

Iraq Weekly Status Report

September 17, 2008

**Bureau of Near Eastern Affairs
US Department of State**

Unclassified



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HIGHLIGHTS

- Iraqi MP stripped of legal immunity after a visit to Israel (**POLITICAL, page 4**).
- Army General Raymond Odierno assumed command of Multi-National Force- Iraq (**SECURITY, page 7**).
- Iraq has settled \$1.2 billion of Saddam-era commercial claims (**ECONOMIC, page 11**).
- Syria names its ambassador to Iraq (**DIPLOMATIC, page 22**).



POLITICAL - Governance & Legislation

Iraqi MP Stripped of Legal Immunity After Visit to Israel:

- Iraq's Parliament decided September 14 to remove the parliamentary immunity of one of its members after he visited Israel, a trip that lawmakers consider illegal based on a law used under Saddam Hussein. Minister for Parliamentary Affairs, Safa al-Safi, said "In the name of the government and prime minister, we reject this visit which violated the law and provoked the feelings of the Iraqi people. The government will take all legal measures against this person." Mithal al-Alusi, a secular Sunni politician who visited Israel earlier this month for a conference on terrorism and security, responded, "The law does not allow them to do this. What they really want is to threaten any person who talks against Iran."

Iraqi Parliament to Vote on New Flag:

- Come November, the Iraqi Parliament is scheduled to vote on implementing a new national flag. Mufeed al-Jazairi, head of the parliamentary committee charged with selecting the new flag, said that 50 designs for the new flag were submitted and from those, a jury panel will select 3 designs which will be presented to legislators for consideration. He said the new flag will convey "the culture and the unity" of the Iraqi people and "put an end to a debated issue that has been going on for the past five years."



POLITICAL – Government of Iraq

Coalition Affiliation (at time of appointment)
United Iraq Alliance
Kurdistani Alliance
Iraqi Accord Front
Iraqi National List
Other / Independent

(F) = Female
 ***Formerly Iraqiya

Prime Minister
 Nuri al-Maliki

Deputy Prime Minister
 Rafi al-Issawi

Deputy Prime Minister
 Barham Salih

President
 Jalal Talabani
Deputy President
 Tariq al-Hashimi
Deputy President
 'Adil 'Abd al-Mahdi

Minister of Agriculture
 Ali al-Bahadeli

Minister of Communications
 Faruq Abdul Qadir Abdul Rahman

Minister of Culture
 Mahir Dalli Ibrahim al-Hadithi

Minister of Defense
 Abdul Qadir Muhammed Jasim al-Mufraji

Minister of Displacement & Migration
 Abd al-Samad Rahman Sultan

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
 Hoshiyar Zebari

Minister of Health
 Saleh al-Hasnawi

Minister of Higher Education
 Dr. Abd Dhiyab al-Ujayli

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'l (F)

Minister of Labor & Social Affairs
 Mahmud Muhammad Jawad al-Radi

Minister of Oil
 Husayn al-Shahrastani

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
 Amir Abd al-Jabar Ismail

Minister of Water Resources
 'Abd al-Latif Rashid

Minister of Youth & Sports
 Jasim Muhammad Ja'far

Minister of State for Civil Society
 Thamir Jaraf al-Zubaydi

Minister of State for National Dialogue Affairs
 Akram al-Hakim

Minister of State for National Security Affairs
 Shirwan al-Waili

Minister of State for Foreign Affairs
 Dr. Muhammad Munajid Ifan al-Dulaymi

Minister of State for Governorates Affairs
 Khalud Sami Izara al-Majun (F)

Minister of State for Tourism and Antiquities
 Qahtan Abbas Numan al-Jiburi

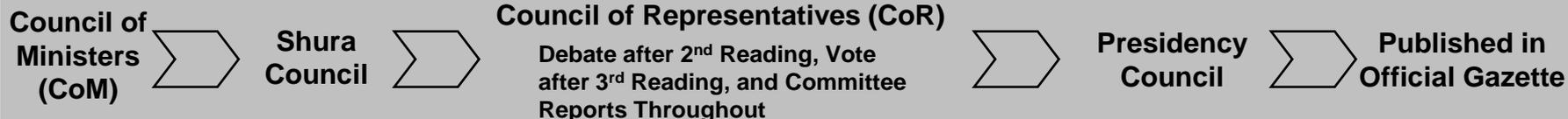
Minister of State for Women's Affairs
 Dr. Nawal Majid Hamid al-Samarr (F)

Minister of State for CoR Affairs
 Safa al-Safi



POLITICAL – Key Legislation and Refugee Update

Legislative Process



Provincial Elections	Passed July 22; vetoed July 26. The CoR recessed August 6 without reaching a compromise and reconvened September 9 after summer recess. Political Bloc leaders will begin meeting September 10 to seek agreement.
Hydrocarbons Package	The level of control allocated to the central government in the July 2007 draft version of the Framework Law (currently in CoR Committee) is the key point of disagreement; there may be more progress on the Revenue Management Law, currently with the Shura Council, in the coming months.
Amnesty Law	PASSED: CoR approved the law on February 13; the law was signed by the Presidency Council February 26 and was implemented March 2.
Pensions Amendment	PASSED: Published in the Official Gazette December 2007.
De-Ba'athification Reform	PASSED: Approved by default by the Presidency Council February 2008. Published in the Official Gazette in mid-February.
Provincial Powers	PASSED: CoR approved the law on February 13; the law was vetoed by the Presidency Council February 26. The veto was rescinded on March 19, allowing the law to take effect.

