

## WEEEEKLY HOLDS UPDATE

Week 15-22 February 2002

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

### HIGHLIGHTS

- **Releases exceed new holds by some \$20 million**
- **Large health application containing MRI equipment released under the condition of end-use verification**
- **661 Committee discusses holds in Food Handling/Transportation**
- **Both “inactive holds” and holds with feedback pending for longer than 60 days increase again**

1. The holds stand at **\$5, 300 million** this week, to include \$498.4 million in “inactive hold” category. The grand total has decreased by some \$24 million in comparison to the previous week’s total of \$5,324.3 million.

2. As of last week, there were 230 applications worth some \$455.4 million in the category of inactive holds. This week the value and number of applications in this category have increased again and stand at **254 applications worth \$498.4 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 **647 applications worth \$1,891 million** (616 worth \$1,860 million previous week).

3. The total number of 59% account applications on hold (“active”) is 1,841 (**to include 1,270 humanitarian and 571 oil spare parts applications**) or 11 less than 1,852 last week, mainly due to transfers on a number of comms. to “inactive hold” category. The reduction in the level of “active” holds is evident from the attached chart, although the total level has decreased only slightly. The relative value of holds has decreased slightly in comparison to last week with **19.1 per cent** of the total value circulated to the Committee and **14.7 per cent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists was (19.2 and 14.8 respectively during the previous week).

4. **GENERAL TRENDS:** The past week was short (only three working days in NYHQ) due to holidays. For the first time in months, the value of releases exceeded new holds. However, this was largely to the value of several released applications as the number of applications placed on hold is still almost twice as high as the number of applications released. For the second consecutive week, the level of both “inactive holds” and holds where feedback from the holding mission is pending have increased. While the latter has been a common trend since the introduction of this category in October 2001, the “inactive hold” level has been generally decreasing until two weeks ago.

5. **A HIGH-VALUE APPLICATION APPROVED IN HEALTH SECTOR:**  
Comm.901419 worth \$21.8M and containing 8 Magnetic Resonance Imaging (MRI) units 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. 661 COMMITTEE DISCUSSESS HOLDS ON FOOD HANDLING/TRANSPORTATION APPLICATIONS:** The Committee met on 20/02/02 to discuss holds and other implementation issues in the sector. The meeting was opened by a presentation by WFP & Food Handling/Transportation SWG. A number of issues were discussed, to include needs for trucks, modalities of observation and provision of end-use/user information for mobile equipment.

**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 in the short week with 8 of 19 applications placed on hold containing end-use/user information as, at least, a part of the reason for hold. In 3 of 8 cases, end-use/user information was the only reason for hold. The goods in this category this week are the same -- vehicles, heavy machines, mobile equipment – and included the following comms:

<b>901925(A)</b>	<b>\$9.6M</b>	Vehicles	Various specs, EU/EU
<b>1001626(T)</b>	<b>\$1.43M</b>	Water Tanker	Detailed EU/EU
<b>1001390(T)</b>	<b>\$0.8M</b>	Engine	Detailed EU/EU info
<b>1100022(T)</b>	<b>\$0.75M</b>	Motorcycles	Detailed EU/EU info
<b>1030414(O)</b>	<b>\$0.73M</b>	Trucks	Various specs, EU/EU
<b>1030354(O)</b>	<b>\$0.4M</b>	Truck parts	Various specs, EU/EU
<b>1030203(O)</b>	<b>0.34M</b>	Earth moving eq.	WMD DU, EU/EU
<b>1030366(O)</b>	<b>\$0.2M</b>	Excavators	Detailed EU/EU, specs

8. Total of **10 applications worth US45.05** was released last week. Apart from the application referred to in para 5 above, the releases included:

<b>901618(H)</b>	<b>\$7.85M</b>	Cold rolled sheets	Specs provided
<b>900510(H)</b>	<b>\$6.2M</b>	Wheel loaders	Released as per A1
<b>901351(T)</b>	<b>\$4.6M</b>	Water Tankers	Specs provided
<b>900519(T)</b>	<b>\$2.24M</b>	Bus Bodies	Released as per A1
<b>1001264(A)</b>	<b>\$1.9M</b>	Pumps	Released as per A1
<b>930534(O)</b>	<b>\$0.15M</b>	Pumps	PFE for months
<b>730799(O)</b>	<b>\$0.1M</b>	Tanker Truck	Specs provided
<b>1001185(M)</b>	<b>\$0.1M</b>	Diagnostic kits	PFE for months
<b>1001183(M)</b>	<b>\$0.03M</b>	Diagnostic kits	PFE for months

9. Total of **19 applications worth US23.35M** was placed on hold during the last week. Some 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:

<b>1001877(L)</b>	<b>\$2.64M</b>	Boiler Auxiliary eq.	Various specs.
<b>1001201(L)</b>	<b>\$1.59M</b>	Transformers	PFE, possible DU
<b>1001863(T)</b>	<b>\$1.49M</b>	Substation eq.	PFE, possible DU
<b>501312(L)</b>	<b>\$1.0M</b>	Wires	PFE