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>7</td>
</tr>
<tr>
<td>3. Help Iraqis to Forge a National Compact for Democratic Government</td>
<td>9</td>
</tr>
<tr>
<td>4. Help Iraq Build Government Capacity and Provide Essential Services</td>
<td>11</td>
</tr>
<tr>
<td>5. Help Iraq Strengthen Its Economy</td>
<td>15</td>
</tr>
<tr>
<td>6. Help Iraq Strengthen the Rule of Law and Promote Civil Rights</td>
<td>23</td>
</tr>
<tr>
<td>7. Increase International Support for Iraq</td>
<td>25</td>
</tr>
<tr>
<td>8. Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents</td>
<td>27</td>
</tr>
</tbody>
</table>

Sources and Contact Information                                           | 28    |
Notes and Source Citations                                               | 29    |
Highlights

1. **Defeat the Terrorists and Neutralize the Insurgents**
   Four coordinated truck bombs detonated in western Ninewah province August 14, killing and wounding hundreds of Iraqi civilians. Terrorists likely targeted the villages because of their remote location away from stringent U.S. and Iraqi security operations and in an attempt to increase sectarian strife. Meanwhile, the U.S. commander in Baghdad’s eastern neighborhoods of Adhamiyah and Sadr City said the security situation there is improving with attacks against civilians, car bombings, indirect fire attacks, kidnappings, and sectarian killings all down since his unit began operations seven months ago.

2. **Transition Iraq to Security Self-Reliance**
   Iraqi Security Forces (ISF) successfully provided security for crowds of pilgrims traveling to commemorate an annual holy day at a mosque in the Khadimiyah neighborhood of Baghdad last week. With no reported incidents, this year’s annual pilgrimage was a significant step for the ISF. The same pilgrimage in 2005 was marred by an estimated 1,000 people killed in a stampede on the Jisr al-Aiema bridge after reports spread that a suicide bomber was in the crowd.

3. **Help Iraqis to Forge a National Compact for Democratic Government**
   Iraqi former Prime Minister Iyad Allawi accused the government of Prime Minister Nuri al-Maliki of being ill-equipped to halt the slide toward all-out chaos, and urged a nonsectarian replacement of the regime in a U.S. National Public Radio broadcast August 13. Efforts are underway among senior Iraqi political leaders to convene a leadership meeting designed to reach compromise and reconciliation on key legislative and other issues.

4. **Help Iraq Build Government Capacity and Provide Essential Services**
   A 13-company South Korean consortium announced August 10 that it has signed interim deals worth $25 billion to build dams, highways and houses in Iraqi Kurdistan. The memorandum of understanding was signed in late July in the capital of Irbil, where about 1,200 South Korean troops are currently stationed.
5. **Help Iraq Strengthen Its Economy**
   During a recent visit to Moscow, Iraqi Oil Minister Husayn al-Shahristani indicated that once the new law governing the Iraqi oil sector is in place, oil and gas contracts will be developed through transparent and market-oriented mechanisms, as opposed to awarding new deals based on political considerations as they have been in the past.

6. **Help Iraq Strengthen the Rule of Law**
   Attorney General Alberto Gonzales arrived in Baghdad August 11 to meet with Department of Justice officials working in Iraq to rebuild the country’s legal and law enforcement infrastructure. This is Gonzales’ third visit to Iraq during his tenure as Attorney General.

7. **International Support for Iraq**
   The UN Security Council voted unanimously on the expansion of the role of the UN in Iraq. Resolution 1770, presented by the U.S. and Britain, extends the mandate of the UN Assistance Mission for Iraq to one additional year. In addition to increasing the number of UN employees in Iraq, the resolution permits a UN special representative in Iraq and to the delegation to offer advice, support and help to the Iraqi government.

