WEEEKLY HOLDS UPDATE

Week 8-15 February 2002

Prepared by: Office of Iraq Programme

Contracts Processing & Monitoring Division (CPMD)

HIGHLIGHTS

- Releases continue but still lower than new holds
- Large electricity, transportation applications approved under the condition of end-use verification
- Both "inactive holds" and applications pending feedback from the holing mission increased
- 1. The holds stand at **US5**, **324.3 million** this week, to include US455.4 million in "inactive hold" category. The grand total has increased by some US59 million in comparison to the previous week's total of US5,265 million.
- 2. As of last week, there were 215 applications worth some US\$307.4 million in the category of inactive holds. This week the value and number of applications in this category have increased, especially in terms of US dollar value, and stand at **230 applications worth US455.4 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 **616 applications worth US1,860M** (582 worth US1,818M previous week).
- 3. The total number of 59% account applications on hold ("active") is 1,859 (to include 1,286 humanitarian and 566 oil spare parts applications) or 9 more than 1,850 last week. The relative value of holds has increased slightly in comparison to last week with 19.2 per cent of the total value circulated to the Committee and 14.8 per cent of the value circulated to the Committee AND approved by OIP based on pre-approved lists was (19.1 and 14.7 respectively during the previous week).
- **4. GENERAL TRENDS:** The releases continued although the new holds are placed on even higher rate, many of them still for end-use/user information. For the first time in many weeks, both the number (and value) of "inactive holds" and applications pending feedback from the holding mission rose. While the latter is a part of the continuous trend, the former was unusual and largely due to several high-vale applications that qualified for the "inactive holds" category during the previous week.

5. A \$23.5M APPLICATION APPROVED IN ELECTRICITY SECTOR:

Comm.801176 worth US23.48M for electrical transformers was released from hold following provision of technical information. The application is approved under the condition of end-use verification by the UN observation mechanism.

6. THREE CONTRACTS FOR RAILWAYS WAGON RELEASED FROM HOLD: Following confirmation of end-use verification requirements, three applications for railways wagons worth total of US16.1M were released from hold. The released applications are:

1001103(T)	\$6.2M	Light Oil Tank Wagons
1001104(T)	\$6.4M	Heavy Oil Tank Wagons
1001105(T)	\$3.5M	Rallast Wagons

7. 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 21 of 44 applications placed on hold containing end-use/user information as, at least, a part of the reason for hold. In 10 of 21 cases, end-use/user information was the only reason for hold. Similar to last week, this category included a single largest application placed on hold during the reporting week – comm. 901926 containing \$32.66M worth of trucks in Agriculture sector. The goods in this category this week are the same -- vehicles, heavy machines, mobile equipment – and included the following comms:

901296(A) \$32.	.66M	Trucks	Various specs, EU/EU
631093(O) \$11.	.12M	Trucks	Detailed EU/EU
1001673(WS) \$ 8.	.47M	Tipper Trucks	"Dual military use", EU/EU
1000615(WS) \$ 5.	.93M	Sewage Trucks	Various specs, EU/EU
1001907(A) \$ 4.	.12M	Tractors	Detailed EU/EU
1001598(H) \$ 2.	.37M	Pickups	Detailed EU/EU
1000616(WS) \$ 2.	.26M	Garbage Trucks	Specs on valves, pumps, EU/EU
1030321(O) \$ 1.	.24M	Heavy Vehicle spares	Specs on valves/pumps, EU/EU
802895(A) \$ 1.	.23M	Generators.	Detailed EU/EU
1030276(O) \$ 1.	.13M	Cargo Trucks	Detailed EU/EU
1001222(H) \$ 1.	.09M	Trucks	Specs on special tools, EU/EU
802870(WS) \$ 0.	.73M	Lorry	Detailed EU/EU
930491(O) \$ 0.	.69M	Fire Fighting Tr.	Specs on pumps, EU/EU
1001838(WS) \$ 0.	.43M	Forklifts	Detailed EU/EU
1030305(O) \$ 0.	.38M	Ambulances	Specs, detailed EU/EU
1030295(O) \$ 0.	.37M	Water Tanker	Specs on tanks/pumps, EU/EU
1030302(O) \$ 0.	.36M	Lorry	"Dual military use", EU/EU
1030353(O) \$ 0.	.28M	Tanker	Detailed EU/EU
1030294(O) \$ 0.	.17M	Trucks/parts	Detailed EU/EU
` , .	.13M	Workshop eq.	Detailed EU/EU
1030327(O) \$ 0.	.09M	Loading arm	"Dual use", EU/EU

8. Total of **21 applications worth US59.85** was released last week. Apart from the applications referred to in paras 5 and 6 above, the releases included:

601096(M)	\$9.9M	Generators	Released w/monitoring
900911(H)	\$3.66M	Fire Bricks	Released as per A1
630250(O)	\$2.5M	Generators	2-year approved w/monitoring
701685(T)	\$0.94M	Air Sounding Syst.	A1 deleted GPS
802827(Q)	\$0.8M	Synthetic Rubber	Specs provided
802732(L)	\$0.55M	Pumps, compressors	Specs provided
901099(M)	\$0.35M	Refrigerant	Released as per A1
930373(O)	\$0.36M	Pumps	Specs provided
1001130(Q)	\$0.26M	Air Locks	Specs provided
1001172(Q)	\$0.2M	Sodium Toluene	
802714(L)	\$0.17M	Spare parts	Specs provided
830180(O)	\$0.08M	Breathing apparatus	Revised 1051/monitoring

9. Total of **44 applications worth US119.48M** 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 7 above. Other holds included:

802874(E)	\$11.49M	Sports eq.	Specs on pistols, freezer
901022(M)	\$ 8.07M	Spare parts	Specs pumps, valves, training
1001620(T)	\$ 6.41M	Boats	Specs on valves, filters, kits
1001877(A)	\$ 3.9M	Water pumps	Specs/material composition
1030273(O)	\$ 2.74M	Maintenance eq.	Tech specs.
930613(O)	\$ 1.57M	Overhaul/turbines	Tech specs.
1000737(T)	\$1.04M	Meteo system	Tech specs.
802873(A)	\$1.01M	Irrigation syst.	Specs on tanks, pumps
1001325(L)	\$0.83M	Transformers	Specs for gas analyzer
1000736(T)	\$0.7M	Meteo receiver	Tech specs.