Refugee Update

Refugees in the region: 2-2.4 million

Internally displaced persons in Iraq: 2.8 million

The U.S. has exceeded its target to admit 12,000 Iraqi refugees in FY08, with 12,527 admissions thus far in FY08. 14,135 Iraqi refugees have been admitted since FY07.



SECURITY - Situation Update

Multi-National Force-Iraq Change of Command:

- Army General Raymond Odierno assumed command of Multi-National Force-Iraq from Army General David Petraeus during a change of command ceremony September 16 in Baghdad. Secretary of Defense Robert Gates said General Odierno takes command of a situation that has made “incredible progress” over the past year. General Odierno had previously served under Petraeus as commander of Multi-National Corps-Iraq.

Local AQI Leaders Captured and Killed by ISF, Coalition:

- The overall leader of al-Qaida in Iraq (AQI) for Tamim province, Hadi Muhammad Husayn Darwish, also known as Abu Jassim, was killed September 9 during a joint Iraqi patrol near Kirkuk. The patrol discovered Abu Jassim at a checkpoint where he detonated a suicide vest, killing himself. Additionally, another suspected provincial "emir," Jamal Muhammad Alwan Nafi, was captured September 2 in Beiji. Nafi, also known as Abu Anas, is suspected of overseeing all AQI activity in Diyala province and is accused of overseeing a network that employed bombings, booby-trapped houses, attempted to incite sectarian violence and used women as suicide bombers.



SECURITY - Situation Update

Joint Patrols Lead to Weapons Seizures, Arrests in Baghdad:

- Macedonian Rangers uncovered a cache of missiles and other high-explosives while on a joint patrol with Iraqi Security Forces in Baghdad, September 10. Coalition officials state the joint patrols play “an integral role” in ridding the capital of illegal weapons caches and have led to several arrests.



SECURITY – Security Transition

Iraqi Police Take Over Checkpoints in Baghdad:

- Coalition Forces indicate that the process of overseeing transition of all checkpoints in the city from Iraqi Army control to the Iraqi Police (IP) has been successful thus far. Salhiya was the first Baghdad district to have all of its checkpoints turned over to the IP. Coalition commanders predict all of Baghdad's remaining checkpoints will transition to IP control within the next year.



SECURITY - Iraqi Security Forces

Iraq Security Forces as of July 31, 2008 ^a			
Component	Current Authorized Personnel ^b	Assigned ^c Personnel	Total Trained Personnel to date
Ministry of Interior (MoI) Forces ^e			
Iraqi Police Service ^f	333,324	299,170	192,028
National Police ^g	44,263	39,739	50,184
Border Enforcement	47,750	43,073	34,370
Total MoI	425,337	381,982	276,582
Ministry of Defense (MoD) Forces ^h			
Army	171,262	180,296	224,970
Support Forces	15,583	22,069	21,144
Air Force	3,311	1,887	2,246
Navy	1,893	1,872	1,494
Total MoD	192,049	206,124	249,854
Counter Terrorism Bureau			
Special Operations ⁱ	4,733	3,589	4,564
Total Iraqi Security Forces	622,119	591,695	531,000

**The decrease in authorized MoD forces from the April 30 Weekly Status Report with ISF data as of March 31 reflects a change in a temporary GOI policy to increase front line units to 120% of authorized end strength to maintain present-for-duty totals at 100% while soldiers took leave. This change will make ISF reporting consistent with standard military personnel accounting practices in other countries and provide a clearer representation of ISF manning levels.

- a. Numbers do not include ministry staffs.
- b. Numbers reflect Government of Iraq (GOI) authorizations.
- c. Numbers are based upon GOI payroll data and do not reflect present for duty totals.
- d. Numbers reflect total Iraqi Security Forces (ISF) personnel trained to date, some of which are no longer assigned due to casualties, AWOL, and normal separation.
- e. MoI strength excludes other services within Ministry Of Interior (MOI), including the MOI HQ, MOI Forensics, Facility Protection Services, and contracted guards.
- f. The Iraqi Police Service consists of all provincial police forces (station, patrol, traffic, and special units) assigned to all 18 Iraqi provinces.
- g. Includes the national Emergency Response Unit.
- h. The Ministry Of Defense (MOD) authorized numbers are derived from Modified Tables of Organization and Equipment (MTOEs).
- i. The MoD Army Training and Support Forces include logistics units and training center cadre.
- j. Does not include personnel assigned to Counterterrorism Bureau (CTB) or Counterterrorism Command (CTC) headquarters.