8. **Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents**
   Iraqi newspapers resumed publication August 12 after the lifting of a four-day curfew imposed by the Iraqi government throughout Baghdad in preparation for pilgrims to the Shiite shrine of Imam al-Kadhim, and devoted most of their pages to Iraqi Prime Minister Nuri al-Maliki’s recent visit to Turkey and Iran.
Coordinated Truck Bombs in Northern Iraq Result in Deadliest Attack:

- Four coordinated vehicle-borne improvised explosive devices detonated in the villages of Khahtaniya and al-Jazeer in western Ninewah province August 14, killing and wounding hundreds of Iraqi civilians. U.S. media report that the confirmed death toll from the four truck bombings passed 250, making the attack the deadliest of the Iraq war. The majority of the victims were members of the Yezidi religious minority sect.

- Iraqis and minority sects in remote areas such as the Yazidis are especially vulnerable as militants seek new targets to avoid the strict security measures imposed on Baghdad and surrounding areas to help protect the Iraqi population and reduce sectarian violence.

U.S. and Iraqi Forces Detain 12 “Rogue” JAM Members:

- Iraqi and U.S. forces detained 12 "rogue" members of the Jaysh al-Mahdi (JAM) militia allegedly involved in bomb attacks and assassinations of Sunni Arabs. The twelve were detained in a series of coordinated raids across Baghdad August 13. Eight of the detainees are allegedly high-level leaders linked to JAM special groups that carry out attacks on Iraqi and Coalition forces. Additionally, the suspects include a brigade commander, battalion commander, two company commanders and one leader of an extra-judicial killing cell.
[1.] Defeat the Terrorists and Neutralize the Insurgency

Trends Encouraging in Eastern Baghdad Hotspots:

- The U.S. commander for security operations in Baghdad’s eastern neighborhoods of Adhamiyah and Sadr City said August 11 that the security situation there is improving. U.S. Army Colonel John Castles, Commander of 2nd Brigade Combat Team (BCT), 82nd Airborne Division said attacks against civilians, car bombs, indirect fire attacks, kidnappings, and sectarian killings are all down in his area of eastern Baghdad.

- Castle’s 4,000-member BCT is responsible for the security of 3.5 million Iraqis and maintains five combat outposts and three joint security stations in the area. The BCT’s soldiers are living out in the sector among the people they protect.

- Over the last seven months, the BCT has participated in more than 7,500 patrols and conducted more than 300 named operations, destroying and disrupting terrorist cells and special-action groups, and turning over 300 detainees and the evidence against them to Iraqi authorities.

- Finally, the BCT and its embedded Provincial Reconstruction Team (PRT) are working with local government leaders and the people of the region to bring services back to the region. Along with the embedded PRT, which provides the commander the ability to plan long-term stability projects, the BCT has financed 30 projects totaling $2.5M with another 60 projects set to start at a price of $8M.
Iraqi Security Forces Provide Security for Holy Day:

- Iraqi Security Forces (ISF) successfully provided security for crowds of pilgrims traveling to commemorate an annual holy day at a mosque in the Khadimiyah neighborhood of Baghdad last week. With no reported incidents, this year’s annual pilgrimage was a significant step for the ISF. The same pilgrimage in 2005 was marred by an estimated 1,000 people killed in a stampede on the Jisr al-Aiema bridge after reports spread that a suicide bomber was in the crowd.

- The Iraqi Police and Army worked together to ensure the pilgrims, many of whom walked for days from areas around Baghdad and Diyala province, reached the mosque safely. Iraqi Major General Abdul-Kareem Khalaf, director of the Iraqi interior ministry’s national command center, said the ISF were intensively deployed on the main roads leading to Kadhimiya to protect visitors to the shrine. In addition, a citywide driving ban was in effect to prevent suicide car bombings.
**[2.] Transition Iraq to Security Self-Reliance – Iraqi Security 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>
</tr>
</tbody>
</table>

**Ministry of Defense Forces**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>OPERATIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARMY</td>
<td>~163,500***</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>~165,500**</td>
</tr>
</tbody>
</table>

**Total Trained & Equipped ISF:**

~359,700****

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

Former Prime Minister Condemns Maliki Government on Reconciliation:

- Iraqi former Prime Minister Iyad Allawi accused the government of Prime Minister Maliki of being ill-equipped to halt the slide toward all-out chaos, and urged a nonsectarian replacement of the regime.

