

WEEEEKLY HOLDS UPDATE

Week 12-19 October 2001

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Contracts Processing & Monitoring Division (CPMD)

HIGHLIGHTS

- **The level of holds raises again following three weeks of decline**
- **20 applications worth US\$55.24M released from hold following changes to the 1051 list**
- **A major medical application for oxygen plant worth US\$58.3M and a high-value (US\$44.1M) oil industry application placed on hold**

1. The holds stand at **US\$3,991.0M** or US\$143.0M more compared to US\$3,848.0M last week.

2. The total number of applications on hold is **1,500 (to include 1,016 humanitarian and 484 oil spare parts applications)** or 21 more than last week. The relative value of holds was somewhat higher in comparison to the values last week -- **16.1 percent** of the total value circulated to the Committee or **12.5 per cent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists (15.6 and 12.1 per cent respectively last week).

3. The value of oil spare parts applications on hold was higher in comparison to last week's, with the total value of **US\$536.5M** on hold this week and US\$489.7M last week due to the hold on a US\$44.1M application.

4. GENERAL TRENDS: The level of holds rose mainly due to hold on two large applications with the total value of US\$102.4M. However, it should be noticed that the number of applications placed on hold last week (44) is almost double the number of applications released (22). The releases are almost entirely due to the revision of the 1051 list. No releases based on clarifications provided have been recorded during the past week.

5. FURTHER APPLICATIONS CONTAINING COMPUTERS RELEASED FROM HOLD FOLLOWING REVISION OF THE 1051 LIST:

Following some releases last week, 20 additional applications worth US\$55.24M were released from hold last week. The releases show that the Committee does not object to the computers any more as most of the standard computers are now below the thresholds in the 1051 list. However, there is clear indication that any fiber optic cables (longer than 5 meters) and related equipment will be considered dual use and will remain on hold for the time being. The major beneficiary last week was the health sector with the following applications released:

901418(M)	\$18.96M	CT SCANNERS
702228(M)	\$ 2.87M	CARDIOSOFT HOLTER SYSTEM
702291(M)	\$ 1.43M	EEG EQUIPMENT
702285(M)	\$ 0.49M	MEDICAL EQUIPMENT
801009(M)	\$ 0.27M	COMPUTERS

Other applications released in this category include:

600769(WS)	\$12.6M	COMPACT UNIT
601438(T)	\$ 5.36M	AXLE COUNTER EQ.
801873(WS)	\$ 5.25M	COMPUTERS
800759(Q)	\$ 3.23M	ONLINE MEASURING UNIT\
702660(E)	\$ 0.7M	COMPUTERS
701408(T)	\$ 0.67M	SWITCHING SYSTEM
601724(E)	\$ 0.47M	COMPUTERS/PRINTERS
730926(O)	\$ 0.42M	COMPRESSOR STATION
601918(E)	\$ 0.35M	COMPUTERS
730572(O)	\$ 0.16M	LABORATORY EQ.
630323(O)	\$ 0.14M	LABORATORY EQ.
730179(O)	\$ 0.14M	COLOUR CORE SCAN
702253(L)	\$ 0.13M	CASH MACHINE
702095(T)	\$ 0.1M	COMPUTERS
730655(O)	\$0.078M	MOBILE CARAVAN (incl. laptops)

6. **MAJOR MEDICAL APPLICATION PLACED ON HOLD.** A high-value application (**comm. 802530**) worth **US\$58.33M** for the oxygen plant was placed on hold last week . More importantly, the only reason given for hold was “dual military use”. Since the Secretariat experts found no 1051 items in the application, further clarification on the reason for hold will be sought from the holding mission as to what parts or components are considered to be of “dual use”. In the interim, we would appreciate an assessment form the Health SWG on the impact of this particular hold.

7. **MAJOR OIL INDUSTRY APPLICATION PLACED ON HOLD:** only a week after a major oil industry application (730770) worth US\$52.0M was released from hold, another high-value application (**Comm. 930095**) worth **US\$44.09M** was placed on hold for containing “dual use” servo valves and the request for specifications on all valves in the application. The application is for gas field equipment.

8. **Total of 23 applications worth US\$61.1M** was released last week. All but two have already been mentioned above. The remaining two, released after a brief two-day hold, are:

930380(O)	\$4.36M	LOGGING TRUCK
901802(H)	\$3.18M	PRODUCTION LINE

9. Total of **44 applications worth US\$164.49M** was placed on hold during the last week. Apart from the major holds mentioned above, the holds included the following applications:

8023507(A)	\$9.34M	PIVOT IRRIG. SYSTEM	List of components, Material composition
1000451(Q)	\$8.08M	MOTOR GRADER	Specs on valves, pumps

800947(L)	\$6.5M	POWER ST. EQ.	Pending Further Evaluation
901855(Q)	\$4.72M	EXCAVATORS	Specs on pumps, valves
1000438(A)	\$4.47M	TRACTORS	Specs on pumps, tanks
1000452(A)	\$4.4M	BULLDOZERS	Specs on pumps, parts
901176(Q)	\$3.05M	TRUCKS	Specs on valves, pumps...
1000467(H)	\$2.36M	LAB EQ.	Specs on compressors, filters
801673(WS)	\$2.33M	WATER TR. EQ.	Specs on pumps, tanks
900630(Q)	\$1.55M	EQ/TOOLS	Specs on dyes, welding eq.
801684(T)	\$1.46M	WATER TR. EQ.	Specs on filters, pumps, tanks