

A map of the Middle East region with Iraq highlighted in yellow. The surrounding countries are shown in a light tan color, and the Persian Gulf is shown in light blue. The text is overlaid on the map.

# **Iraq Weekly Status Report**

**August 22, 2007**

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



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

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## Highlights

### 1. **Defeat the Terrorists and Neutralize the Insurgents**

Multi-National Corps Commander, Lieutenant General Raymond Odierno, reported August 17 that the effects of Coalition surge operations and reconciliation efforts are beginning to pay off: total attacks are on a month-long decline and are at their lowest levels since August of 2006.

### 2. **Transition Iraq to Security Self-Reliance**

In addition to the Iraqi Army and National Police units conducting combat operations throughout Iraq, there are over 100,000 Iraqi police patrolling the streets, as well as several additional Iraqi Army units in the ongoing force generation process. On a monthly basis, Iraqi Security Forces average over 2,100 company or above operations, over 20,000 independent patrols and over 19,000 independent checkpoints.

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

A roadside bomb killed the governor of Muthanna province August 20, police said; the second assassination of a top provincial official in just over a week. Muthanna Governor Mohammed Ali al-Hassani was killed when the SUV he was riding in was struck by a bomb shortly after the convoy left his home in Rumaitha for his office in the provincial capital of Samawah. According to police, Hassani, his driver and a guard were killed. A curfew was immediately put into place for Samawah and new checkpoints erected. Police have blamed the assassination on the Mahdi Army.

### 4. **Help Iraq Build Government Capacity and Provide Essential Services**

The Ministry of Education (MoE) has prepared a new plan to renovate and rehabilitate more than 200 schools in Baghdad over the current year. General Director Fadhil Hassenain al-Ma'alsa reports that the staffs will continue implementing work specialized in construction, rehabilitation, and renovation of schools in Baghdad and other provinces.



## Highlights

### 5. Help Iraq Strengthen Its Economy

Iraqi Finance Minister Bayan Jabr announced August 17 that Iraq sold three mobile phone licenses for \$3.75 billion to Kuwait's Mobile Telecommunications Company (MTC), AsiaCell and Iraq's Korek Telecom. The three firms made the highest bids in an auction in Amman that began the day before.

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

U.S. military operations associated with the troop increase in Baghdad have boosted the number of detainees held in American facilities in Iraq to about 23,000, up 5,000 from four months ago, according to Army Colonel Mark Martins, a military lawyer in Iraq. That number represents an all-time high since the removal of the former regime in 2003.

### 7. International Support for Iraq

French Foreign Minister Bernard Kouchner reiterated his country's readiness to help stabilize Iraq during a series of talks with the country's leaders August 20. At a press conference after discussions with President Talabani in Baghdad, Kouchner stated that it was time for France, and Europe, to play a greater role in Iraq. He elaborated, stating, "France is ready to play a role in the fight against the violence."

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

U.S. President George W. Bush's remarks on the effectiveness of the Iraqi government prompted comments in the Arab media criticized what they described as the failure of U.S. policies in the war torn country.



## [1.] Defeat the Terrorists and Neutralize the Insurgency

### Coalition Surge Operations and Reconciliation Efforts Are Paying Off :

- Multi-National Corps Commander, Lieutenant General Raymond Odierno, reported August 17 that the effects of Coalition surge operations and reconciliation efforts are beginning to pay off:
  - Total attacks are on a month-long decline and are at their lowest levels since August of 2006.
  - Attacks against civilians are at a six-month low, and civilian murders in Baghdad are down over 50% since the onset of Operation Fard al-Qanun, reaching their lowest levels since just before the Samarra Golden Mosque bombing in February 2006.
  - IED attacks are on a two-month decline and have a 45% found-and-cleared rate. The number of found-and-cleared IEDs, vehicle-borne IEDs and caches is approximately 50% higher than the same period last year, due in large part to effective tips provided by concerned Iraqi citizens.



## [1.] Defeat the Terrorists and Neutralize the Insurgency

### Coalition & Iraqi Security Forces Gaining Tactical Momentum against al-Qaida in Iraq:

- ISF and Coalition forces killed or captured 17 senior al-Qaida in Iraq (AQI) leaders in July, including:
  - Six senior emirs in charge of geographic areas or functional activities;
  - Seven foreign terrorist or weapons facilitators;
  - Three cell leaders;
  - Two leaders of media and propaganda networks, including Khalid Mashhadani, the Media Emir for AQI.
- During the first half of August, ISF and Coalition forces killed or captured five AQI senior leaders from Mosul, Salah al-Din, Samarra, and Baghdad provinces including:
  - Safi, the Emir of Mosul;
  - Haythem Sabah al-Badri, the Emir of Salah al-Din and organizer of both bombings of the Golden Mosque in Samarra;
  - The Sniper Cell leader of Mosul;
  - The Emir of Samarra;
  - Deputy Emir of Karmah, responsible for the murder of 40 Iraqis.



## [1.] Defeat the Terrorists and Neutralize the Insurgency

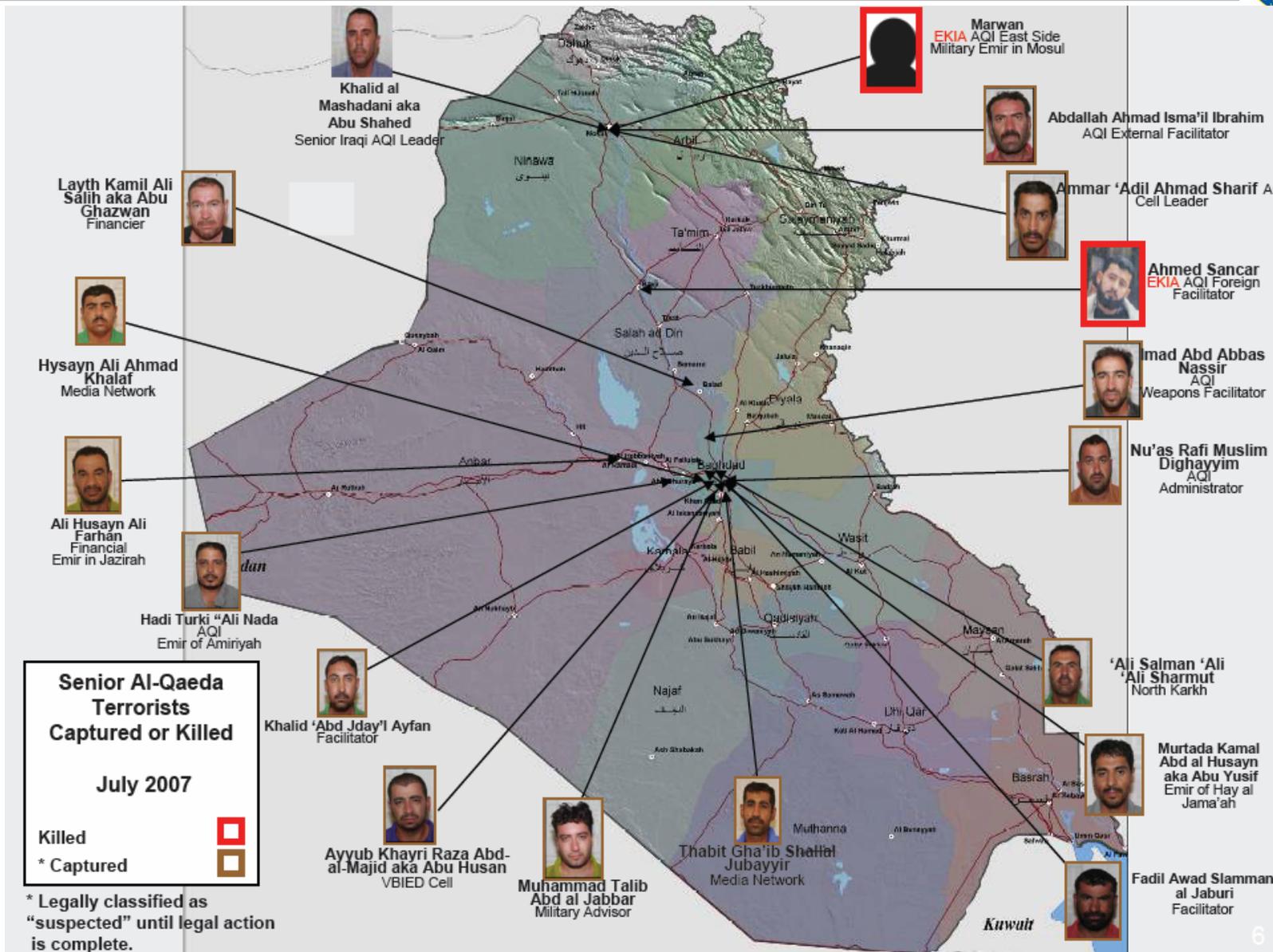
### Security Forces Have Conducted Operations Against Special Group Networks:

- Special Group networks, which are special Shia militia groups that are funded, trained, armed, and often directed by operatives of the Iranian Revolutionary Guard Corps Quds Force, continue to be a focus of Coalition forces (CF) and Iraq Security Forces (ISF) operations.
  - ISF and CF captured a Special Groups leader August 4 in Najaf who had facilitated cross-border training into Iran and had recruited individuals by paying them to place IEDs.
  - ISF and CF captured a Special Groups network leader August 5 who oversaw five terrorist groups in Baghdad.
  - ISF and CF operations in east Baghdad August 7 resulted in 30 Special Groups members killed and 12 detained. Additionally, they captured an eight-person kidnapping cell in Baghdad August 7.