- Allawi, whose mixed Sunni-Shiite Iraqi National List this month joined a boycott of the government led by Maliki, told U.S. National Public Radio August 13 that the present government is fueling the problems ravaging the country. “The whole situation is based on sectarianism and is anti-reconciliation,” Allawi said in the interview. “I think the whole system ought to be changed, and a nonsectarian regime should prevail.”

Iraqi Senior Leaders Meet to End Political Stalemate:

- Leaders from Iraq’s divided communities held talks August 14 to pave the way for a leadership meeting called for by Prime Minister Nuri al-Maliki. The meeting is designed to reach compromise and reconciliation on key legislative and other issues.
[3.] Help Iraqis to Forge a National Compact for Democratic Government - **Iraqi National Unity Government**

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

---

**Minister of Agriculture**  
*  
Muhammad Tawfiq Allawi

**Minister of Communications**  
*  
Abdul Qadir Muhammed Jasim

**Minister of Culture**  
*  
Fawzi al-Hariri

**Minister of Defense**  
*  
Husayn al-Shahristani

**Minister of Displacement & Migration**  
*  
‘Abd al-Latif Rashid

**Minister of Electricity**  
Karim Wahid

**Minister of Education**  
Khudayyir al-Khuza’i

**Minister of Environment**  
Narmin ‘Uthman (F)

**Minister of Finance**  
Bayan Jabr

**Minister of Foreign Affairs**  
Safa al Safi (acting)

**Minister of Health**  
*  
Ali Baban

**Minister of Higher Education**  
Abd Dhiyab al-Ajili

**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 Housing**  
Riyad Ghurayyib

**Minister of Oil**  
Ali Baban

**Minister of Planning**  
Abd al-Falah al-Sudani

**Minister of Trade**  
Ra’id Fahmi Jahid

**Minister of Science & Technology**  
Riyad Ghurayyib

**Minister of Social Affairs**  
Mahmud Muhammad Jawad al-Radi

**Minister of State for Agriculture**  
*  
Muhammad Tawfiq Allawi

**Minister of State for Communications**  
*  
Abdul Qadir Muhammed Jasim

**Minister of State for Culture**  
*  
Fawzi al-Hariri

**Minister of State for Defense**  
*  
Husayn al-Shahristani

**Minister of State for Displacement & Migration**  
*  
‘Abd al-Latif Rashid

**Minister of State for Education**  
Karim Wahid

**Minister of State for Electricity**  
Khudayyir al-Khuza’i

**Minister of State for Environment**  
Narmin ‘Uthman (F)

**Minister of State for Finance**  
Bayan Jabr

**Minister of State for Foreign Affairs**  
Safa al Safi (acting)

**Minister of State for Higher Education**  
Abd Dhiyab al-Ajili

**Minister of State for Human Rights**  
Wijdan Mikha’il (F)

**Minister of State for Industry & Minerals**  
Fawzi al-Hariri

**Minister of State for Interior**  
Jawad al-Bulani

**Minister of State for Justice**  
Safa al Safi (acting)

**Minister of State for Housing & Construction**  
Bayan Daza’i (F)

**Minister of State for Housing**  
Riyad Ghurayyib

**Minister of State for Oil**  
Ali Baban

**Minister of State for Planning**  
Abd al-Falah al-Sudani

**Minister of State for Trade**  
Ra’id Fahmi Jahid

**Minister of State for Science & Technology**  
Riyad Ghurayyib

**Minister of State for Social Affairs**  
Mahmud Muhammad Jawad al-Radi

**Minister of State for Agriculture, Fisheries & Water Resources**  
‘Abd al-Latif Rashid