ECONOMIC – Economic & Government Capacity Update

Iraq Settles \$1.2 Billion of Commercial Debt:

- Since January 2008, Iraq has settled \$1.2 billion of Saddam-era commercial claims in the latest installment of a buyback program that began in 2005. In the buybacks, the claimants agree to accept 10.25% of the face value of their claims (including interest). In net present value terms, the cash buyback deals are equivalent to the 80% debt reduction program that Iraq agreed to with the Paris Club. Eighty-five claimants participated in this latest round of buybacks, bringing the total number of claimants to 576. Iraq settled with larger claims by swapping bonds for debt. Some \$2.7 billion of sovereign bonds of this type were issued in January 2006, and carry Paris Club terms. Fifty-eight countries (including all 29 members of the Paris Club) have settled debt with Iraq. Merrill Lynch analysts expect Iraq's debt to GDP ratio to fall to 36% in 2009 reflecting debt restructuring and domestic growth, down from 160% in 2003.



ECONOMIC – Oil

Crude Oil Update:

Price averages in world markets closed with the following prices:

Basrah Light at \$90.70/barrel

Dated Brent at \$97.71/barrel

WTI Cushing at \$102.79/barrel

Oman/Dubai at \$98.39/barrel

Revenue estimates:

2006: \$31.3 Billion

2007: \$41.0 Billion

2008: \$51.4 Billion (ytd)

Minister of Oil to Meet with Oil Companies in London Next Month:

- The Ministry of Oil announced September 14 that oil minister Hussain al-Shahristani will meet with representatives of the oil companies pre-qualified to bid for long-term contracts in London next month. The meeting, which is scheduled for October 13, will allow the oil minister to “offer all the information [the oil companies] need to develop the oil and gas fields announced in the first bidding round,” ministry spokesperson Asim Jihad said. The minister will also elucidate the legal framework and conditions for signing service contracts.



ECONOMIC – Oil

Iraq Energy Expo and Conference Rescheduled:

- The Iraq Energy Expo and Conference has been rescheduled and is set to occur December 5 through 7. Sahar Alallaq, the expo manager, said that over 50 companies have registered for the conference and more are expected to sign up in the next month. Alallaq added that the sponsorship area is fully booked.



ECONOMIC – Essential Services

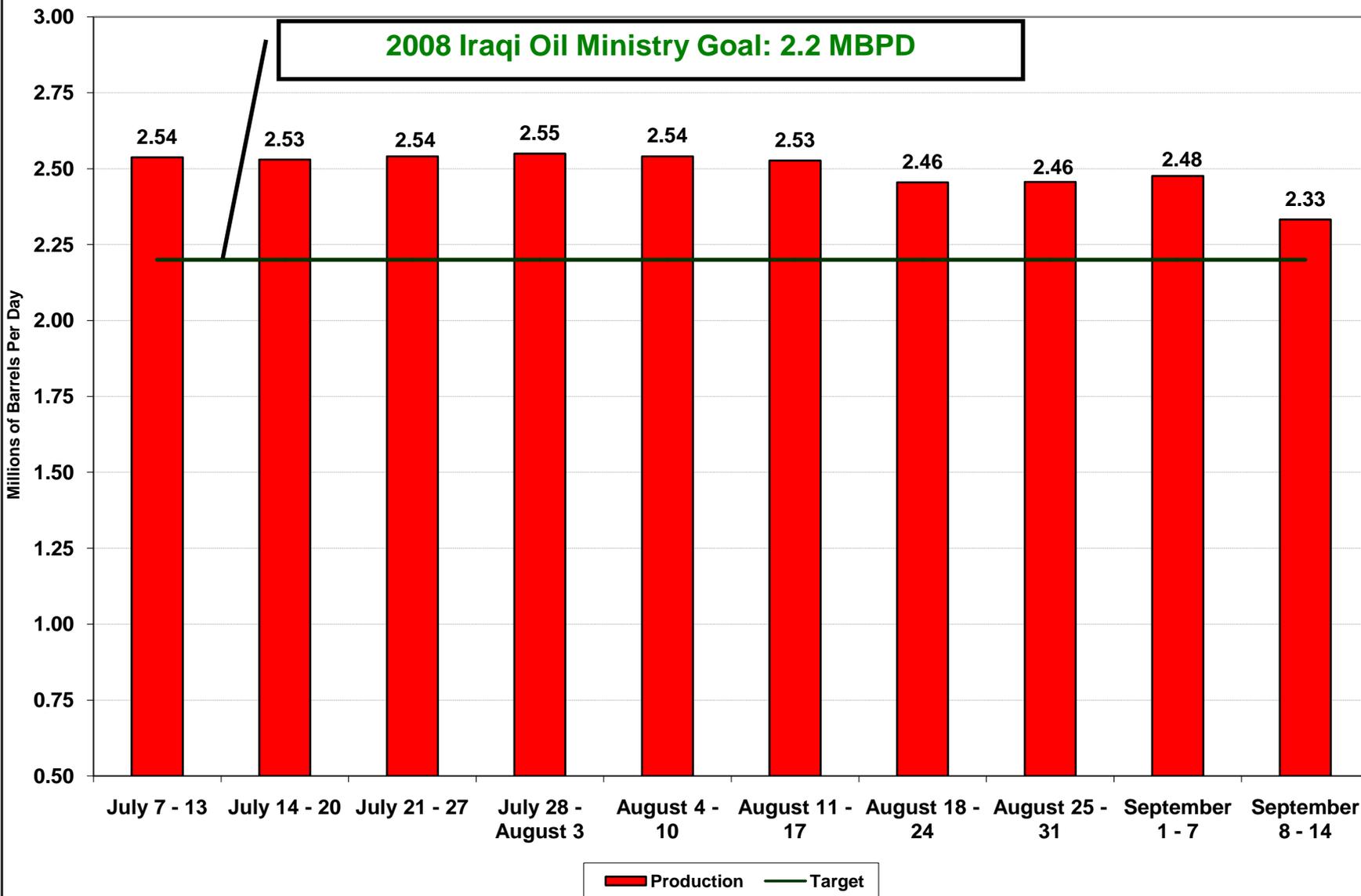
Sadr City Sees Improvements:

