

WEEEEKLY HOLDS UPDATE

Week 16-23 November 2001

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

HIGHLIGHTS:

- * **The level of holds rises moderately following some releases during the past week**
- * **"Inactive holds" declining, number of applications pending feedback from the holding missions on the rise**
- * **661 Committee meeting on holds to continue Tuesday, 27 November**
- * **Updated list of information requirements for submission of applications to be issued soon**

1. The holds stand at **US\$4,219.0 million** this week, to include US\$305.5M in "inactive hold" category. The grand total is higher by some US\$17.0 million than the previous week total of US\$4,202.0M.

2. As of last week, there were 159 applications worth some US\$343.0 million in the category of inactive holds. This week the number is continued to fall as a reflection of continuously good response by the suppliers and stands at **144 applications worth US\$305.5 million**. Unfortunately, this trend has not been matched by the increased feedback rate from the holding missions: the number of applications for which a feedback from the holding mission is due in excess of 60 days has been progressively increasing and now stands at **305 applications worth US\$995.0M** (280 worth US\$750.0M previous week). Please see the attached table for details.

3. The total number of applications on hold ("active") is **1,480 (to include 975 humanitarian and 505 oil spare parts applications)** or 47 more than 1,433 last week [NOTE: Since the difference between the number of new holds and releases is only 22 (34-12), this "hike" is again the result of a number of applications transferred back from "inactive" to "active" hold category following provision of the requested information]. The relative value of holds remains almost the same with **16.4 percent** of the total value circulated to the Committee or **12.7 per cent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists (16.5 and 12.7 respectively during the previous week).

4. **GENERAL TRENDS:** A two-week "lull" in releases came to an end this week with US\$44.4M released from hold against US\$60.9M of new holds. It should be noted, however, that the number of new applications placed on hold (34) is almost three times higher than the number of the applications released (12) and the relatively better monetary ratio was only due to the release of several high-value

applications to include a US\$16.2M application in oil spare parts sector. Still, the relative value of holds remains fairly constant.

5. UPDATED LIST OF INFORMATION REQUIREMENTS FOR SUBMISSION OF APPLICATIONS TO BE ISSUED: It is quite obvious that the main reason for hold remain the request for additional technical information. More notably, the queries usually relate to the same items (pumps, valves, nozzles, filters, etc.) over and over again. In the attempt to reduce delays caused by the lack of necessary information, CPMD prepared an updated list of information requirements that will be made available on the OIP web site during this week. The suppliers are strongly urged to consult this list and provide all relevant information. The novelty is an addition of ready-to-use forms for items frequently placed on hold for the lack of information. The suppliers can simply print and fill in the form to be attached to the application. We will shortly send new information requirements to SWGs with the request that they share the information with GOI counterparts.

6. The total of **12 applications worth US\$44.42M** were released last week, all following provision of the requested additional information. The releases, *inter alia*, included:

930093(O)	\$16.23M	Casing & Tubing
901068(SA)	\$ 5.57M	Garbage Trucks
901623(Q)	\$ 4.93M	Fire Fighting Vehicles
901067(SA)	\$ 4.83M	Water Tankers
100438(A)	\$ 4.47M	Tractors
901749(L)	\$ 4.5M	Resumption of Project
901069(WS)	\$ 2.13M	Garbage Trucks

7. Total of **34 applications worth US\$60.92M** were placed on hold during the last week. Many of the higher-value holds included oil spare parts applications. The holds included the following applications:

100819(A)	\$17.30M	Bulldozers	Specs on pumps, valves
930293(O)	\$ 7.79M	Field Services	WMD dual use
930505(O)	\$ 7.55M	Waste Water	
		Treatment Eq.	Specs on pumps, filters, valves...
901944(M)	\$ 3.5M	Air Separation Eq.	Specs on pumps, valves, tanks
901873(WS)	\$ 2.7M	Gate Valves	Tech. specs, PFE
1020023(O)	\$ 2.7M	Chemicals	Dual Military Use
1000866(Q)	\$ 2.38M	Generation Sets	List of special tools, repair kits
901862(H)	\$ 2.37M	Machines/parts	Specs for pumps, valves
802700(WS)	\$ 2.34M	Trailers	Specs on pumps, repair kits