**Minister of State for Communications, Postal Services & Telecommunications**  
Jasim Muhammad Ja’far

**Minister of State for Culture, Tourism & Antiquities**  
Wijdan Mikha’il (acting)

**Minister of State for Defense, National Security Affairs & CoR Affairs**  
Akram al-Hakim

**Minister of State for Education, Higher Education & Research**  
Mahmud Muhammad Jawad al-Radi

**Minister of State for Energy, Oil & Natural Resources**  
Ali Baban

**Minister of State for Environment, Water & Natural Resources**  
Jawad al-Bulani

**Minister of State for Finance, Planning & Investment**  
Riyad Ghurayyib

**Minister of State for Foreign Affairs, Security & CoR Affairs**  
Akram al-Hakim

**Minister of State for Health, Higher Education & Research**  
Ali Baban

**Minister of State for Industry, Minerals & Trade**  
Abd al-Falah al-Sudani

**Minister of State for Justice, Municipalities & Public Works**  
Ra’id Fahmi Jahid

**Minister of State for Social Affairs, Higher Education & Research**  
Mahmud Muhammad Jawad al-Radi

**Minister of State for Tourism, Antiquities & Water Resources**  
Wijdan Mikha’il (acting)

**Minister of State for Transportation, Municipalities & Public Works**  
Riyad Ghurayyib

**Minister of State for Water Resources, Agricultural & Water Development**  
Jasim Muhammad Ja’far

**Minister of State for Agriculture, Fisheries & Water Resources**  
Rafi Hiyad al-Isawi

**Minister of State for Communications, Postal Services & Telecommunications**  
Rafi Hiyad al-Isawi

**Minister of State for Culture, Tourism & Antiquities**  
Akram al-Hakim

**Minister of State for Defense, National Security Affairs & CoR Affairs**  
Safa al Safi

**Minister of State for Education, Higher Education & Research**  
Ali Baban

**Minister of State for Energy, Oil & Natural Resources**  
Safa al Safi

**Minister of State for Environment, Water & Natural Resources**  
Ali Baban

**Minister of State for Finance, Planning & Investment**  
Safa al Safi

**Minister of State for Foreign Affairs, Security & CoR Affairs**  
Safa al Safi

**Minister of State for Health, Higher Education & Research**  
Ali Baban

**Minister of State for Industry, Minerals & Trade**  
Safa al Safi

**Minister of State for Justice, Municipalities & Public Works**  
Safa al Safi

**Minister of State for Social Affairs, Higher Education & Research**  
Safa al Safi

**Minister of State for Tourism, Antiquities & Water Resources**  
Safa al Safi

**Minister of State for Transportation, Municipalities & Public Works**  
Safa al Safi

**Minister of State for Water Resources, Agricultural & Water Development**  
Safa al Safi

**Minister of State for Agriculture, Fisheries & Water Resources**  
Safa al Safi

**Minister of State for Communications, Postal Services & Telecommunications**  
Safa al Safi

**Minister of State for Culture, Tourism & Antiquities**  
Safa al Safi

**Minister of State for Defense, National Security Affairs & CoR Affairs**  
Safa al Safi

**Minister of State for Education, Higher Education & Research**  
Safa al Safi

**Minister of State for Energy, Oil & Natural Resources**  
Safa al Safi

**Minister of State for Environment, Water & Natural Resources**  
Safa al Safi

**Minister of State for Finance, Planning & Investment**  
Safa al Safi

