572.42</td>
<td>$0.00</td>
<td>$1,456.14</td>
<td>$1,456.14</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Justice, Public Safety and Civil Society</td>
<td>$1,304.15</td>
<td>$1,302.73</td>
<td>$1,302.73</td>
<td>$0.00</td>
<td>$1,296.75</td>
<td>$1,296.75</td>
<td>$0.00</td>
<td>$1,092.52</td>
<td>$1,092.52</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democracy</td>
<td>$998.35</td>
<td>$997.98</td>
<td>$997.98</td>
<td>$0.00</td>
<td>$997.91</td>
<td>$997.91</td>
<td>$0.00</td>
<td>$932.51</td>
<td>$934.51</td>
<td>$2.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education, Refugees, Human Rights, Governance</td>
<td>$410.06</td>
<td>$399.91</td>
<td>$399.91</td>
<td>$0.00</td>
<td>$399.90</td>
<td>$399.90</td>
<td>$0.00</td>
<td>$368.06</td>
<td>$369.56</td>
<td>$1.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads, Bridges and Construction</td>
<td>$333.60</td>
<td>$327.80</td>
<td>$327.80</td>
<td>$0.00</td>
<td>$320.73</td>
<td>$320.73</td>
<td>$0.00</td>
<td>$227.06</td>
<td>$227.06</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care</td>
<td>$816.22</td>
<td>$770.75</td>
<td>$770.75</td>
<td>$0.00</td>
<td>$758.81</td>
<td>$758.81</td>
<td>$0.00</td>
<td>$668.79</td>
<td>$668.79</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation and Communications</td>
<td>$456.72</td>
<td>$455.45</td>
<td>$455.45</td>
<td>$0.00</td>
<td>$447.17</td>
<td>$447.17</td>
<td>$0.00</td>
<td>$354.39</td>
<td>$354.39</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Resources and Sanitation</td>
<td>$2,115.79</td>
<td>$2,006.53</td>
<td>$2,006.53</td>
<td>$0.00</td>
<td>$1,963.12</td>
<td>$1,963.12</td>
<td>$0.00</td>
<td>$1,614.27</td>
<td>$1,614.27</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Sector Development</td>
<td>$809.26</td>
<td>$808.91</td>
<td>$808.91</td>
<td>$0.00</td>
<td>$808.91</td>
<td>$808.91</td>
<td>$0.00</td>
<td>$789.19</td>
<td>$789.24</td>
<td>$0.05</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admin Expense (USAID, STATE)</td>
<td>$211.05</td>
<td>$210.48</td>
<td>$210.48</td>
<td>$0.00</td>
<td>$210.48</td>
<td>$210.48</td>
<td>$0.00</td>
<td>$188.13</td>
<td>$188.19</td>
<td>$0.06</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,401.56</strong></td>
<td><strong>$18,053.11</strong></td>
<td><strong>$18,053.11</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$17,797.66</strong></td>
<td><strong>$17,797.66</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$15,811.36</strong></td>
<td><strong>$15,814.98</strong></td>
<td><strong>$3.62</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRRF II Construction</td>
<td></td>
<td>$10,341.46</td>
<td>$10,341.46</td>
<td>$0.00</td>
<td>$10,090.24</td>
<td>$10,090.24</td>
<td>$0.00</td>
<td>$8,656.77</td>
<td>$8,656.77</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRRF II Non-Construction</td>
<td></td>
<td>$6,713.68</td>
<td>$6,713.68</td>
<td>$0.00</td>
<td>$6,709.52</td>
<td>$6,709.52</td>
<td>$0.00</td>
<td>$6,223.70</td>
<td>$6,223.70</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRRF II Democracy</td>
<td></td>
<td>$997.98</td>
<td>$997.98</td>
<td>$0.00</td>
<td>$997.91</td>
<td>$997.91</td>
<td>$0.00</td>
<td>$934.51</td>
<td>$934.51</td>
<td>$0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></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>$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>$2,139.0</strong></td>
<td><strong>$2,139.0</strong></td>
<td><strong>$0.00</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total IRRF I &amp; II</td>
<td><strong>$20,874.86</strong></td>
<td><strong>$20,526.41</strong></td>
<td><strong>$20,526.41</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$20,029.96</strong></td>
<td><strong>$20,029.96</strong></td>
<td><strong>$0.00</strong></td>
<td><strong>$17,953.98</strong></td>
<td><strong>$17,953.98</strong></td>
<td><strong>$3.62</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**As of June 19, 2007**
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity Overview

- For the week of June 13-19, national electricity supply was unchanged from the same period in 2006.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Sanitation and Water

Sanitation:

• Approximately 20,000 people in Baghdad, Karkh, Baghdad province, will receive improved sewage and wastewater disposal service from the completed U.S.-funded repair of the Um al-Delal sewage lift station.

