

WEEEEKLY HOLDS UPDATE

Week 19-26 October 2001

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

HIGHLIGHTS

- * **The level of holds stands at US\$3,670.0M, with additional US\$320.0M in “inactive hold” category**
- * **Additional 15 applications worth US\$27.5M released from hold based on revised 1051 list**
- * **Two additional applications for printing equipment (US\$16.84M) placed on hold**
- * **Major health application (raw materials for SDI worth US\$15.0M placed on hold**

1. The holds stand at **US\$3,670.0M** plus US\$320.M in “inactive hold” category. The total is almost identical to the previous week total of US\$3,991.0M. Introduction of a new category of “inactive holds” (previous tentative name was “inoperative”) dictates some changes in the way the statistics are presented. The category of “inactive holds” will henceforth be reported separately. Similarly, the attached chart will refer to “active” holds only. The latter explains the “decrease” in the chart. We are also adding a new table showing categories of hold.

2. The new category of “**inactive holds**” includes applications on hold for which additional information was requested but not provided within 60 days and after 15 additional days following a reminder to the supplier. The applications will be held in abeyance until the requested information is provided and will then be transferred back in the “active” hold category. As of last week, there were **164 applications worth some US\$320.0 million** in this category. Reminders with a 15-day deadline were issued for 71 additional applications last week.

3. The total number of applications on hold (“active”) is **1,364 (to include 909 humanitarian and 455 oil spare parts applications)** t week. The relative value of “active” holds is **14.7 percent** of the total value circulated to the Committee or **11.4 per cent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists.

4. **GENERAL TRENDS:** The releases last week were mainly on applications where amendments either deleted/modified items or were based on modifications of the 1051 list. Other releases included applications briefly placed on hold for “pending further consideration” but consequently released from hold. There were practically no releases based on provision of technical information and

clarifications for the past two to three weeks. It should also be noted that, although the values of released and applications placed on hold are almost identical last week, the number of applications placed on hold (62) is double the number of applications released (31).

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

Following the releases during the previous week, additional 15 applications worth about US\$27.5M and mainly containing computers, previously on hold only for containing 1051 rated computers, have been released from hold after being re-circulated as amendments and based on revised “nuclear annex” of the 1051 list. Main beneficiaries this week were water-sanitation, health and electricity sectors. The list of applications is as follows:

800757(L)	\$6.6M	REHAB of HARTIYA PS
901587(WS)	\$6.5M	INTRANET SYSTEM
901517(WS)	\$3.37M	ARCHIVE COMPUTERS/PRINTER
802051(M)	\$3.03M	MEDICAL EQUIPMENT
802133(H)	\$1.99M	LAB EQUIPMENT
702283(M)	\$0.9M	MEDICAL EQUIPMENT
702290(M)	\$0.84M	MEDICAL EQUIPMENT
701147(M)	\$0.84M	PARTS/COMPONENTS
802030(T)	\$0.66M	CONFERENCE ROOM PERIFERALS
830147(O)	\$0.5M	MAINTENANCE SPARE PARTS
701145(M)	\$0.32M	KIMADIA COMPUTER SYSTEM
702188(L)	\$0.18M	WATER TREATMENT EQUIPMENT
730501(O)	\$0.16M	ELECTRICAL EXCHANGERS

6. TWO NEW APPLICATIONS FOR PRINTING EQUIPMENT PLACED ON HOLD:

In addition to the printing equipment in Education Sector placed on hold during the previous week, two new applications worth US\$16.84M were placed on hold last week. As before, the holding mission did not object to the equipment *per se* but wanted more technical information on various parts. The applications placed on hold are:

901877(E)	\$12.30M	OFFSET PRINTING MACHINE
802833(E)	\$ 3.54M	PRINTING EQUIPMENT

7. MAJOR MEDICAL APPLICATION PLACED ON HOLD:

An application (**comm.. 1000518**) worth **US\$15.0M** and containing various raw materials for Samarra Drug Industry (SDI) was placed on hold last week. Although most of the items in the application contain pre-approved items that would not require circulation to the 661 Committee, the application also included several items that are not on the pre-approved list (Aerosil, Diazepam, polyethylene glycol). Additional information requested on these items is the reason for hold.

8. Total of 31 applications worth US\$73.16M was released last week. Apart from the applications released from hold in relation to revised 1051 list (as mentioned above), larger releases this week included:

800531(A)	\$22.64M	PIVOT IRRIG. EQ.	A1 changed type of tanks
802146(A)	\$ 8.95M	BULLDOZERS	A1 deleted some parts
901091(H)	\$ 2.76M	TIPPER TRUCKS	on hold for “dual use”
701748(WS)	\$ 2.31M	WATER TANKERS	with end-use verification

802321(WS) \$ 1.98M GENERATORS on hold for “dual use”

9. Total of **62 applications worth US\$72.55** was placed on hold during the last week. Apart from holds mentioned above, holds included, *inter alia*, the following applications:

1000520(T)	\$4.79M	FUEL BARGE	Detailed end-use/users
930284(O)	\$2.95M	SCRAPERS	Specs on valves
901448(H)	\$2.67M	SPARE PARTS	Specs on valves, pumps, parts
901674(T)	\$2.38M	TELECOM EQ.	Specs on all components
802734(M)	\$2.19M	MEDICAL EQ.	Specs on Autocom 350
1000567(A)	\$1.5M	PUMPS	Itemized list of parts
830744(O)	\$1.03M	WATER TANKER	Specs, lining
830642(O)	\$1.02M	WATER TR. EQ.	Specs for pumps valves
930285(O)	\$0.77M	GENERATORS	Specs on pumps. kits