**Minister of State for Foreign Affairs, Security & CoR Affairs**  
Safa al Safi

**Minister of State for Health, Higher Education & Research**  
Safa al Safi

**Minister of State for Industry, Minerals & Trade**  
Safa al Safi

**Minister of State for Justice, Municipalities & Public Works**  
Safa al Safi

**Minister of State for Social Affairs, Higher Education & Research**  
Safa al Safi

**Minister of State for Tourism, Antiquities & Water Resources**  
Safa al Safi

**Minister of State for Transportation, Municipalities & Public Works**  
Safa al Safi

**Minister of State for Water Resources, Agricultural & Water Development**  
Safa al Safi
### [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>Apportioned</th>
<th>Committed</th>
<th>Obligated</th>
<th>Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Apportion</td>
<td>Last Week</td>
<td>Current</td>
<td>Change</td>
</tr>
<tr>
<td>Security and Law Enforcement</td>
<td>$5,004.79</td>
<td>$4,967.72</td>
<td>$4,967.72</td>
<td>$0.00</td>
</tr>
<tr>
<td>Electricity Sector</td>
<td>$4,216.87</td>
<td>$4,140.99</td>
<td>$4,140.99</td>
<td>$0.00</td>
</tr>
<tr>
<td>Oil Infrastructure</td>
<td>$1,724.70</td>
<td>$1,610.07</td>
<td>$1,610.07</td>
<td>$0.00</td>
</tr>
<tr>
<td>Justice, Public Safety and Civil Society</td>
<td>$1,304.15</td>
<td>$1,265.71</td>
<td>$1,265.71</td>
<td>$0.00</td>
</tr>
<tr>
<td>Democracy</td>
<td>$998.35</td>
<td>$997.34</td>
<td>$997.34</td>
<td>$0.00</td>
</tr>
<tr>
<td>Education, Refugees, Human Rights, Governance</td>
<td>$409.84</td>
<td>$399.76</td>
<td>$399.76</td>
<td>$0.00</td>
</tr>
<tr>
<td>Roads, Bridges and Construction</td>
<td>$333.60</td>
<td>$322.08</td>
<td>$322.08</td>
<td>$0.00</td>
</tr>
<tr>
<td>Health Care</td>
<td>$815.55</td>
<td>$770.68</td>
<td>$770.68</td>
<td>$0.00</td>
</tr>
<tr>
<td>Transportation and Communications</td>
<td>$456.72</td>
<td>$452.65</td>
<td>$452.65</td>
<td>$0.00</td>
</tr>
<tr>
<td>Water Resources and Sanitation</td>
<td>$2,115.79</td>
<td>$1,990.84</td>
<td>$1,990.84</td>
<td>$0.00</td>
</tr>
<tr>
<td>Private Sector Development</td>
<td>$811.91</td>
<td>$807.85</td>
<td>$807.85</td>
<td>$0.00</td>
</tr>
<tr>
<td>Admin Expense (USAID, STATE)</td>
<td>$211.05</td>
<td>$209.95</td>
<td>$209.95</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,403.32</strong></td>
<td><strong>$17,935.64</strong></td>
<td><strong>$17,935.64</strong></td>
<td><strong>$0.00</strong></td>
</tr>
<tr>
<td>IRRF II Construction</td>
<td>-</td>
<td>$10,250.83</td>
<td>$10,250.83</td>
<td>$0.00</td>
</tr>
<tr>
<td>IRRF II Non-Construction</td>
<td>-</td>
<td>$6,687.46</td>
<td>$6,687.46</td>
<td>$0.00</td>
</tr>
<tr>
<td>IRRF II Democracy</td>
<td>-</td>
<td>$997.34</td>
<td>$997.34</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>$2,473.30</strong></td>
<td><strong>$0.00</strong></td>
</tr>
<tr>
<td><strong>Grand Total IRRF I &amp; II</strong></td>
<td><strong>$20,876.62</strong></td>
<td><strong>$20,408.94</strong></td>
<td><strong>$20,408.94</strong></td>
<td><strong>$0.00</strong></td>
</tr>
</tbody>
</table>
Daily electricity demand August 8-14 was 15 percent above the same period in 2006. Daily supply from the electricity grid was two percent below 2006; it met 51 percent of total electricity demand, compared with 61 percent for the year-earlier period.