Water:

• Over 1,600 area residents in al-Rutba, al-Anbar province will receive clean potable water from the completed U.S.-funded WP/PW RW (10) Haweoa project.
[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation

Oil Update:

- Crude oil price averages in world markets for the week ending June 15 closed with the following prices:
  - Basrah Light at $65.168/barrel
  - Dated Brent at $70.442/barrel
  - WTI Cushing at $66.646/barrel
  - Oman/Dubai at $65.036/barrel

Employment Update:

<table>
<thead>
<tr>
<th>Iraqi Employment Per Organization</th>
<th>Iraqis Last Week</th>
<th>Iraqis This Week</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gulf Region District (GRD) (Includes MILCON/OMA)</td>
<td>21,555</td>
<td>20,129</td>
<td>-7%</td>
</tr>
<tr>
<td>US Agency for International Development (USAID)</td>
<td>49,174</td>
<td>56,462</td>
<td>15%</td>
</tr>
<tr>
<td>Commander's Emergency Response Program (CERP)</td>
<td>4,534</td>
<td>4,265</td>
<td>-6%</td>
</tr>
<tr>
<td>Multi-National Security Transition Command-Iraq (MNSTC-I)</td>
<td>9,338</td>
<td>11,984</td>
<td>28%</td>
</tr>
<tr>
<td>Iraq Reconstruction Relief Fund (IRRF) Non-Construction</td>
<td>8,986</td>
<td>8,986</td>
<td>0%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>93,587</strong></td>
<td><strong>101,826</strong></td>
<td><strong>9%</strong></td>
</tr>
</tbody>
</table>

CERP employment numbers are representative of Baghdad only.

Data as of June 19
[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 as of May 31 is 2.3%, 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. It must also be noted that overall inflation and food prices typically decline in May (with the exception of May 2006), and that the May 2007 declines (-0.5%) were not as large as those recorded in previous years.

Central Bank of Iraq

- 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.

Trading High = $73.98 (January 24)
Trading Low = $64.66 (August 30)
[5.] Help Iraq Strengthen Its Economy – Economic Events

Basrah Senior Bankers Meet to Discuss Challenges:

- Fifteen Basrah senior bankers representing government and private banks met to discuss constraints on the development of the banking sector, and proposed new institutions to assist the business community, especially small and medium projects (SMEs). The banks also discussed the possible establishment of a formal association, and ways to utilize available funding for increasing use of the banking system, rather than the current cash-based methods.

Unused Funds Identified:

- Anbar Provincial Director Generals and the Governor have identified 87.6 billion Iraqi Dinars ($70 million) in Rapid Reconstruction Funds that were not used in FY 2006. The Governor has obtained permission from the Ministry of Finance to roll those funds over to FY 2007, while the Governor’s staff is working on a project list to utilize these funds.

Economic Activity in Diyala Province Slows Due to Security:

- Military operations and curfew have slowed much of the economic activity in and around the Diyala river valley. Many shops have closed temporarily and transportation between the cities and villages of the region has been impeded due to the security situation. The monthly money shipment from Baghdad has not been completed for June, causing an acute liquidity crisis. Government salaries and pensions are also going unpaid.
[5.] Help Iraq Strengthen Its Economy – Crude Oil Production

- Weekly Average (June 11 – 17) of 1.85 Million Barrels Per Day (MBPD)
[5.] Help Iraq Strengthen Its Economy – Crude Oil Export

- 2006 Revenue Estimate: $31.3 Billion
- 2007 Revenue Estimate: $13.9 Billion (Year to Date)
[5.] Help Iraq Strengthen Its Economy – **Total Critical Refined Product Supplies**

- **Diesel:** 7.9 ML supply of 22.4 ML target
- **Kerosene:** 2.9 ML supply of 7.5 ML target
- **Gasoline:** 9.1 ML supply of 21.0 ML target
- **LPG:** 2,262 tons supply of 5,130 tons target

*Note: This is a daily average for the week of June 11 – 17*
• 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

National Police Academy Continually Develops Security Forces:

• As part of the continual, standardized training of the Iraqi security forces, more than 2,000 national policemen from the 6th Brigade, 2nd Iraqi National Police Division, graduated from a four-week training course at the National Police Academy in An Numaniyah on June 8. U.S. Army Maj. Gen. Kenneth W. Hunzeker, the Civilian Police Assistance Training Team commanding general, tasked with training, equipping and mentoring the Iraqi civilian police forces, talked to the national policemen about their role in Iraq’s developing democracy. Hunzeker said, “You are the blue line between insurgency and peace. You’ll be the champion of justice and an enforcer of the rule of law.”
[7.] Increase International Support for Iraq – Developments

UN Security Council Continues Iraq Mandate:
• The UN Security Council’s routine mid-year review of the mandate of the U.S.-led multi-national force resulted in its continuation as requested by Iraq.