# [1.] Defeat the Terrorists and Neutralize the Insurgency

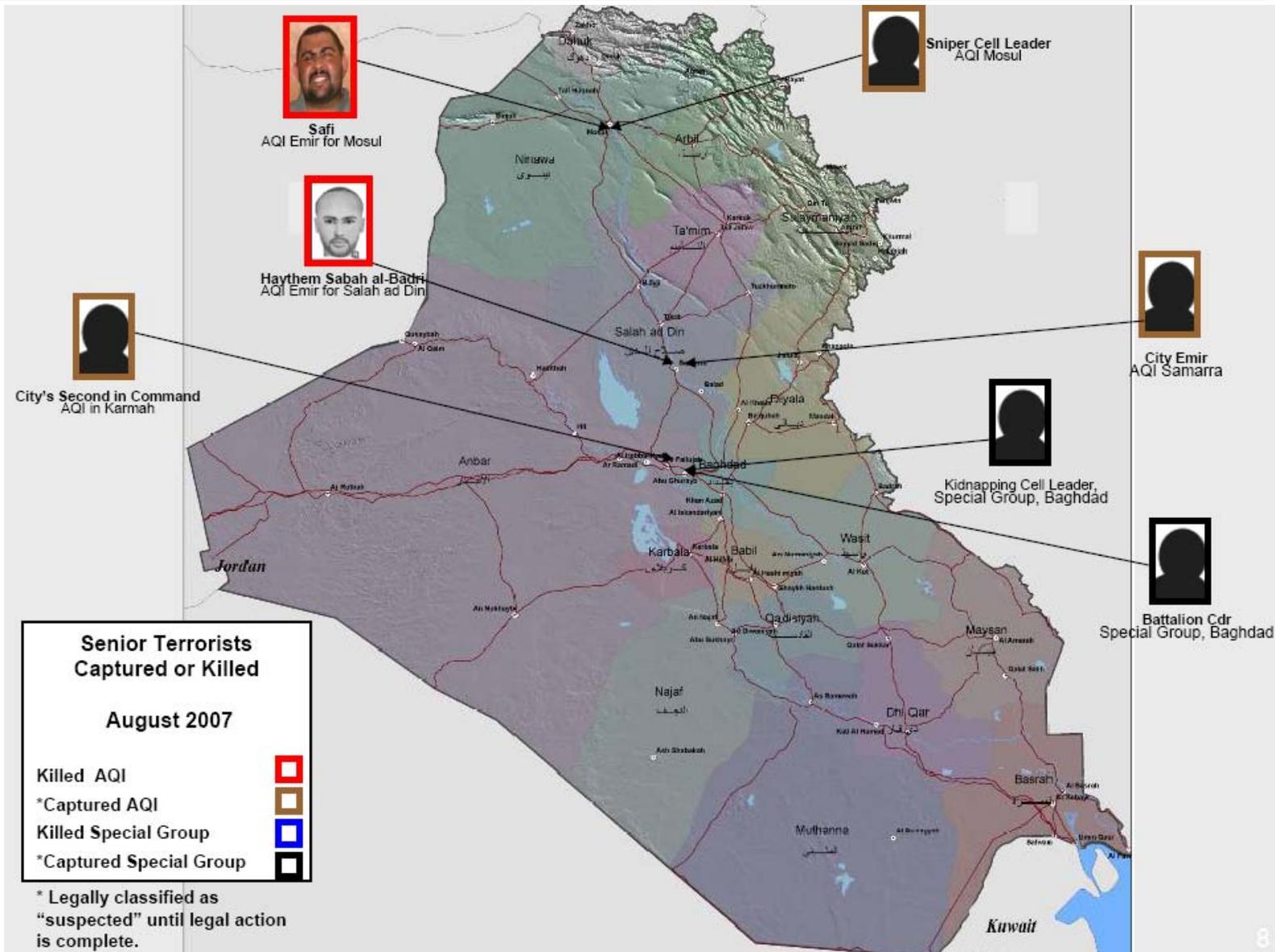
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# [1.] Defeat the Terrorists and Neutralize the Insurgency

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## [2.] Transition to Security Self-Reliance – Iraqi Security Forces

### Iraqi Security Forces Conducting Combat Operations:

- Multi-National Corps Commander, Lieutenant General Raymond Odierno, reported August 17 that although there are still challenges, the ISF are making significant, tangible progress. In addition to the Iraqi Army and National Police units conducting combat operations throughout Iraq, there are over 100,000 Iraqi police patrolling the streets, as well as several additional Iraqi Army units in the ongoing force generation process.
- On a monthly basis, the ISF average over 2,100 company or above operations, over 20,000 independent patrols and over 19,000 independent checkpoints.
- Recent ISF operational highlights include:
  - In early August, the 2nd Iraqi Army (IA) Division killed the al-Qaida in Iraq emir of Mosul in an independent operation.
  - During Operation Iraqi Defense in Tamim province late July, elements of 2nd and 3rd Brigades of the 4th IA Division neutralized two vehicle-borne IEDs, detained 40 insurgents and confiscated five additional vehicles.
  - During late July in al-Anbar province, 2nd Brigade, 7th IA Division conducted Operation Iraqi Lion, where they successfully interdicted multiple weapons caches and secured hundreds of mortar rounds, several kilograms of TNT, Katyusha rockets, hand grenades and many other forms of ammunition.



## [2.] Transition to Security Self-Reliance – Iraqi Security Forces

### Efforts to Improve the Iraqi National Police:

- In efforts to improve the National Police and reduce sectarian influence within the organization, Iraq's National Police Commander General Hussein has replaced all nine National Police brigade commanders over the past four to six months with command teams that equally represent the country's sectarian makeup. The commander has also fired 17 of 24 battalion commanders and re-trained battalions containing members with dubious allegiance to maintaining law and order in Iraq.
- Finally, Hussein enlisted help from a battalion of Italy's paramilitary police force, the Carabinieri, to train eight of his battalions over two months. Those eight battalions, in turn, will train other National Police battalions.

### Habbiniyah Police Graduation:

- 537 policemen graduated from the new Habbaniyah Police Training Center in al-Anbar province August 11, marking the first graduation since the center opened in June.



## [2.] Transition Iraq to Security Self-Reliance – Iraqi Security Forces

### Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	~135,000
NATIONAL POLICE	~ 26,300
OTHER MOI FORCES	~32,900
TOTAL	~194,200*

### Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	~163,500***
AIR FORCE	~900
NAVY	~1,100
TOTAL	~165,500**

### 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



#### Governor of Muthanna Assassinated:

- A roadside bomb killed the governor of Muthanna province August 20, police said, the second assassination of a top provincial official in just over a week. Muthanna Governor Mohammed Ali al-Hassani was killed when the SUV he was riding in was struck by a bomb about 9 a.m., shortly after the convoy left his home in Rumaitha for his office in the provincial capital of Samawah. According to police, Hassani, his driver and a guard were killed. A curfew was immediately put into place for Samawah and new checkpoints erected. Police have blamed the assassination on the Mahdi Army.