Average hours of power via electricity grid after meeting demand from essential services: Baghdad 7.3 and nationwide 10.7. Year-ago levels were Baghdad 7.0 and nationwide 11.0.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Education, Medical, Electricity, and Water & Sanitation

**Education:**
- Construction on the new Ain-Zala village school in Ninewah province has been completed. The school will accommodate up to 300 students.

**Medical:**
- The U.S. funded Harm Provincial Health Center (PHC) is now available to provide medical and dental care to over 35,000 residents.

**Electricity:**
- Electricity supply August 8-13 was near its highest level for the year, but the failure of provinces to follow load-shedding directives resulted in a massive loss of power August 14 at 1700. All Baghdad generation and 60 percent of national generation was temporarily lost. Half of the lost power had been restored by midnight.

**Water & Sanitation:**
- The sanitary sewer network in 9 Nissan, Baghdad will provide reliable sewage disposal for a population of nearly 47,000.
[4.] Help Iraq Build Government Capacity and Provide Essential Services – Construction and Energy

Construction:

• A 13-company South Korean consortium announced August 10 that it has signed interim deals worth $25 billion to build dams, highways and houses in Iraqi Kurdistan. The memorandum of understanding was signed in late July in the capital of Irbil, where about 1,200 South Korean troops are currently stationed.

• Under the deal, the South Korean firms will construct houses, five multipurpose dams and highways spanning 182 kilometers (114 miles) to link Irbil with the border city of Zakho.

Energy:

• The Missan oilfields authority finished the rehabilitation of the Sayed Nour oilfield in eastern Amarah August 12 and is planning to drill 50 new wells in the province, a media source from the Missan oilfields authority reported.

• The rejuvenated oilfield is composed of five wells with a production capacity of 15,000 bpd for each, according to the authority, noting work on this field also comprises the construction of a pumping station with a capacity of 20,000 bpd of crude oil.
[5.] Help Iraq Strengthen Its Economy – Oil Update and Job Creation

**Oil Update:**
- Crude oil price averages in world markets for the week ending August 10 closed with the following prices:
  - Basrah Light at $66.394/ barrel
  - WTI Cushing at $71.938/ barrel
  - Dated Brent at $70.888/barrel
  - Oman/Dubai at $66.74/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>24,598</td>
<td>24,576</td>
<td>-0.09%</td>
</tr>
<tr>
<td>US Agency for International Development (USAID)</td>
<td>81,202</td>
<td>81,202</td>
<td>0.00%</td>
</tr>
<tr>
<td>Commander’s Emergency Response Program (CERP)</td>
<td>3,670</td>
<td>3,678</td>
<td>0.22%</td>
</tr>
<tr>
<td>Multi-National Security Transition Command-Iraq (MNSTC-I)</td>
<td>11,560</td>
<td>11,664</td>
<td>0.90%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>121,030</strong></td>
<td><strong>121,120</strong></td>
<td><strong>0.07%</strong></td>
</tr>
</tbody>
</table>
[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: August 8, 2006 – August 13, 2007
[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.

<table>
<thead>
<tr>
<th>Iraqi Commercial Bond Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 9, 2006 - August 10, 2007</td>
</tr>
</tbody>
</table>

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

Iraqi Oil Minister Says No Special Deals For Russia:

- During a recent visit to Moscow, Iraqi Oil Minister Husayn al-Shahristani indicated that once the new law governing the Iraqi oil sector is in place, oil and gas contracts will be developed through transparent and market-oriented mechanisms, as opposed to awarding new deals based on political considerations as they have been in the past.

- Shahristani also said that Russian companies which worked for years in the Iraqi energy industry until the war began in 2003 would get no special treatment as earlier oil and gas contracts are reviewed and renegotiated. He did note, however, that Russian oil company Lukoil, which had an agreement with Saddam Hussein’s government to drill at the West Qurna field, could have a competitive advantage within the new framework given its previous experience in Iraq.