PKK Commander Warns Turkey of “Military Disaster” if Troops Enter Iraq:
• Cemil Bayık, a senior commander of the Kurdistan Workers' Party (PKK), warned the Turkish government against sending its military forces into northern Iraq, saying that while his units were not seeking a fight, the Turkish army faced “a political and military disaster” if it crosses into Iraq as part of an offensive against the PKK.

Georgian Parliament Approves Iraq Increase:
• Georgia’s parliament has overwhelmingly approved President Mikheil Saakashvili’s proposal to more than double the country’s military contingent in Iraq to 2,000 soldiers.

Syria and Jordan Enact Tougher Restrictions on Iraqi Refugees:
• New entry and residency conditions have been imposed in both Jordan and Syria, resulting in tens of thousands of refugees being stranded on Iraq’s borders and families being divided according to their age and the type of passport they hold. Currently, at least 2.2 million Iraqis are sheltered in either of the two nations.

Japan Extends Air Force Transportation Mission in Iraq:
• Japanese lawmakers approved a two-year extension of the country’s air force transport mission in Iraq. The legislation cleared the upper house with support from members of Prime Minister Shinzo Abe's ruling Liberal Democratic Party and its coalition partner, the New Komei Party, upper house official Yuji Masaki said. The lower house - also dominated by the ruling coalition - approved the legislation last month.
[7.] Increase International Support for Iraq – **Contributors to Iraqi Stability Operations**

Data as of June 8, 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>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>El Salvador</td>
<td>Macedonia</td>
<td>South Korea</td>
</tr>
<tr>
<td>Australia</td>
<td>Estonia</td>
<td>Moldova</td>
<td>Ukraine</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>Georgia</td>
<td>Mongolia</td>
<td>UK</td>
</tr>
<tr>
<td>Bosnia-Herzegovina</td>
<td>Japan</td>
<td>Poland</td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Kazakhstan</td>
<td>Romania</td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Latvia</td>
<td>Singapore</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL ~ 11,637 Forces**

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

---

**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*
Friday Sermons Discuss Samarra Bombing:

- Several religious leaders in Iraq used their June 15 sermons to discuss the bombing of the Askariyah shrine in Samarra. A representative of Grand Ayatollah Ali al-Sistani in Karbala reportedly implicated lax security in the attacks and questioned whether political sensitivities had prevented proper disclosure of information available to the Iraqi government. He also argued that the more serious political problem will be the sectarian violence that can result from attacks on holy places.

- Islamic Supreme Council of Iraq (ISCI) leader Nasser al-Din al-Qubanji said in his sermon that takfiris, Saddamists, and Ba’thists were behind the explosions, adding blame on the “infiltrated” Iraqi security forces for their lax protection of the site in the 16 months since the prior blast. Occupation forces also received blame in his sermon for condoning poor security generally and even putting terrorists back on the street after their detention by the Iraqi government.

- Salah al-Ubaidi, a Sadrist preacher at the Kufa mosque, is reported simply to have called for the shrine to be rebuilt rapidly by Sunni, Shia and all who love God, and said that silence about the first attack is what allowed and encouraged “God’s enemies” to strike a second time.
Iraq Journalist Found Dead in Baghdad:

- Iraqi police said that the body of an Iraqi newspaper editor kidnapped last week in eastern Baghdad was found June 17. Flayeh Wadi Mijdab, editor of the state-owned al-Sabah newspaper was ambushed by gunmen June 13 as he was heading to work.
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:
- DoD Input to Iraq Weekly Status Report June 20, 2007

Slide 8:
- (AP, http://news.yahoo.com)
- AFP - http://news.yahoo.com/s/afp/20070611/wl_mideast_afp/iraqpoliticsparliamentspeaker
- www.washingtonpost.com

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:
Sanitation:
- USACE Daily Report – June 14
Water:
- USACE Daily Report – June 13

Slide 13:
- Oil Prices are sourced from Bloomberg

Employment Update:
- Information regarding the Employment Update was sourced from the ITAO Weekly Report – June 19, 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:
- PRT Weekly Summary June 8 – June 14

Slide 17:
- Department of State, NEA-I-ECON, 202-647-9885

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:

Slide 22:
– www.un.org
– www.bbc.com
– www.middle-east-online.com

Slide 23:
– DOD Input to Weekly Status Report, updated bi-weekly

Slide 24:
– Baghdad OI, June 16

Slide 25:
– Associated Press, “Iraqi Police: Editor of State-Owned al-Sabah Newspaper Found Dead in Baghdad”, June 17