#### Ambassador Crocker Calls Iraqi Political Progress “Extremely Disappointing”:

- Ambassador Ryan Crocker told reporters August 21 that Iraqi political progress has been “extremely disappointing” and said that “It’s not just the issue of the Prime Minister, it’s the whole government that has to perform here. Our support is not a blank check.” Ambassador Crocker also expressed outrage regarding the escalation of political violence in the country, in the wake of the assassinations of two provincial governors in the span of two weeks.

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



#### Agenda for Political Summit Set:

- Iraq's leaders agreed on the agenda for a political leadership meeting called by Prime Minister Maliki in a bid to garner consensus on key issues facing the government August 20. The breakthrough came on the second day of preparatory talks involving the country's most senior political leaders, Vice President Tareq al-Hashimi said in a statement. "We reached agreement on a number of issues," the statement said. "The most important is the agenda for the summit and who will attend the meeting."
- Talks involving Prime Minister Maliki, President Jalal Talabani, Vice President Hashimi, Vice President Adel Abdel Mahdi, and KRG President Massud Barzani, began August 18 and continued into the following day, an official from Talabani's office said. No date has yet been set for the leadership meeting, but the official said it would probably take place "in a couple of days."



## [3.] Help Iraqis to Forge a National Compact for Democratic Government - Iraqi National Unity Government

<b>Deputy President</b> Tariq al-Hashimi	<b>President</b> Jalal Talabani	<b>Deputy President</b> 'Adil 'Abd al-Mahdi
<b>Deputy Prime Minister</b> Barham Salih	<b>Prime Minister</b> Nuri al-Maliki	<b>Deputy Prime Minister</b> Salam al-Zawba'i

(F) = Female  
\* Vacant

<b>Minister of Agriculture</b> *	<b>Minister of Communications</b> Muhammad Tawfiq Allawi	<b>Minister of Culture</b> *	<b>Minister of Defense</b> Abdul Qadir Muhammed Jasim	<b>Minister of Displacement &amp; Migration</b> Abd al-Samad Rahman Sultan	<b>Minister of Electricity</b> Karim Wahid
<b>Minister of Education</b> Khudayyir al-Khuza'i	<b>Minister of Environment</b> Narmin 'Uthman (F)	<b>Minister of Finance</b> Bayan Jabr	<b>Minister of Foreign Affairs</b> Hoshiyar Zebari	<b>Minister of Health</b> *	<b>Minister of Higher Education</b> Abd Dhiyab al-Ajili
<b>Minister of Human Rights</b> Wijdan Mikha'il (F)	<b>Minister of Industry &amp; Minerals</b> Fawzi al-Hariri	<b>Minister of Interior</b> Jawad al-Bulani	<b>Minister of Justice</b> Safa al Safi (acting)	<b>Minister of Housing &amp; Construction</b> Bayan Daza'l (F)	<b>Minister of Labor &amp; Social Affairs</b> Mahmud Muhammad Jawad al-Radi
<b>Minister of Oil</b> Husayn al-Shahristani	<b>Minister of Planning</b> Ali Baban	<b>Minister of Trade</b> Abd al-Falah al-Sudani	<b>Minister of Science &amp; Technology</b> Ra'id Fahmi Jahid	<b>Minister of Municipalities &amp; Public Works</b> Riyad Ghurayyib	<b>Minister of Transportation</b> *
<b>Minister of Water Resources</b> 'Abd al-Latif Rashid	<b>Minister of Youth &amp; Sports</b> Jasim Muhammad Ja'far	<b>Minister of State for Civil Society</b> Wijdan Mikha'il (acting)	<b>Minister of State for National Dialogue Affairs</b> Akram al-Hakim	<b>Minister of State for National Security Affairs</b> Shirwan al-Waili	
<b>Minister of State for Foreign Affairs</b> Rafi Hiyad al-Isawi	<b>Minister of State for Governorates Affairs</b> *	<b>Minister of State for Tourism and Antiquities</b> *	<b>Minister of State for Women's Affairs</b> Fatin Abd al-Rahman Mahmud (F)	<b>Minister of State for CoR Affairs</b> Safa al-Safi	



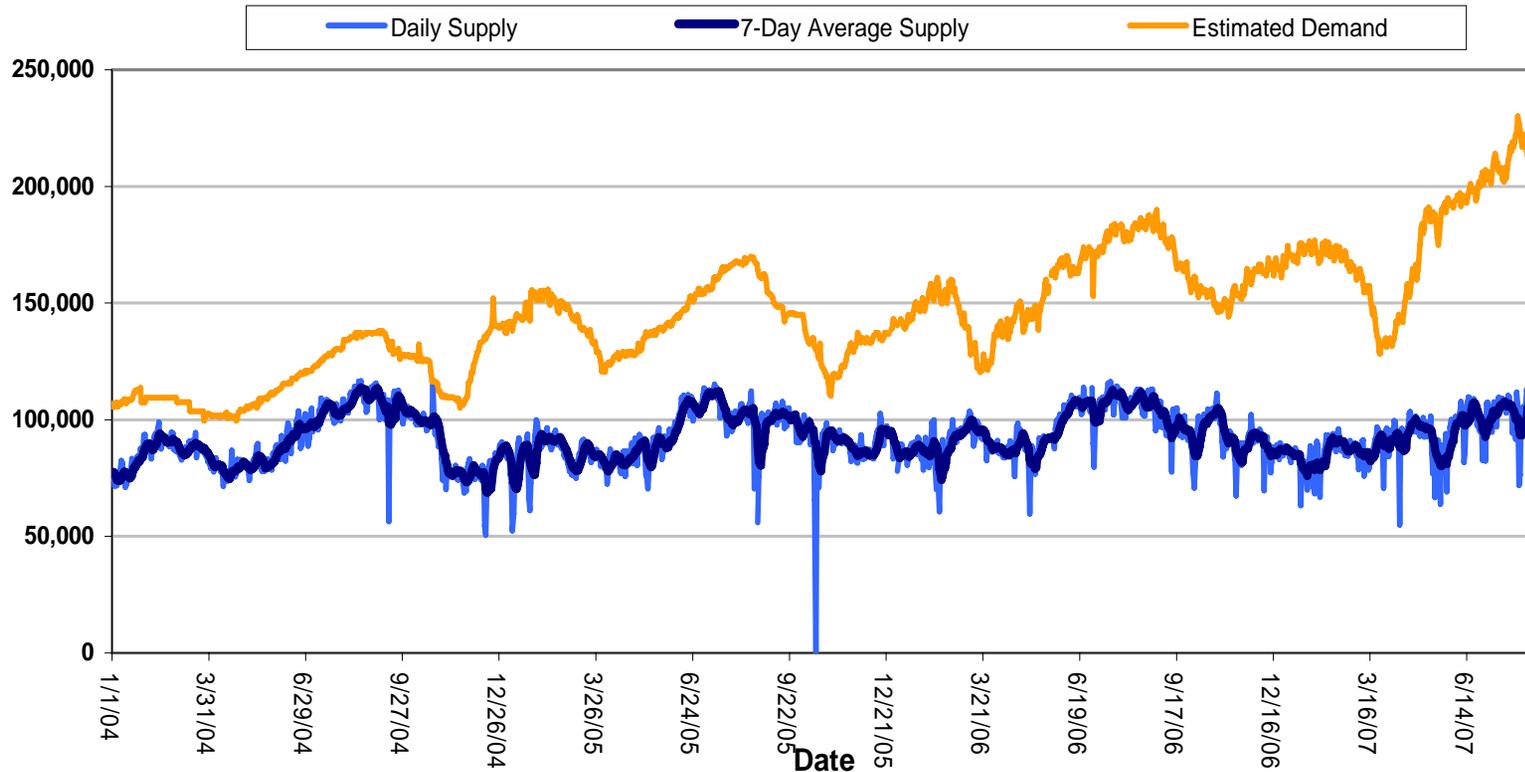
## [4.] Help Iraq Build Government Capacity and Provide Essential Services – Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