- A public swimming pool for boys reopened in the Baghdad neighborhood of Sadr City, one sign of the effects of the improved security situation. Shopkeepers in the neighborhood have also been given up to \$2,500 each for repairs and improvements.



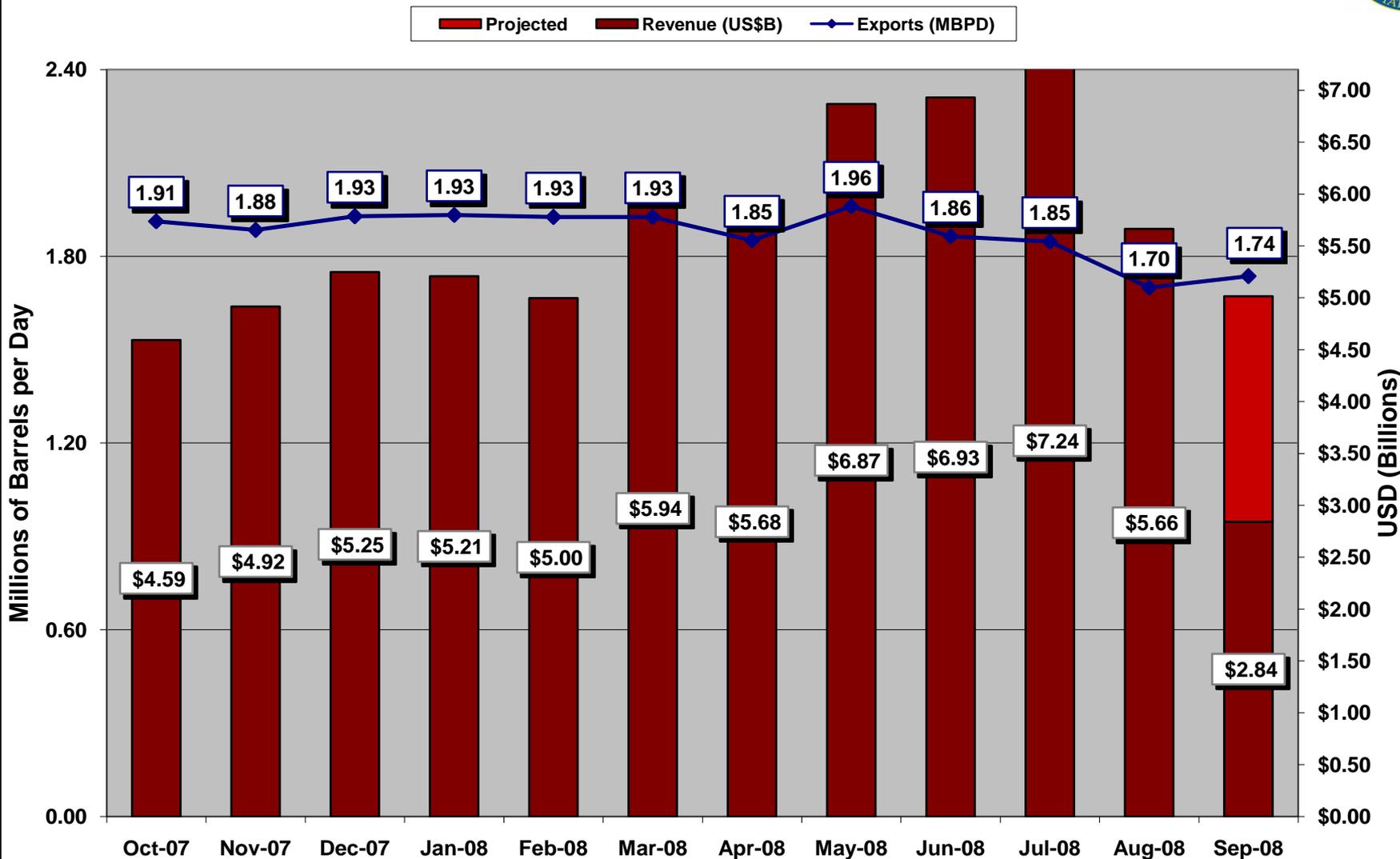
ECONOMIC – Crude Oil Production