Iraqi-Made Clothes to be Sent to U.S. Market:

- During an announcement August 12 to put state industries back to work, Deputy Industry Minister Sami al-Araji said that a U.S. team led by Paul Brinkley was in discussions with major American retailers such as Sears and Wal-Mart to have Iraqi-made clothing on sale in a limited number of major American cities by the holiday season.
[5.] Help Iraq Strengthen Its Economy – Crude Oil Production

2007 Iraqi Oil Ministry Goal: 2.1 MBPD

Millions of Barrels Per Day

- June 4-10: 2.04
- June 11-17: 1.85
- June 18-24: 2.02
- June 25 - July 1: 2.09
- July 2-8: 2.07
- July 9-15: 2.06
- July 16-22: 2.10
- July 23-29: 2.08
- July 30 - August 5: 2.04
- August 6-12: 2.03

Production
Target

UNCLASSIFIED
Help Iraq Strengthen Its Economy – Crude Oil Export

- 2006 Revenue Estimate: $31.3 Billion
- 2007 Revenue Estimate: $20.1 Billion (Year to Date)
[5.] Help Iraq Strengthen Its Economy – **Total Critical Refined Product Supplies**

- Diesel: 9.5 ML supply of 24.5 ML target
- Kerosene: 2.4 ML supply of 11.1 ML target
- Gasoline: 8.1 ML supply of 23.1 ML target
- LPG: 1,608 tons supply of 5,100 tons target

**Note:** This is a daily average for August 6 – 12
• 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.
Attorney General Alberto Gonzales Travels to Baghdad:

- Attorney General Alberto Gonzales arrived in Baghdad August 11 to meet with and thank Department of Justice officials working in Iraq to rebuild the country’s legal and law enforcement infrastructure. This is Attorney General Gonzales’ third visit to Iraq during his tenure as Attorney General.

- Attorney General Gonzales was accompanied by Michael J. Sullivan, director of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), John Clark, director of the U.S. Marshals Service, and other Department of Justice staff. The Attorney General met with Multi-National Forces-Iraq Commanding General David Petraeus upon arriving in Iraq. The Attorney General’s agenda while in Iraq included meetings with Ambassador Ryan Crocker, Department of Justice and U.S. military personnel, and various Iraqi government officials, including Chief Justice Medhat al-Mahmoud of the Federal Supreme Court, Minister of Human Rights Wijdan Mikha’il and Minister of the Interior Jawad al-Bulani.
[6.] Help Iraq Strengthen the Rule of Law and Promote Civil Rights—

**Rule of Law**

**Iraq Sets Date for Third Saddam-Era Trial:**

- This month, the Iraqi High Tribunal is set to open a third trial into alleged crimes committed under Saddam Hussein, this time over the suppression of a Shiite uprising. Fifteen defendants will go on trial, including Ali Hassan al-Majid, who is widely known as Chemical Ali, and who was sentenced to death two months ago for his role in the slaughter of ethnic Kurds.

**Iraqi Judge Fatalities Prove Need for Newly Constructed Complex:**

- Overall, more than 30 Iraqi judges have been killed in the line of duty in Iraq, underscoring the need for the new complex in Baghdad aimed at protecting the justice system, U.S. and Iraqi officials said August 13. The number was disclosed during a press conference to promote a new justice complex in eastern Baghdad that began operating last month.
[7.] Increase International Support for Iraq – **Developments**

**Expansion of UNAMI Role Unanimously Approved:**

- The UN Security Council voted unanimously August 10 to expand the UN role in Iraq. Resolution 1770, presented by the U.S. and Britain, extends the UN Assistance Mission for Iraq mandate for another year. In addition to increasing the number of UN employees in Iraq, the resolution permits the UN Special Representative in Iraq to offer advice, support, and help to the Iraqi government.

**Danish Military Ends Iraq Mission:**

- The Danish battalion of 450 ground troops has left Iraq, a Danish army spokesman reported August 8. “The Danish battalion that has been deployed in southern Iraq is now out of Iraq,” Army Operational Command (AOC) spokesman Hans Vedholm reported.