Sector	Apportioned	Committed			Obligated			Disbursed		
	Apportion	Last Week	Current	Change	Last Week	Current	Change	Last Week	Current	Change
Security and Law Enforcement	\$5,004.79	\$4,967.72	\$4,967.72	\$0.00	\$4,966.76	\$4,966.76	\$0.00	\$4,811.80	\$4,811.80	\$0.00
Electricity Sector	\$4,216.87	\$4,140.99	\$4,140.99	\$0.00	\$4,020.62	\$4,020.62	\$0.00	\$3,444.61	\$3,444.61	\$0.00
Oil Infrastructure	\$1,724.70	\$1,610.07	\$1,610.07	\$0.00	\$1,559.89	\$1,559.89	\$0.00	\$1,473.11	\$1,473.11	\$0.00
Justice, Public Safety and Civil Society	\$1,304.15	\$1,265.71	\$1,265.71	\$0.00	\$1,258.81	\$1,258.81	\$0.00	\$1,102.55	\$1,102.55	\$0.00
Democracy	\$998.35	\$997.34	\$997.34	\$0.00	\$997.34	\$997.34	\$0.00	\$967.19	\$967.19	\$0.00
Education, Refugees, Human Rights, Governance	\$409.84	\$399.76	\$399.76	\$0.00	\$399.76	\$399.76	\$0.00	\$371.18	\$371.19	\$0.01
Roads, Bridges and Construction	\$333.60	\$322.08	\$322.08	\$0.00	\$320.82	\$320.82	\$0.00	\$232.18	\$232.18	\$0.00
Health Care	\$815.55	\$770.68	\$770.68	\$0.00	\$761.54	\$761.54	\$0.00	\$683.85	\$683.85	\$0.00
Transportation and Communications	\$456.72	\$452.65	\$452.65	\$0.00	\$446.98	\$446.98	\$0.00	\$358.85	\$358.85	\$0.00
Water Resources and Sanitation	\$2,115.79	\$1,990.84	\$1,990.84	\$0.00	\$1,942.99	\$1,942.99	\$0.00	\$1,666.58	\$1,666.58	\$0.00
Private Sector Development	\$811.91	\$807.85	\$807.85	\$0.00	\$807.85	\$807.85	\$0.00	\$794.22	\$794.22	\$0.00
Admin Expense (USAID, STATE)	\$211.05	\$209.95	\$209.95	\$0.00	\$209.95	\$209.95	\$0.00	\$188.08	\$188.08	\$0.00
<b>Total</b>	<b>\$18,403.32</b>	<b>\$17,935.64</b>	<b>\$17,935.64</b>	<b>\$0.00</b>	<b>\$17,693.32</b>	<b>\$17,693.32</b>	<b>\$0.00</b>	<b>\$16,094.20</b>	<b>\$16,094.21</b>	<b>\$0.01</b>
IRRF II Construction	-	\$10,250.83	\$10,250.83	\$0.00	\$10,015.96	\$10,015.96	\$0.00	\$8,848.57	\$8,848.57	\$0.00
IRRF II Non-Construction	-	\$6,687.46	\$6,687.46	\$0.00	\$6,680.01	\$6,680.01	\$0.00	\$6,278.44	\$6,278.45	\$0.01
IRRF II Democracy	-	\$997.34	\$997.34	\$0.00	\$997.34	\$997.34	\$0.00	\$967.19	\$967.19	\$0.00
<b>IRRF I Total</b>	<b>\$2,473.30</b>	<b>\$2,473.30</b>	<b>\$2,473.30</b>	<b>\$0.00</b>	<b>\$2,232.3</b>	<b>\$2,232.3</b>	<b>\$0.00</b>	<b>\$2,139.00</b>	<b>\$2,139.0</b>	<b>\$0.00</b>
<b>Grand Total IRRF I &amp; II</b>	<b>\$20,876.62</b>	<b>\$20,408.94</b>	<b>\$20,408.94</b>	<b>\$0.00</b>	<b>\$19,925.62</b>	<b>\$19,925.62</b>	<b>\$0.00</b>	<b>\$18,233.20</b>	<b>\$18,233.21</b>	<b>\$0.01</b>

## [4.] Help Iraq Build Government Capacity and Provide Essential Services – Electricity Overview



### Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004



- Daily electricity demand August 14-20 was 19 percent above the same period in 2006. Daily supply from the electricity grid was nine percent below 2006; it met 44 percent of total electricity demand, compared with 57 percent for the year-earlier period.
- Average hours of power via electricity grid after meeting demand from essential services: Baghdad 6.1 and nationwide 9.6. Year-ago levels were Baghdad 6.1 and nationwide 10.9.

## [4.] Help Iraq Build Government Capacity and Provide Essential Services – **Provision of Essential Services**



### Education:

- The Ministry of Education (MoE) has prepared a new plan to renovate and rehabilitate more than 200 schools in Baghdad over the current year. General Director Fadhil Hassenain al-Ma'alsa reports that the staffs will continue implementing work specialized in construction, rehabilitation, and renovation of schools in Baghdad and other provinces.

### Electricity:

- The rehabilitation of the U.S.-funded 132-kilovolt substation at the port of Khor al-Zubar in Basrah province will provide a reliable power source to the area. The project will help correct power distribution problems in the system by relieving some of the load currently carried by the Umm Qasr substation, servicing about 180,000 people.



## [4.] Help Iraq Build Government Capacity and Provide Essential Services

### – Government Capacity

#### Babil Progress:

- Research Triangle Institute/Local Government Program (RGI/LTP) met with the Strategic Planning Board to revise the draft of the Provincial Development Strategy and to identify goals for the service sector which includes departments of health, electricity, and telecommunications. The LGP hopes to have the plan revised by the end of August.
- Engineers from the departments of Urban Planning, Sewage, Electricity Distribution and Telecommunications recently participated in a 14-day capacity building session on the use of the latest engineering software applications which will lead to improvements in the delivery of basic services. The training included hands on practice and site visits.
- PRT moved forward with the DG of Agriculture on finalizing plans for the upcoming INMA conference to be held on August 22. The conference will also feature an Iraqi presentation of the agriculture situation in the region to be followed by a series of discussions on how INMA can best help the region.

#### Budget Execution:

- The Kirkuk Province has obligated \$64.3B Iraqi Dinar or 56.4% of its 2007 Budget. The province has awarded 324 contracts, with 97 awaiting the Governor's signature. Most of the projects are in the education, water, and electricity sectors.



## [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 17 closed with the following prices:
  - Basrah Light at \$65.48/ barrel
  - WTI Cushing at \$72.062/ barrel
  - Dated Brent at \$69.944/barrel
  - Oman/Dubai at \$66.496/barrel

### Employment Update:

Employment Program	Iraqis Last Week	Iraqis This Week	% Change
Gulf Region District (GRD) (Includes MILCON/OMA)	24,576	24,576	0.00%
US Agency for International Development (USAID)	81,202	81,202	0.00%
Commander's Emergency Response Program (CERP)	3,678	3,678	0.00%
Multi-National Security Transition Command-Iraq (MNSTC-I)	11,664	11,015	-5.56%
Grand Total	121,120	120,471	-0.54%