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ECONOMIC – Crude Oil Export

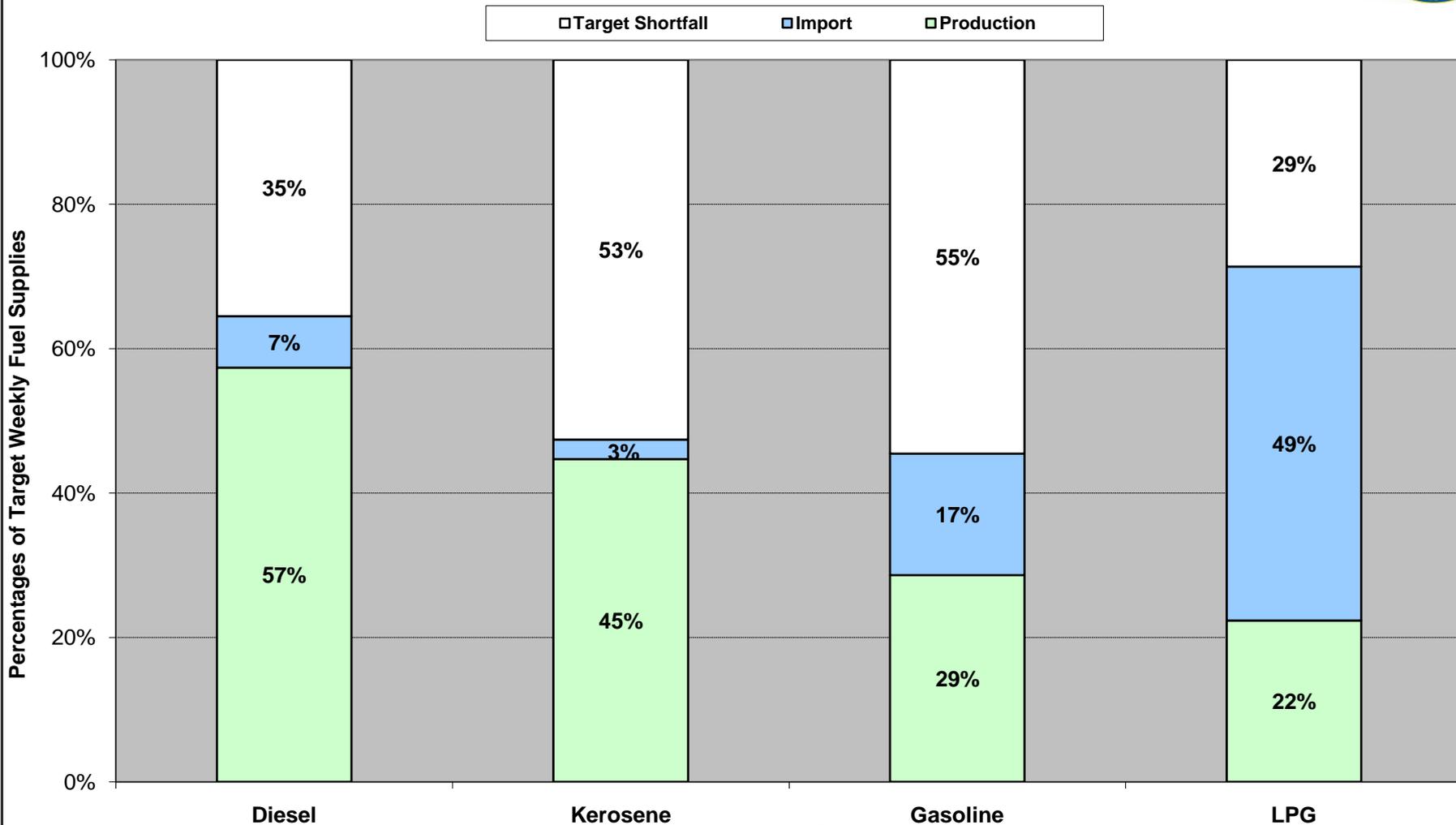


- 2006 Revenue Estimate: \$31.3 Billion
- 2007 Revenue Estimate: \$41.0 Billion
- 2008 Revenue Estimate: \$51.4 Billion (ytd)

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ECONOMIC – Total Critical Refined Product Supplies