**EU Supports First Border Security Working Group (BSWG):**

- The EU Presidency issued a statement August 13 welcoming the first BSWG, held in Damascus August 8-9; emphasizing the need for regular BSWG meetings to explore ways to improve security and reduce violence in Iraq.

**Sweden Ends Commercial Flights to and from Iraq:**

- Sweden has suspended commercial flights to and from Iraq, the aviation authority said August 14, contending one of the country’s passenger jets was targeted by a rocket last week as it left the northern Iraqi city of Sulaimaniyah. An Iraqi airport official denied the plane came under fire, blaming Kurds who were hunting using spotlights that the pilots mistook for the arc of an incoming missile.
[7.] Increase International Support for Iraq – Contributors to Iraqi Stability Operations

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

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

TOTAL ~ 11,325 Forces

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

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

*33 includes the 25 countries listed above, the US, Fiji, and seven NATO, non-MNF-I countries: Iceland, Italy, Netherlands, Portugal, Slovenia, Turkey
[8.] Strengthen Public Understanding of Coalition Efforts and Public Isolation of the Insurgents – Developments

Baghdad Newspapers Resume Publication:

- Iraqi newspapers resumed publication August 12 after the lifting of a four-day curfew imposed by the Iraqi government throughout Baghdad in preparation for pilgrims to the Shiite shrine of Imam al-Kadhim, and devoted most of their pages to Iraqi Prime Minister Nuri al-Maliki’s recent visit to Turkey and Iran.

Associated Press Correspondent Kidnapped:

- An official Iraqi police source, speaking on condition of anonymity, said that an Iraqi photographer working for the U.S. Associated Press news agency was kidnapped August 8 during an attack in central Baquba. Talal Ahmed Abdullah was kidnapped after an armed group intercepted his vehicle and led him to an unknown place.
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:
- 16 August - Washington Post

Slide 6:

Slide 7:

Slide 8:
- DoD Input to Iraq Weekly Status Report August 13, 2007

Slide 9:
- http://news.yahoo.com
- http://news.yahoo.com

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

Slide 11:
- ITAO Weekly Report, August 14, 2007

Slide 12:
- POC Department of State, NEA-I ASSIST, 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 13:
- **Education:**
  - USACE Daily Report – August 8
- **Medical:**
  - USACE Daily Report – August 8
- **Electricity:**
  - Iraq Updates – August 8
  - LA Times – August 14
- **Water & Sanitation:**
  - USACE Daily Report – August 8

Slide 14:
- **Construction:**
- **Energy:**

Slide 15:
- 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 16:
- Information regarding the NID auction was gathered from the Central Bank of Iraq’s website: http://www.cbiraq.org.

Slide 17:
- Iraqi Bond Prices are sourced from Bloomberg

Slide 18:
- Associated Press, “Report: Iraqi Oil Minister Says No Special Deals for Russia,” August 9
Notes and Source Citations (3 of 3)

Slide 19:  
– Department of State, NEA-I-ECON, 202-647-9885

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

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

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

Slide 23:  
– DoJ Release – 11 August 2007

Slide 24:  
– AFP – 13 August 2007
– http://news.yahoo.com/s/ap/20070813/ap_on_re_mi_ea/iraq_judges;_ylt=At4ntA7eoMLy51xDGOKmur8LewgF

Slide 25:  
– http://news.yahoo.com/s/nm/20070810/ts_nm/iraq_un_dc_2;_ylt=AoLv8pjVd0ROjT.isuVn191X6GMA
– http://news.yahoo.com

Slide 26:  
– Source: DOD Input to Weekly Status Report, updated bi-weekly.

Slide 27:  
– August 12: http://www.iraquupdates.com/p_articles.php/article/20550
– August 8: http://www.iraquupdates.com/p_articles.php/article/20404