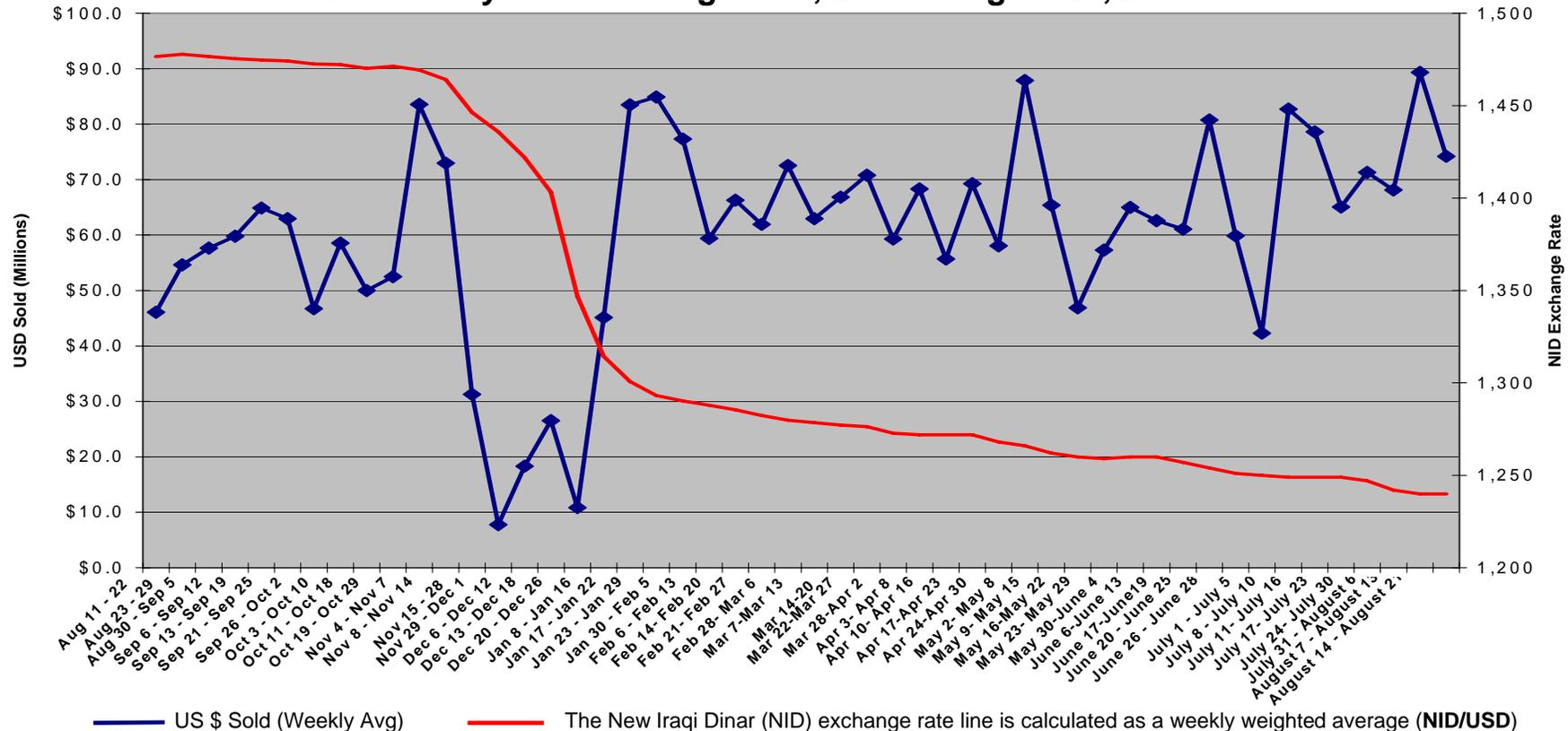


# [5.] Help Iraq Strengthen Its Economy - Banking Sector

## 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 signs that this effort has begun to bear fruit, as year-to-date inflation is 4.8%, and the year-on-year inflation rate was 30.2% in July. This decline in the rate of inflation may be temporary, however, 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 11, 2006 – August 21, 2007**



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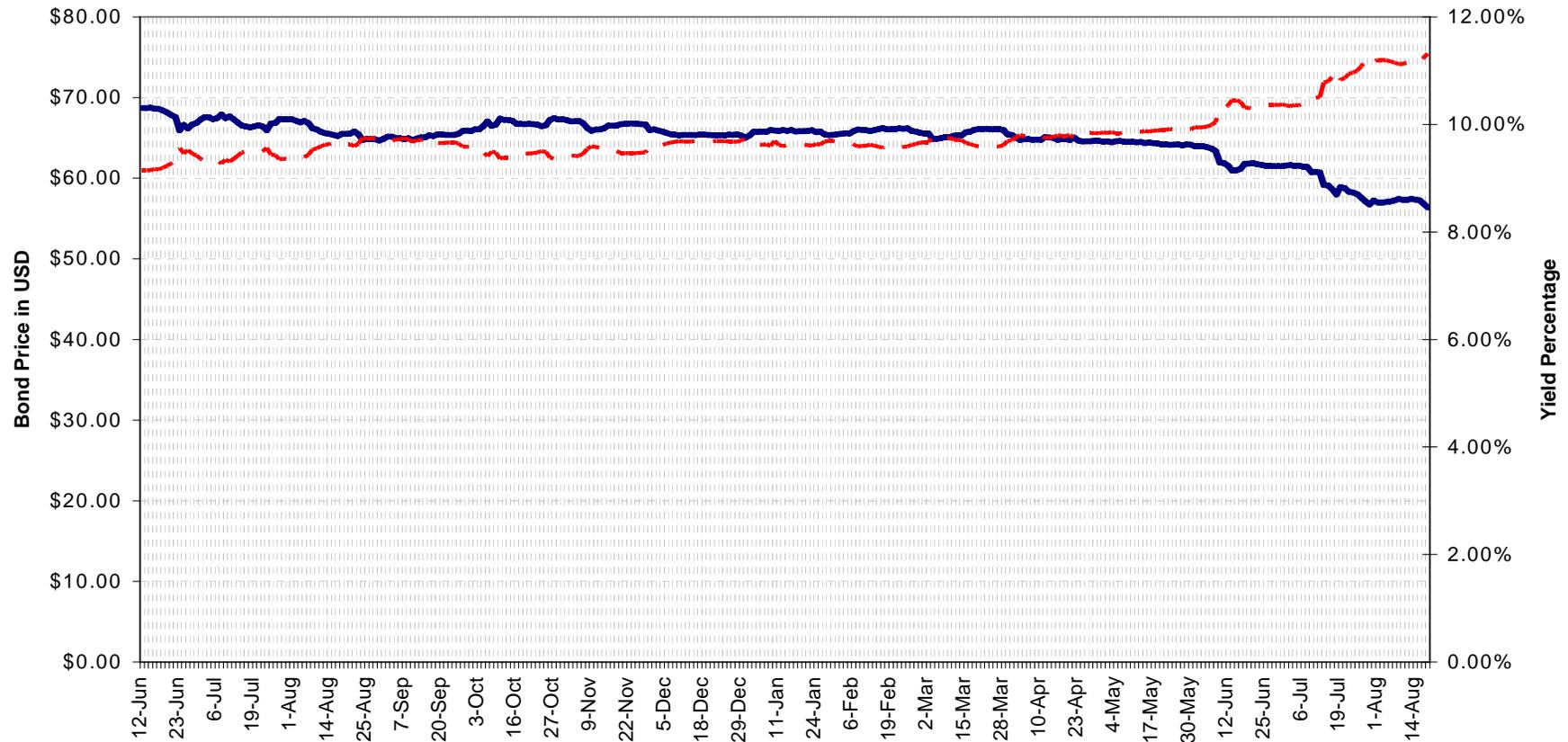


## [5.] Help Iraq Strengthen Its Economy – Securities Markets

### 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.

### Iraqi Commercial Bond Sales June 12, 2006 - August 17, 2007



Trading High = \$73.98 (January 24)

Trading Low = \$64.66 (August 30)



## [5.] Help Iraq Strengthen Its Economy – Economic Events

### Deputy Prime Minister Salih Convenes Provincial Economic Development Workshop:

- On August 15, a workshop at which officials from the provincial governments representing Babil, Dhi Qar, Wasit, and al-Muthanna along with ministerial officials from the central government were present, was held to discuss economic growth and development in these provinces. The workshop was open to the press, and provided a rare opportunity for provincial officials to discuss with the central government its views concerning economic growth and development. Deputy Prime Minister Barham Salih used the workshop to announce the rollout to the provinces of a microlending program, which has seen initial success in Baghdad.
- The provincial officials cited a Byzantine bureaucracy, corruption, and most importantly the ongoing problems with electricity generation as key challenges to economic growth. There was much discussion on corruption -- some officials complained, on the Public Distribution System, that certain provinces were hoarding food supplies to the detriment of others. Salih stated that the doors to the ministries in Baghdad were open to the provinces, and encouraged them to raise issues as they come up.



## [5.] Help Iraq Strengthen Its Economy – Economic Events

### Iraq Sells Three Mobile Licenses for \$3.75 Billion:

- Iraqi Finance Minister Bayan Jabr announced August 17 that Iraq sold three mobile phone licenses for \$3.75 billion to Kuwait's Mobile Telecommunications Company (MTC), AsiaCell and Iraq's Korek Telecom. The three firms made the highest bids in an auction in Amman that began the day before.
- The 15-year licenses replace three short-term contracts awarded soon after the removal of the former regime in 2003. Iraqi mobile use rose from virtually nothing in 2003 to 8 million out of a population of 26 million at the end of 2006, according to officials.

### Treasury, Deputy Prime Minister Host Budget Workshops for Ministries and Provinces:

- The U.S. Treasury Department and the office of GOI's Deputy Prime Minister conducted two Investment Budget Execution workshops for 59 Iraqi government officials in Amman on July 29 and August 5. The curriculum covered the full spectrum of existing Iraqi budget execution processes and regulations. The workshops were aimed at Iraqi practitioners. The first workshop was attended by central ministry officials; the second by provincial officials drawn from 12 governorates.