Note: This is a daily average for September 8 – 14

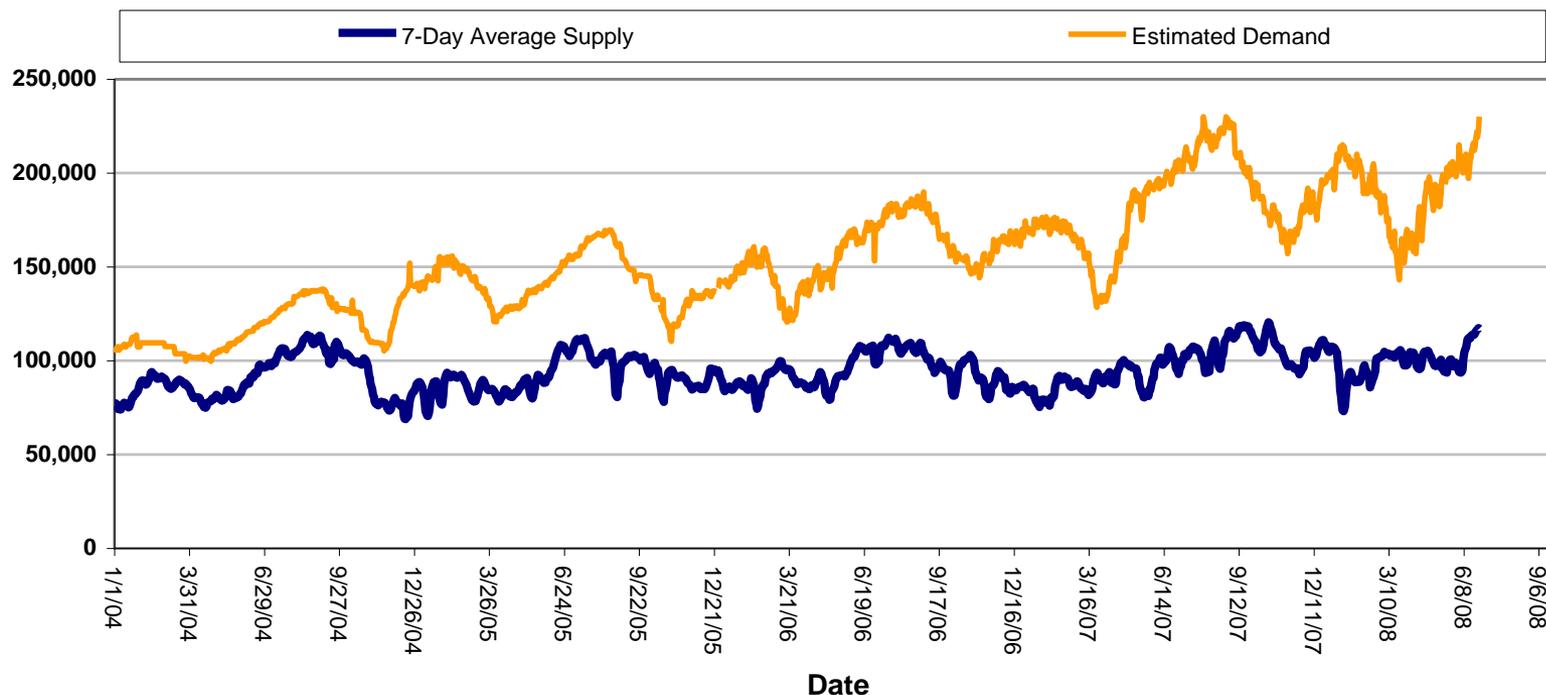
- Diesel: 15.8 ML supply of 24.5 ML target
- Kerosene: 6.9 ML supply of 14.6 ML target
- Gasoline: 12.2 ML supply of 26.8 ML target
- LPG: 3,641 tons supply of 5,100 tons target

