

WEEKLY HOLDS UPDATE

Week 25 January – 01 February 2002

Prepared by: Office of Iraq Programme
Contracts Processing & Monitoring Division (CPMD)

HIGHLIGHTS

- **The value of releases increase but still lower than new holds**
- **Holds for end-use/user information still very high, include US\$43.0 million contract for cars**
- **A US\$21.8 million application in electricity sector released**
- **First application in phase XI placed on hold**

1. The holds stand at **US\$5,226.8 million** this week, to include US\$307.6 million in “inactive hold” category. The grand total has increased by some US\$80.0 million in comparison to the previous week’s total of US\$5,146.8 million.

2. As of last week, there were 222 applications worth some US\$342.7 million in the category of inactive holds. This week the value and number of applications in this category are similar but lower and stand at **216 applications worth US\$307.6 million**. At the same time, the number of applications for which a feedback from the holding mission is due in excess of 60 days has rose again and now stands at **558 applications worth US\$1,791.0M** (525 worth US\$1,733.0M previous week).

3. The total number of 59% account applications on hold (“active”) is **1,820 (to include 1,264 humanitarian and 556 oil spare parts applications)** or 49 more than 1,771 last week. The relative value of holds has increased slightly in comparison to last week with **19.0 percent** of the total value circulated to the Committee or **14.8 percent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists (18.8 and 14.6 respectively during the previous week).

4. **GENERAL TRENDS:** While holds continue to rise in both absolute and relative terms, increase in releases was registered as well. It is encouraging that some of the releases are based on additional information provided, as the lack of feedback is the most pronounced problem currently experienced in the area of holds. At the same time, holds of vehicles, mobile equipment and related items for end-use/user information continued, with fresh concerns over the use of already delivered items in this category raised in the 661 Committee.

5. **A NUMBER OF APPLICATIONS AGAIN PLACED ON HOLD FOR END-USE/USER INFORMATION:** The observed trend of holds for end-use/user information has continued with 34 of 63 applications placed on hold containing end-use/user information as, at least, a part of the reason for hold. In 17 of 34 cases, end-use/user information was the only reason for hold. This category included a single largest application placed on hold last week – comm. 1000574 containing \$42.7M of saloon cars. The goods in this category this week are the same -- vehicles, heavy machines, mobile equipment – and included the following comms:

1000574(T)	\$42.7M	Saloon cars	Specs on parts, EU/EU
901987(WS)	\$16.5M	Land Cruiser	Detailed EU/EU

902006(E)	\$ 9.36M	Trucks	Detailed EU/EU info
1001612(T)	\$ 8.07M	Mobile Workshop	Specs on welders, pumps, EU/EU
1001139(T)	\$ 6.87M	Cars	Specs on pumps, cars, EU/EU
1001663(E)	\$ 5.58M	Cars	Detailed EU/EU info
1001672(A)	\$ 4.73M	Mixer Trucks	Specs on pumps, nozzles, EU/EU
1001615(H)	\$ 2.99M	Trucks	Specs for tanks, kits, EU/EU info
1100007(A)	\$ 4.5M	Vehicles	Detailed EU/EU info
1001464(WS)	\$ 1.96M	Piling eq.	Specs on pumps, EU/EU info
1001667(A)	\$ 1.0M	Trailers	Specs, detailed EU/EU info
1001774(A)	\$ 1.45M	Crane	Detailed EU/EU info
1001702(E)	\$ 1.44M	Welding Lab	Specs, detailed EU/EU info
901826(T)	\$ 1.4M	Capacitor bank	Detailed EU/EU info
1001638(WS)	\$ 1.2M	Steel Rollers	Specs on pumps, valves, EU/EU
602035(E)	\$ 1.06M	Station Wagon	Detailed EU/EU
602036(E)	\$ 0.87M	Station Wagon	Detailed EU/EU
1030215(O)	\$ 0.87M	Shovels	Detailed EU/EU
1001793(SA)	\$ 0.83M	Garbage Trucks	Specs on pumps, valves, EU/EU
1001791(SA)	\$ 0.81M	Tipper Trucks	Detailed EU/EU info
1001761(A)	\$ 0.62M	Lab Equipment	WMD “dual use”, EU/EU
1001662(A)	\$ 0.5M	Loaders	Specs on valves, tools, EU/EU
1001647(T)	\$ 0.4M	Mini Bus	Detailed EU/EU info
1030217(O)	\$ 0.37M	Earth Moving eq.	Specs on tank, kits, EU/EU
1001753(E)	\$ 0.35M	Lab eq.	WMD “dual use”, EU/EU
1001668(WS)	\$ 0.32M	Rollers	Specs on pumps, valves, EU/EU
1001722(WS)	\$ 0.3M	Generators	Specs, EU/EU info
1001637(WS)	\$ 0.29M	Spare parts	Specs, EU/EU info
1001772(SA)	\$ 0.28M	Tires	Detailed EU/EU info
1001789(T)	\$ 0.26M	Motorcycle	Detailed EU/EU info
902008(T)	\$ 0.24M	Low Loaders	“dual use”, EU/EU info
1001768(E)	\$ 0.18M	Lab eq.	Specific EU/EU info
1001648(T)	\$ 0.13M	Nissan	Detailed EU/EU info
1030218(O)	\$ 0.17M	Earth Moving eq.	Detailed EU/EU info
1030210(O)	\$ 0.1M	Tires	Detailed EU/EU info

6. HIGH-VALUE APPLICATION IN ELECTRICITY SECTOR RELEASED FROM HOLD:

Comm.900778 worth US\$21.76M was released from hold this week in electricity sector. The application contains materials and equipment for rehabilitation of circulation system in Nassiriya Thermal Power Station and was released from hold following provision of technical information and deletion of 1051 items.

7. FIRST APPLICATION PLACED IN HOLD IN PHASE XI: The very first application in phase XI was placed on hold last week. **Comm. 1100007(A) for vehicles worth US\$4.5M** was placed on hold by the UK with the request for detailed end-use/user information.

8. Total of 20 applications worth US\$55.09M was released last week. Apart from comm.900778, the releases, *inter alia*, included:

100635(A)	\$9.69M	Tractors	Specs on parts provided
901423(T)	\$5.1M	Dump Trucks	Specs on parts provided
1000636(A)	\$4.4M	Tractors	Specs on parts provided
101429(H)	\$2.9M	Equal Angles	Specs provided
601552(M)	\$2.43M	Telephone Exchange	Based on revised 1051

802774(A)	\$1.56M	Trucks	Specs on special tools
1001547(E)	\$1.48M	Generators	Observation confirmed
1001428(H)	\$1.47M	Channels	Specs provided
900998(A)	\$1.1M	Begging eq.	Specs provided
830535(O)	\$0.9M	Control Syst.	A1 deleting items
1001059(M)	\$0.84M	Packaging mat.	PFE

9. Total of **63 applications worth US\$134.74M** was placed on hold during the last week. Most of the relevant comms have been placed on hold for end-use/user info exclusively or for other reasons as well, and are consequently listed in para 5 above. Other holds included:

1001490(A)	\$8.3M	Turbine pump	Specs on pump, workshop
1001410(A)	\$1.53M	Pumps	Specs on pumps
1030142(O)	\$1.48M	Spare parts	Specs