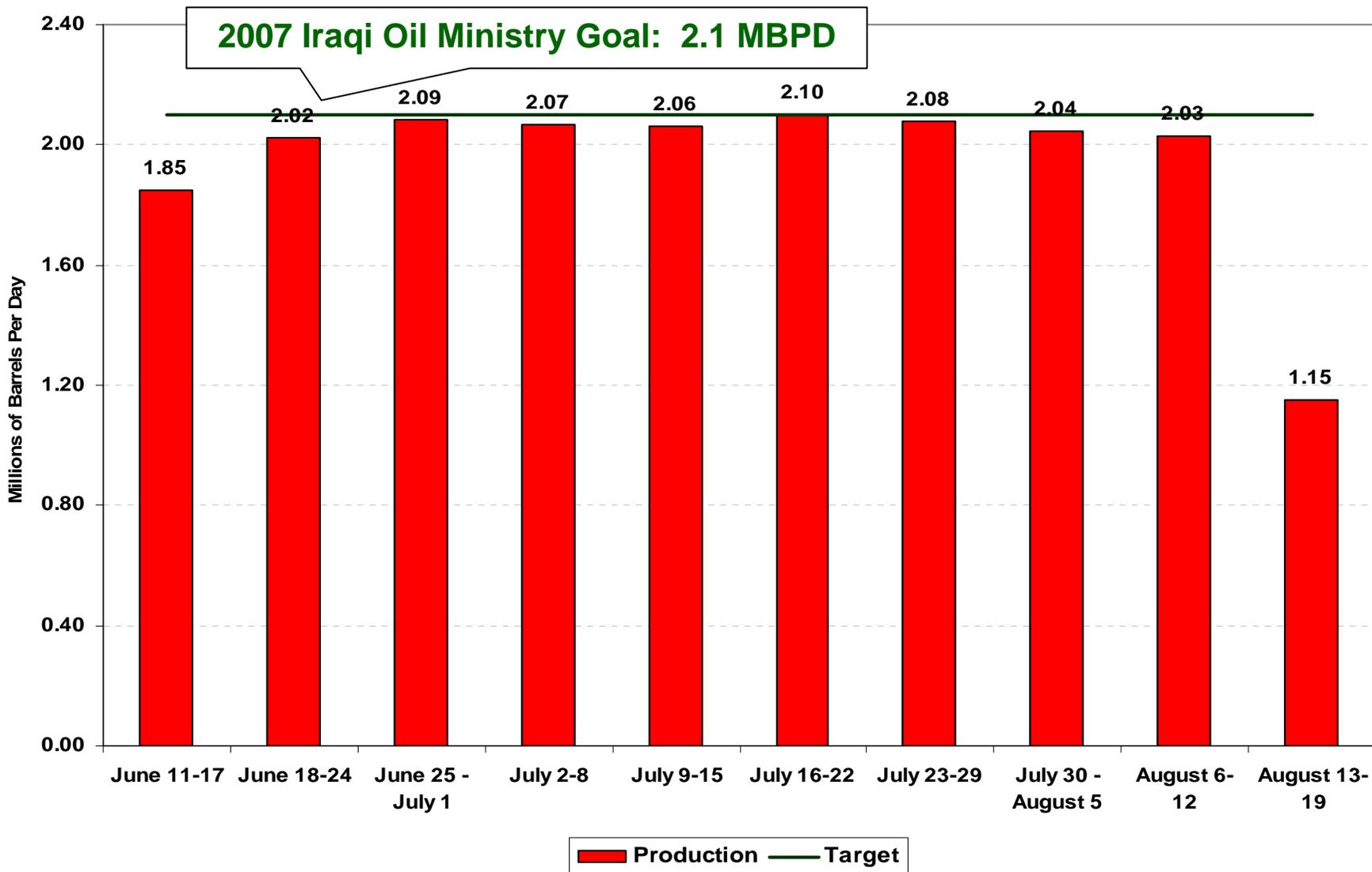
### Overall Inflation Decreases in July:

- Iraq's Ministry of Planning and Development Cooperation's Consumer Price Index for July shows that the overall inflation rate was -3.4% for the month, putting year-to-date inflation at 4.8% through July. This decrease was largely due to declines in food (-5.25%) and fuel (-9.0%) prices. The year-on-year overall inflation rate decreased from 46.1% in June to 30.2% in July.



# [5.] Help Iraq Strengthen Its Economy – Crude Oil Production

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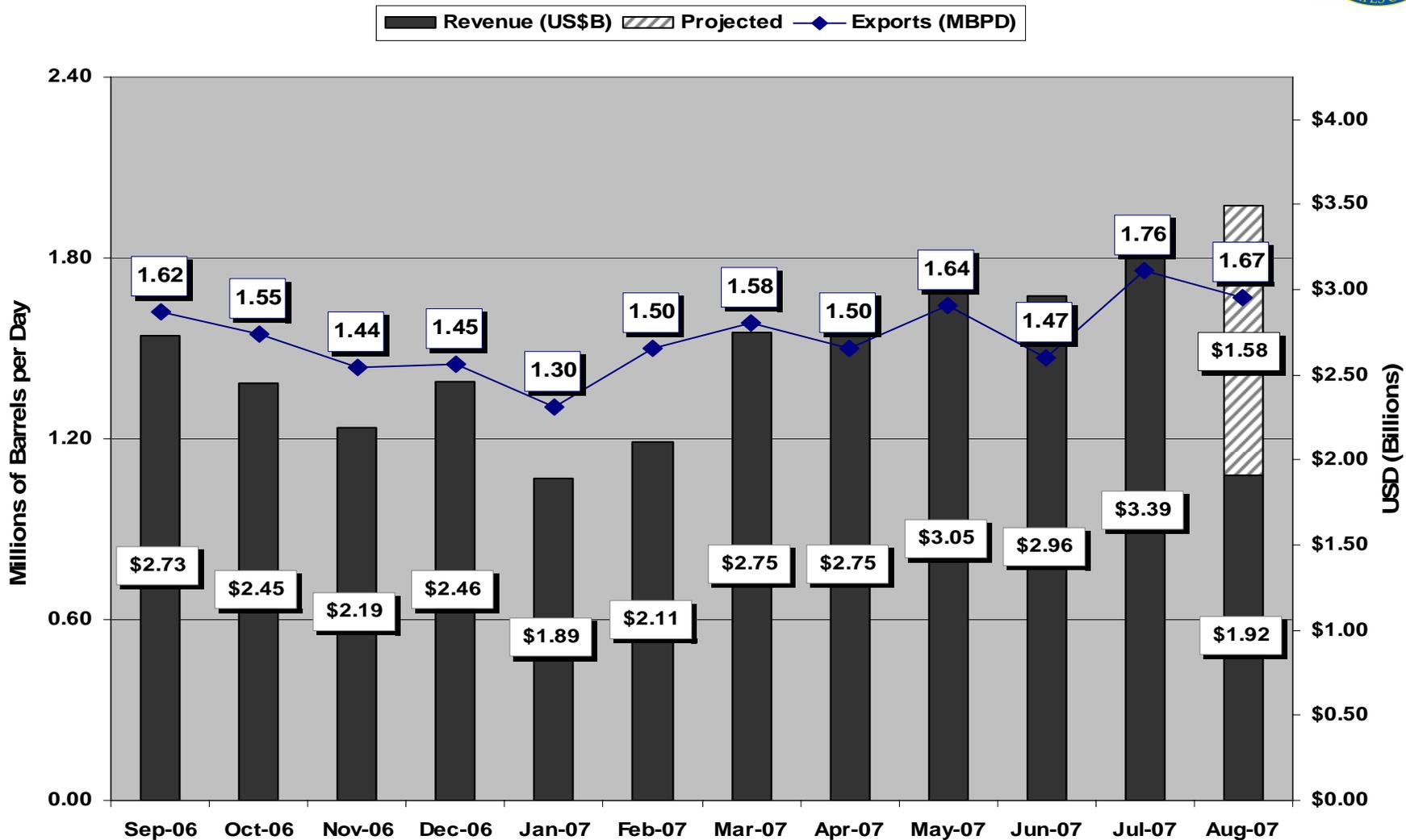


Power outages on August 16 and 17 affected crude oil production.