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ECONOMIC – Electricity

Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004

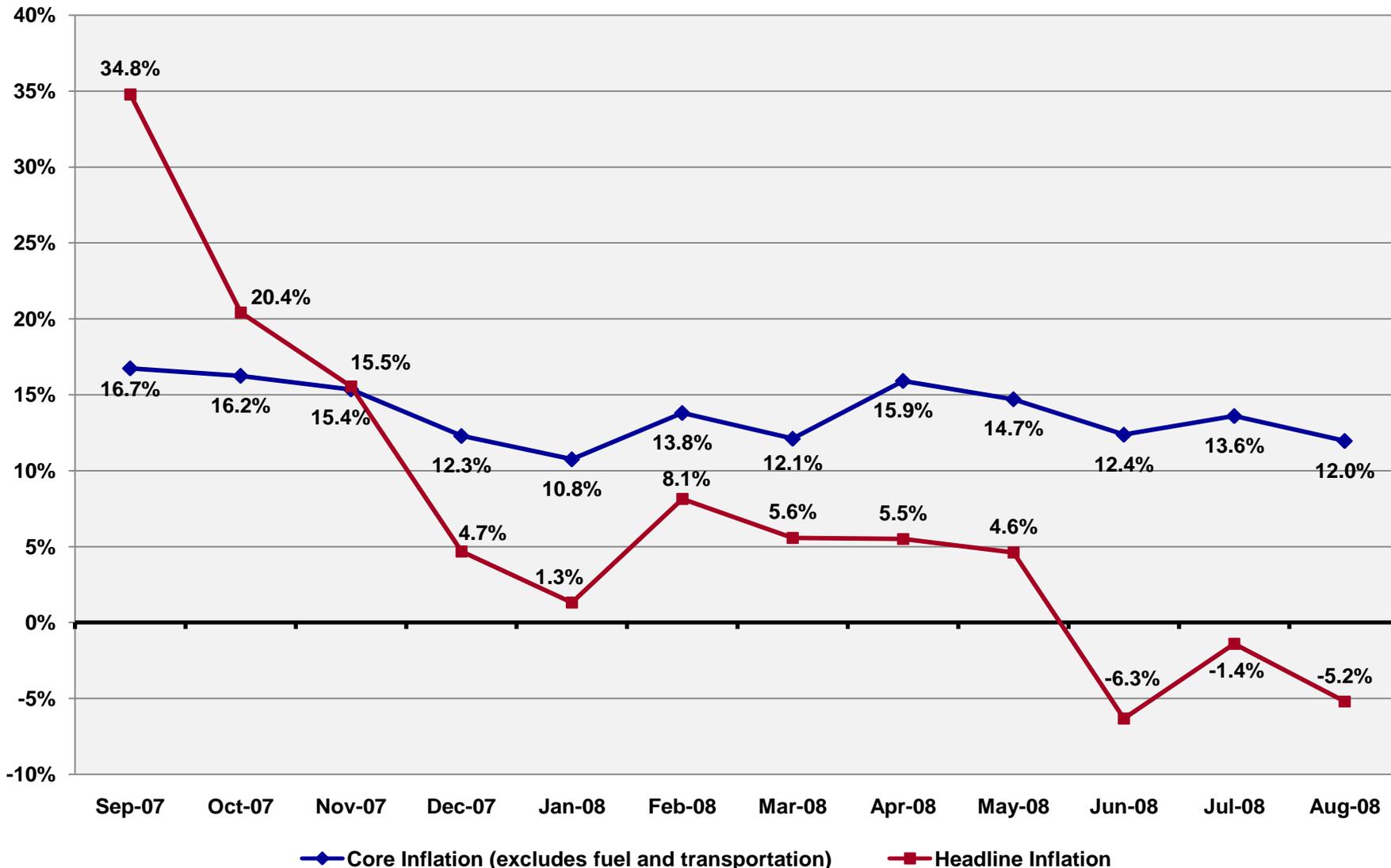


- Daily electricity demand September 9-15 was 9% above the same period last year. Daily supply from the grid was 5% below the year-earlier period and met 50% of demand, compared with 57% for the year-earlier period.
- Hours of power data are not available for the past week; they will be published when they become available.



ECONOMIC – Economic Indicators

Year-on-Year Inflation



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ECONOMIC – Economic Indicators

Economic Indicator	This Week	Last Week	Last Month	Last Year
Iraqi Commercial Bond Sales				
Price (USD)	\$73.26	\$74.40	\$74.05	\$62.82
Yield	8.67%	8.51%	8.56%	10.16%
Central Bank's USD Currency Auction				
USD Sold	\$116,603	\$114,249	\$114,366	\$66,957,492
NID Exchange Rate	\$1,182	\$1,185	\$1,187	\$1,254
Total Employed by USG Programs				
	123,354	124,064	130,661	N/A



ECONOMIC - Iraq Relief and Reconstruction Fund (IRRF) 1 and 2

Sector\Status (Millions of USD)	Allocated		Committed			Obligated			Disbursed		
	Allocated	Un-allocated	Last Week	Current	Change	Last Week	Current	Change	Last Week	Current	Change
Security and Law	\$4,960	\$17	\$4,937	\$4,937	\$0	\$4,943	\$4,937	-\$6	\$4,865	\$4,869	\$3
Justice and Civil Society	\$2,299	\$20	\$2,264	\$2,264	\$0	\$2,258	\$2,258	\$0	\$2,178	\$2,179	\$1
Electricity Sector	\$4,178	\$36	\$4,064	\$4,069	\$5	\$4,056	\$4,066	\$10	\$3,906	\$3,921	\$16
Oil Infrastructure	\$1,717	\$7	\$1,597	\$1,597	\$0	\$1,597	\$1,597	\$0	\$1,580	\$1,581	\$1
Water and Sanitation	\$2,054	\$21	\$1,980	\$1,977	-\$3	\$1,954	\$1,960	\$5	\$1,834	\$1,839	\$5
Transportation and Comm\	\$462	\$2	\$458	\$458	\$0	\$457	\$457	\$0	\$420	\$421	\$1
Roads, Bridges and Const\	\$320	\$8	\$282	\$282	\$0	\$283	\$282	-\$1	\$257	\$257	\$0
Health Care	\$810	\$9	\$790	\$790	\$0	\$778	\$779	\$1	\$741	\$742	\$1
Private Sector Development	\$838	\$1	\$820	\$820	\$0	\$820	\$820	\$0	\$814	\$814	\$0
Edu\, Refugees, Human Rights	\$470	\$0	\$434	\$434	\$0	\$431	\$431	\$0	\$409	\$409	\$0
Admin Expense (USAID,DoS)	\$220	\$0	\$218	\$218	\$0	\$218	\$218	\$0	\$208	\$208	\$0
Rescission	\$0	-\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total IRRF II	\$18,328	\$71	\$17,845	\$17,848	\$2	\$17,796	\$17,806	\$10	\$17,212	\$17,240	\$28
IRRF II Non-Construction	-	-	\$7,964	\$7,970	\$6	\$7,952	\$7,956	\$4	\$7,756	\$7,765	\$9
IRRF II Construction	-	-	\$9,362	\$9,358	-\$3	\$9,324	\$9,330	\$6	\$8,939	\$8,958	\$19
IRRF II Overhead	-	-	\$520	\$520	\$0	\$520	\$520	\$0	\$517	\$517	\$0
Total IRRF I	\$2,475	\$0	\$2,291	\$2,291	\$0	\$2,232	\$2,232	\$0	\$2,139	\$2,139	\$0
Grand Total IRRF I & II	\$20,803	\$71	\$20,136	\$20,139	\$2	\$20,028	\$20,038	\$10	\$19,351	\$19,379	\$28

