WEEEKLY HOLDS UPDATE

Week 28 December 2001 – 4 January 2002

Prepared by: Office of Iraq Programme

Contracts Processing & Monitoring Division (CPMD)

HIGHLIGHTS:

- The level of holds approaching US\$5.0 billion
- Several high-value applications placed on hold in oil sector
- Medical application for 6 CT scanners placed on hold
- More applications placed on hold for end-use/user information
- 1. The holds stand at **US\$4,956.0 million** this week, to include US\$353.0M in "inactive hold" category. The grand total is higher by some US\$188.0 million than the previous week total of US\$4,768.0M.
- 2. As of last week, there were 183 applications worth some US\$286.0 million in the category of inactive holds. This week the value and the number of applications in this category are again somewhat higher and stand at **206 applications worth US\$353.0 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 dropped somewhat and now stands at **334 applications worth US\$941.9M** (336 worth US\$952.0M previous week).
- 3. The total number of applications on hold ("active") is **1,648** (to include **1,127** humanitarian and **521** oil spare parts applications) or 26 more than 1,622 last week. The relative value of holds has increased somewhat with **18.4** percent of the total value circulated to the Committee or **14.3** per cent of the value circulated to the Committee AND approved by OIP based on pre-approved lists (17.8 and 13.8 respectively during the previous week).
- **4. GENERAL TRENDS:** The level of new holds exceeded releases by some \$188M, bringing the total level close to US\$5.0 billion. The releases this week almost exclusively included short-term holds placed for "pending further consideration" due to the holidays. The new holds were particularly high in oil sector with several high-value applications placed on hold. The holds for end-use/user information continued to be placed on applications at the same rate.
- 5. **HIGH-VALUE APPLICATIONS PLACED ON HOLD IN OIL SECTOR:** Several high-value applications worth some US\$60.0M were place don hold in oil sector raising the relative value of hold sin the sector from 18.4% to 19.8% in just one week:

1030086(O)	\$30.55M	Pipeline eq.	Material composition, lining, PFE(*)
830577(O)	\$16.55M	Drilling eq.	PFE
930640(O)	\$10.09M	Catalyst	For technical specs
930414(O)	\$ 2.48M	Pumps	Various specs
830718(O)	\$ 2.0M	Well Logging	Various specs

^{*} just released by the US, remains on hold by the UK for "pending further consideration"

- 6. **HIGH-VALUE APPLICATION FOR MEDICAL EQUIPMENT PLACED ON HOLD:**Comm. 1001423 for six CT scanners worth US\$23.16M was placed on hold last week for the variety of reasons, to include end-use locations for the equipment. Other reasons included technical specifications on x-ray tubes, encoders and microprocessors.
- 7. A NUMBER OF APPLICATIONS AGAIN PLACED ON HOLD FOR END-USE/USER INFORMATION: As reported earlier, the observed trend of holds for end-use /user information has continued with 23 of 63 applications placed on hold containing end-use/user information as, at least, a part of the reason for hold. In 16 of 23 cases end-use/user information was the only reason for hold. The goods in this category this week included the following comms:

1001423(M) \$23.16M 1001378(A) \$21.66M	CT Scanners Trucks	Specs, EU/EU Dual mil. use, specs, EU/EU info
1001383(T) \$16.73M	Buses/parts	Specs, EU/EU info
1001307(A) \$ 8.52M	Buses	Detailed EU/EU info
1001300(T) \$ 7.57M	Buses	Detailed EU/EU info
1001312(SA) \$ 3.2M	Toyota cars	Detailed EU/EU info
1001429(H) \$ 2.9M	Equal Angles	Detailed EU/EU info
1001369(Q) \$ 2.8M	Fork lifts	List of tools, EU/EU info
1001438(T) \$ 2.56M	Buses	Detailed EU/EU info
1001296(A) \$ 2.3M	Vehicles	Detailed EU/EU info
1001308(A) \$ 2.16M	Galloper	Detailed EU/EU info
1001428(H) \$ 1.47M	Channels	Detailed EU/EU info
1001435(T) \$ 1.36M	Station Wagon	Detailed EU/EU info
1001394(T) \$ 1.28M	Buses	Detailed EU/EU info
1001379(E) \$ 1.22M	Vocational Eq.	PFE, EU/EU info
1001381(SA) \$ 1.16M	Duper Trucks	PFE, EU/EU info
1001320(Q) \$ 1.1M	Steel radial	Detailed EU/EU
1001367(Q) \$ 0.69M	Tires	Detailed EU/EU info
1001398(H) \$ 0.55M	Station Wagon	Detailed EU/EU info
1001371(T) \$ 0.28M	Mobile Crane	Detailed EU/EU info
901954(T) \$ 0.23M	Shovel	Detailed EU/EU info
901955(T) \$ 0.19M	Excavator	Detailed EU/EU info
1001339(Q) \$ 0.12M	Air Locks	Additional EU/EU info

- 8. The total of **14 applications worth US\$40.95M** were released last week. Most of the releases were merely 1-3 day holds placed for "pending further evaluation" during the holidays season.
- 9. Total of **63 applications worth US\$228.9M** were 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 7 above. Also, some major holds in oil sector and health sector are listed in paras 5 and 6 above. Other holds included:

901059(SA)	\$13.9M	Electromechanical eq.	1051, specs valves/ pumps
1001372(T)	\$ 3.78M	Lighting Equipment	military "dual use", specs.
1001346(Q)	\$ 1.29M	Test Liner	PFE
1001343(E)	\$ 1.04M	Vocational Eq.	Tech specs., PFE