# [5.] Help Iraq Strengthen Its Economy – Crude Oil Export

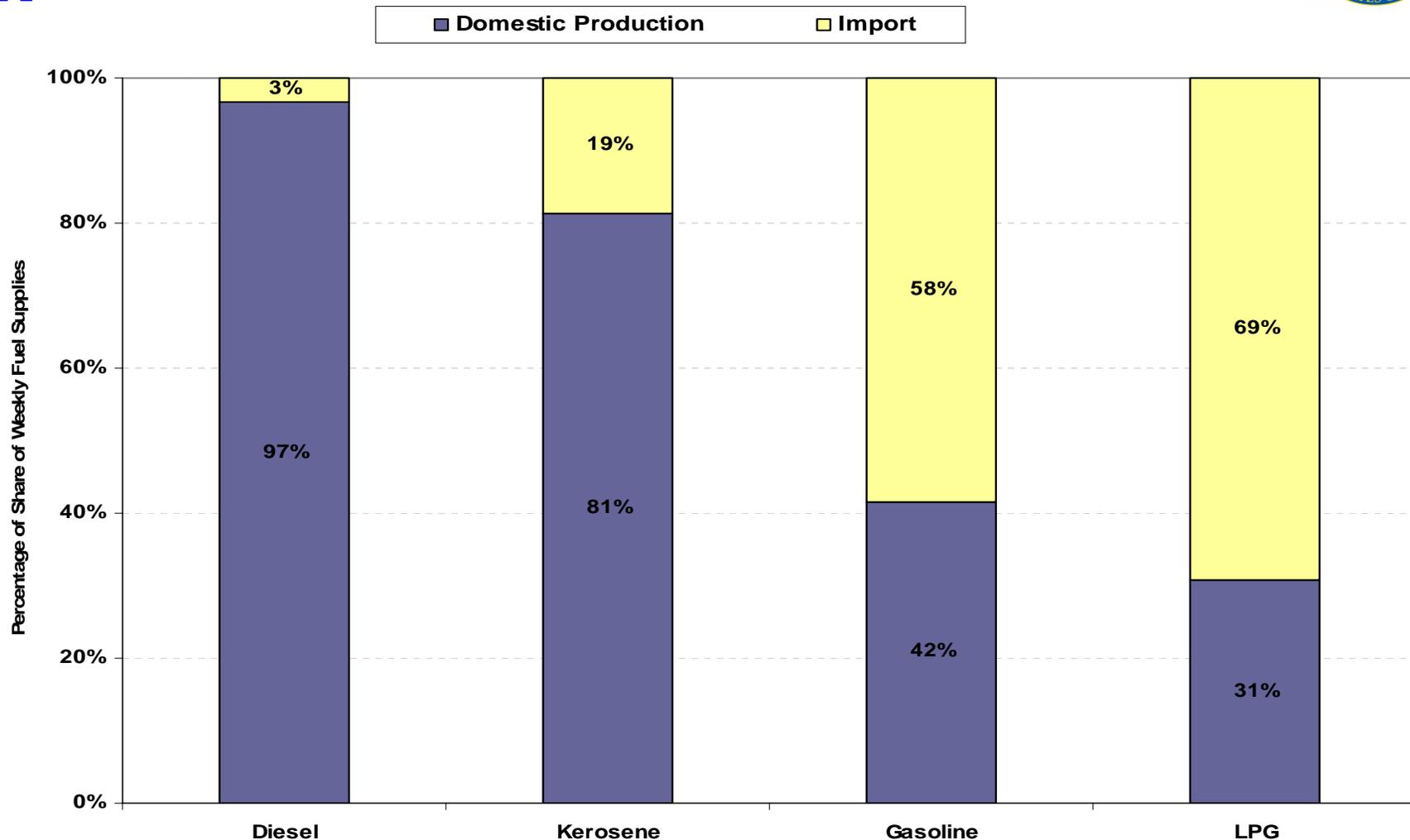
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- 2006 Revenue Estimate: \$31.3 Billion
- 2007 Revenue Estimate: \$20.8 Billion (Year to Date)



# [5.] Help Iraq Strengthen Its Economy – Total Critical Refined Product Supplies

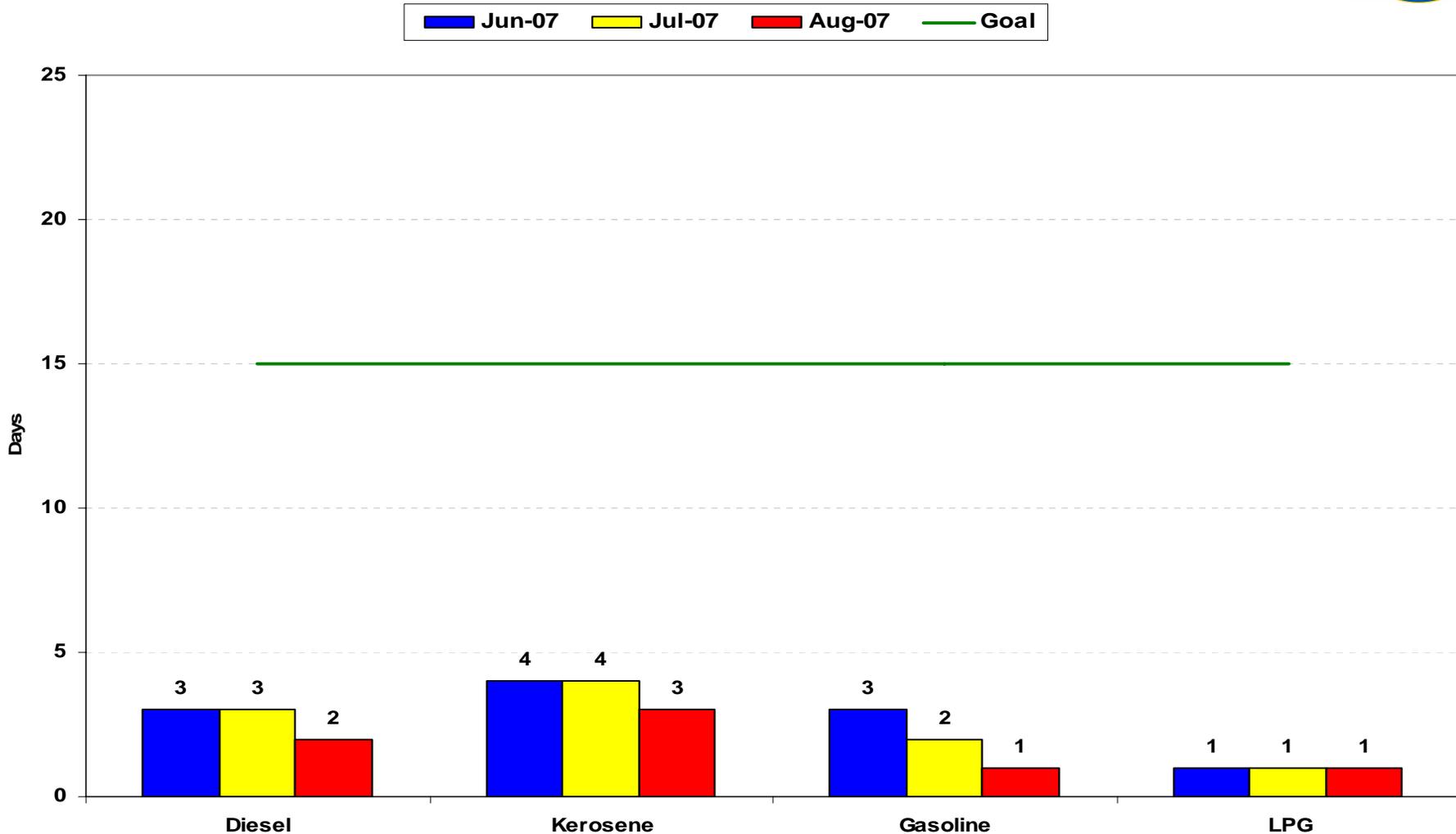


Note: This is a daily average for August 13 – 19

- Diesel: 5.5 ML supply of 24.5 ML target
- Kerosene: 3.4 ML supply of 11.1 ML target
- Gasoline: 10.5 ML supply of 23.1 ML target
- LPG: 1,651 tons supply of 5,100 tons target



## [5.] Help Iraq Strengthen Its Economy – National Stock Levels



- 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— Rule of Law



### Iraqi Official Vows To Improve Prisons:

- Iraqi Sunni Vice President Tariq al-Hashimi promised better treatment and a review for the inmates crowding the country's prison system in a video released August 18. During his visit to the Rusafa Prison Complex in eastern Baghdad, Hashimi said his moderate Sunni party was working to improve prison conditions and to free the innocent, though the party has not taken part in the Cabinet since August 1. Shiite Vice President Adel al-Mahdi also visited the prison with Hashimi. Hashimi told inmates that authorities were working to speed up a resolution of their cases. Deputy Justice Minister Busho Ibrahim said the Rusafa Complex had been opened to relieve the overwhelmed prison system.