Data as of the 18th of September 2008

Apportion amounts reflect those of the latest Executive Office of the President Report, published by the Office of Management and Budget. Committed, obligated and disbursed amounts reflect last numbers reported by each agency.



DIPLOMATIC – Political Engagement

Iraqis Imprisoned in Saudi Arabia Repatriated:

- According to Iraq's national security advisor, Mowaffaq al-Rubaie, the Governments of Iraq and Saudi Arabia have signed an agreement that will repatriate all Iraqi prisoners imprisoned in the kingdom. Approximately 434 Iraqis under Saudi custody will be released to Iraqi authorities. Rubaie described the Iraqi prisoners as drug traffickers who had crossed into Saudi Arabia illegally and other criminals including "terrorists." Rubaie acknowledged that the agreement must be approved by the Iraqi cabinet and parliament, but he added "It's a huge step forward in our relationship with Saudi Arabia."

Syria Names Its Ambassador to Iraq:

- On September 16, the Syrian state news agency reported that the Syrian government had named Nawaf Fares as its first ambassador to Baghdad since Iraq and Syria opened their respective embassies in 2006. Iraq has yet to name its Ambassador to Damascus.



DIPLOMATIC – Coalition Contributors

25 Countries with forces in Iraq (including US)

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

TOTAL ~ 6,900 Forces

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

*31 includes the US, the 24 countries listed above, and six non-MNF-I countries: Hungary, Italy, Netherlands, Portugal, Slovenia, Turkey

Note: Fiji and New Zealand, participating as a part of the UN Assistance Mission in Iraq (UNAMI), are not included.



CONTACT 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 2)

Slide 4:

- Reuters, September 14 <http://www.reuters.com/article/GCA-GCA-iraq/idUSLE52421220080914?pageNumber=1&virtualBrandChannel=0>
- AP, September 11, <http://wiredispatch.com/news/?id=341685>

Slide 5-6:

- Department of State, NEA/I Political Section, NEA-I-POL-DL@State.gov

Slide 7:

- Armed Forces Press Service- <http://www.defenselink.mil/news/newsarticle.aspx?id=51192>
- American Forces Press Service- <http://www.defenselink.mil/news/newsarticle.aspx?id=51196>

Slide 8:

- MNFI Press Release- http://www.mnf-iraq.com/index.php?option=com_content&task=view&id=22304&Itemid=1

Slide 9:

- MNFI Press Release- http://www.mnf-iraq.com/index.php?option=com_content&task=view&id=22363&Itemid=46

Slide 10:

- DoD Input to Iraq Weekly Status Report September 17, 2008

Slide 11:

- Reuters, September 10 - <http://www.reuters.com/article/bondsNews/idUSLA48227020080910?sp=true>

Slide 12:

- Forbes, Reuters, September 14 - <http://www.forbes.com/afxnews/limited/feeds/afx/2008/09/14/afx5421224.html>

Slide 13:

- Business Intelligence Middle East – September 10, <http://www.bi-me.com/main.php?id=24194&t=1&c=35&cg=4&mset=1011>

Slide 14:

- BBC – September 14, 2008, http://news.bbc.co.uk/2/hi/middle_east/7615795.stm



NOTES AND SOURCE CITATIONS (2 of 2)

Slide 15-17:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov

Slide 18:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov
- 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.

Slide 19:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov

Slide 20:

- Derived from Multiple Sources. (ITAO IMU Essential Indicators Report, Baghdad, 18 September 2008) (Bloomberg.org) (Central Bank of Iraq, Foreign Exchange Auction, CBiraq.org) (<http://www.cbiraq.org/C.B.I.%20FOREIGN%20EXCHANGE%20AUCTIONS.pdf>)

Slide 21:

- ITAO IMU Essential Indicators Report, Baghdad, 18 September 2008.

Slide 22:

- Reuters, September 15 - <http://www.reuters.com/article/GCA-GCA-iraq/idUSANS93382420080913>
- Washington Post - <http://www.washingtonpost.com/wp-dyn/content/article/2008/09/16/AR2008091601010.html>

Slide 23:

- DOD Input to Weekly Status Report, updated September 17, 2008