

## WEEEEKLY HOLDS UPDATE

Week 21-27 May 2001

(Prepared by OIP, Contracts Processing Section)

### HIGHLIGHTS

- **Low “turnover” among holds and releases**
- **Application for locomotives worth US\$28.8M released from hold**
- **Statistics show more applications on hold for still awaiting technical information from suppliers than awaiting feedback from holding missions**
- **Access to monitoring database for UNOHCI to be given soon**

1. The holds stand at **US\$3,670M** or some US\$47.0M less compared to US\$3.717M to last week. While there was an increase in the number of applications on hold (from 1,696 to 1,707), the value on hold has dropped somewhat due to the release of \$10.0M more than placed on hold as well as several applications previously on hold being declared null-and-void.

2. The total number of applications on hold is **1,707 (to include 1,151 humanitarian applications)** or 11 more than 1,707 last week. The increase in numbers was mainly due to new oil spare parts applications placed on hold. The relative value of holds remains almost the same -- **17.4 percent** of the total value circulated to the Committee or **14.1 percent** of the value circulated to the Committee AND approved by OIP (based on pre-approved lists).

3. Oil spare parts applications on hold show some increase compared to last week, -- **556** with the total value of **US\$451.0M** (544 and US\$447.0M respectively last week)

4. **GENERAL TRENDS:** There was generally a very slow “turnover” of applications released or placed on hold during the last week. Only 10 applications were released and 23 new ones were placed on hold. The value in both categories was also quite low -- \$36.9M released vs. \$ 27.3M placed on hold. However, we have seen quite a few changes of reasons for hold. This encouraging trend is the result of our insistence with the holding missions for fasted and more precise feedback once required information has been provided. While provision of required information does not always result in release (indeed, in some cases even more information is required or the reason is changed to indicate dual use or presence of 1051 items), this increased feedback is most certainly a welcome development as it allow all parties concerned to take further action, as appropriate.

5. **GENERAL STATISTICS ON HOLDS:** Attached separately is document [*reasons240501*] that contains two tables of statistics concerning reasons for hold. Table 1 shows that the most common reason for hold (52.2%) is request for additional technical or end-use/user information. Holds related to 1051 status amount to 33.4% while “dual sue” holds account for 8.3% reasons.

Table 2 shows that, among applications on hold for additional information, larger part goes to applications where the information is still pending (581 comms worth \$1,471M) while the parts where the requested information had been provided and the action by the holding mission(s) is pending account for the lesser part (446 comms worth \$1,067M).

6. **EXCHANGE of INFORMATION WITH SWGs.** As indicated in the Secretary General's report, OIP has now completed monitoring database to be used for easier tracking comms. approved by the 661 Committee under specific condition of end-use observation/monitoring, processing of end-use observation reports, etc. Apart from that, the database will contain information concerning comms. where a full check (by the UN Independent Inspection Agents) is required at the border, as well as comms. with export-import requirements (e.g. temporary import for a project or temporary export for overhauling). OIP intends to make the data available to UNOHCI shortly and the names of authorized users in UNOHCI have been requested.

In addition to the above, CPS will try to establish a better flow of holds-related information (to include end-use monitoring) between OIP and Sectorial Working Groups (SWG) through direct e-mails to relevant SWGs.

7. **LOCOMOTIVES:** Following confirmation of monitoring requirements, **comm. 900341 (\$28.8M)** was released from hold this week. The UN committed itself to monitoring the good in the same manner as locomotives in comm. 800927 that was approved earlier under the same condition.

8. Only **10 applications worth US\$36.9M** were released last week. Apart from the locomotives application referred to above, the releases included, *inter alia*, the following comms:

<b>802060 (H)</b>	<b>\$2.64M</b>	Fans	material composition provide
<b>702049 (E)</b>	<b>\$2.21M</b>	Dental supplies	specs on 2 items provided
<b>800324 (Q)</b>	<b>\$1.4M</b>	Compressors	tech specs provided

9. Total of **23 applications worth US\$27.3M** were placed on hold during the last week. The holds included the following:

<b>702663(A)</b>	<b>\$8.77M</b>	Cranes/parts	Techs specs on pumps, valves, filters, end-use info
<b>900432(Q)</b>	<b>\$4.56M</b>	Trucks	Material comp. of water tank
<b>802156(M)</b>	<b>\$3.05M</b>	Spares/dental eq.	Specs on filters, valves, motors
<b>802252(M)</b>	<b>\$2.21M</b>	Medical supplies	Legible copy of contract, end-use info for kits
<b>802130(H)</b>	<b>\$1.76M</b>	Hydraulic pumps	Material composition, specs on filters, heat exchangers
<b>801276(Q)</b>	<b>\$0.75M</b>	Generators	Military Dual Use