### Anbar Police Inaugurate Police Intelligence Fusion Center :

- The Iraqi Police in Anbar inaugurated the Police Intelligence Fusion Center in Ramadi this week. The center functions as the heart of a computer infrastructure that will eventually link every police district in Anbar, and host a provincial data base on criminal and terrorist activity. The consolidation of provincial criminal information represents a major advance for police analytical capabilities in Anbar and will add momentum to Anbar's dramatic improvement in security conditions.

## [6.] Help Iraq Strengthen the Rule of Law and Promote Civil Rights– Rule of Law



### “Surge” Has Led To More Detainees:

- U.S. military operations associated with the troop increase in Baghdad have boosted the number of detainees held in American facilities in Iraq to about 23,000, up 5,000 from four months ago, according to Army Colonel Mark Martins, a military lawyer in Iraq. That number represents an all-time high since the arrival of U.S. forces in Iraq in 2003. Iraqi security forces have picked up 4,052 detainees during the increase, bringing the overall number of security detainees now held in Iraqi prisons to 60,000, said Judge Abdul Satar Bayrkdar, spokesman for the Iraqi Higher Judicial Council. About 1,100 of those picked up since the increase began were later released for lack of evidence, while the rest were transferred to the criminal court system.



## [7.] Increase International Support for Iraq – **Developments**

### French Foreign Minister Pledges Support to Iraq:

- French Foreign Minister Bernard Kouchner reiterated his country's readiness to help stabilize Iraq during a series of talks with the country's leaders August 20. At a press conference after discussions with President Talabani in Baghdad, Kouchner stated that it was time for France, and Europe, to play a greater role in Iraq. He elaborated, stating, "France is ready to play a role in the fight against the violence."
- Kouchner arrived in Iraq August 19 for a three-day visit, the first by a French official to Iraq since the U.S.-led invasion of March 2003.

### Iraqi Prime Minister Maliki Arrives in Syria for Discussions:

- Prime Minister Maliki arrived in Syria August 20 for talks on trade, security and refugees on his first trip to the country since taking office early last year. Maliki, accompanied on the three-day visit by his ministers of oil, trade, interior and water resources, was to meet with President Bashar al-Assad, Vice President Faruq al-Shara and Foreign Minister Walid Muallem. Talks are to focus on reactivating commercial agreements that pre-date the Coalition's removal of the former regime in 2003, the reopening of an oil pipeline between the two countries, and security issues. Maliki is also due to discuss the plight of the 1.5 million Iraqis who have sought refuge in Syria.



## [7.] Increase International Support for Iraq – **Developments**

### Jordan Rules Out Move to Hand Over Saddam's Eldest Daughter:

- Jordan ruled out any move to hand over Saddam Hussein's eldest daughter Raghad August 20, who is wanted by the Iraqi government on suspicion of terrorism. "Her presence in Jordan is motivated by humanitarian considerations, and she does not practice any political or media-related activities," government spokesman Nasser Jawdeh told a press briefing. Iraq asked for Jordan's cooperation to arrest Raghad August 18 after the international police organization Interpol issued a wanted "Red Notice" against Saddam's 38-year-old daughter.

### Iranian President Planning Trip to Iraq:

- Iranian President Mahmoud Ahmadinejad is planning to make his first visit to Iraq, the highest level trip by an Iranian leader since the fall of Saddam Hussein. Foreign Minister Manouchehr Mottaki said Iraqi Prime Minister Maliki invited Ahmadinejad after he visited Tehran earlier this month, according to media reports.



## [7.] Increase International Support for Iraq – Contributors to Iraqi Stability Operations

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

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

**TOTAL ~ 11,685 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**



### Arab Media Criticizes Bush's and Maliki's Remarks:

- U.S. President George W. Bush's remarks on the effectiveness of the Iraqi government prompted comments in the Arab media criticized what they described as the failure of U.S. policies in the war torn country.
- Commenting in the pan-Arab daily al-Hayat, an influential paper in the region, analyst Zuhair Qusaybati described the American and Iraqi leaders' remarks as a reflection of "feeble discourse, failure and depression in Washington and confusion in Baghdad over its destiny, with no sign of hope for a solution."

### Threats against journalists in Basra – JFO:

- The Journalistic Freedom Observatory (JFO) expressed deep concern August 20 over violations against journalists in Iraq, mainly in Basrah, noting several reporters were killed and many received threats without launching any investigation on these issues.



## 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](mailto:NEA-I-IPOG-DL@state.gov)



## Notes and Source Citations (1 of 3)

- DEPARTMENT OF STATE
- Slide 5:
- August 15, 2007 – MNF-I – BG Bergner Briefing Slides
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- August 15, 2007 – MNF-I – BG Bergner Briefing Slides
- Slide 7:
- August 15, 2007 – MNF-I – BG Bergner Briefing Slides
- Slide 8:
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- August 15, 2007 – MNF-I – BG Bergner Briefing Slides
- Slide 10:
- August 17, 2007 - Pentagon Press Briefing – MNF-I
- Slide 11:
- August 18, 2007 – The Advisor – MNSTC-I
- Slide 12:
- DoD Input to Iraq Weekly Status Report August 22, 2007
- Slide 13:
- August 20, 2007 - Associated Press - [http://news.yahoo.com/s/ap/20070820/ap\\_on\\_re\\_mi\\_ea/iraq](http://news.yahoo.com/s/ap/20070820/ap_on_re_mi_ea/iraq)
  - August 21, 2007 - AFP - [http://news.yahoo.com/s/afp/20070821/wl\\_mideast\\_afp/iraq](http://news.yahoo.com/s/afp/20070821/wl_mideast_afp/iraq)
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- Slide 15:
- NEA Political Section, NEA-I-POL-DL@state.gov
- Slide 16:
- ITAO Weekly Report, August 22, 2007
- Slide 17:
- 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 18:

- 21 August 2007 – Iraq Updates (Al-Sabaah) – [www.iraqupdates.com/p\\_articles.php/article/20850](http://www.iraqupdates.com/p_articles.php/article/20850)
- 21 August 2007 – Iraq Updates (PortAl Iraq) – [www.iraqupdates.com/scr/preview.php?article=20887](http://www.iraqupdates.com/scr/preview.php?article=20887)

Slide 19:

- August 19, 2007 – PRT Weekly Summary
- August 19, 2007 – PRT Weekly Summary

Slide 20:

- 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 21:

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

Slide 22:

- Iraqi Bond Prices are sourced from Bloomberg

Slide 23:

- August 17, 2007 – Baghdad OI

Slide 24:

- August 17, 2007 – Reuters - <http://investing.reuters.co.uk/news/articleinvesting.aspx?type=media&storyID=nL17610993>

Slide 25:

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



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- August 19, 2007 – Reuters - [http://www.boston.com/news/world/middleeast/articles/2007/08/19/iraqi\\_official\\_vows\\_to\\_improve\\_prisons/](http://www.boston.com/news/world/middleeast/articles/2007/08/19/iraqi_official_vows_to_improve_prisons/)
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- August 20, 2007 - AFP - [http://news.yahoo.com/s/afp/20070820/wl\\_afp/franceiraqdiplomacy](http://news.yahoo.com/s/afp/20070820/wl_afp/franceiraqdiplomacy)
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- August 20, 2007 - AFP - [http://news.yahoo.com/s/afp/20070820/wl\\_mideast\\_afp/iraniraqdiplomacy\\_070820083015;\\_ylt=AnTIX4wZr4FIhcwarp22euCaOrgF](http://news.yahoo.com/s/afp/20070820/wl_mideast_afp/iraniraqdiplomacy_070820083015;_ylt=AnTIX4wZr4FIhcwarp22euCaOrgF)

Slide 33:

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

Slide 34:

- August 23, 2007 – IHT - <http://www.iht.com/articles/ap/2007/08/23/africa/ME-GEN-Iraq-Bush-Arab-Media.php>
- August 21- Iraq Updates - [http://www.iraqupdates.com/p\\_articles.php/article/20873](http://www.iraqupdates.com/p_articles.php/article/20873)