

## WEEEEKLY HOLDS UPDATE

Week 21 - 28 September 2001

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

### HIGHLIGHTS

- **The level of holds further reduced by US\$93.0M following the release of 80 applications worth US\$155.1M last Tuesday**
- **661 Committee to meet on 22 October 2001 to discuss holds in Agriculture Sector**
- **An application for medical sterilizers worth US\$ M released from hold after more than a year**

1. The holds stand at **US\$3,896.5M** or US\$93.0M less compared to US\$3,989.5.0M last week.

2. The total number of applications on hold is **1,465 (to include 1,009 humanitarian and 456 oil spare parts applications)** or 43 less than last week. The relative value of holds was similar to the values last week -- **15.9 percent** of the total value circulated to the Committee or **12.4 per cent** of the value circulated to the Committee AND approved by OIP based on pre-approved lists (16.4 and 12.8 per cent respectively last week).

3. The value of oil spare parts applications on hold was marginally lower in comparison to last week's, with the total value of **US\$516.0M** on hold this week and US\$527.0M last week.

**4. GENERAL TRENDS:** This is the second consecutive week with releases exceeding new holds and resulting in further reduction of the level of holds. This was possible due to release of several high-value applications as well the release of two substantive batches of applications following provision of required clarifications. The release of applications containing 1051 items remains rare even with end-use observation condition attached. The highest level of holds (as a percentage of total value circulated to the Committee and approved by the Secretariat) is in the Electricity sector (31 per cent), followed closely by the Water-Sanitation sector (29 per cent). Please see the attached table and chart for details.

**5. A LARGE GROUP OF APPLICATIONS WORTH US\$155.1M RELEASED:** On 25 September the US released a batch of 63 applications worth US\$155.1.2M to include 6 applications worth US\$42.4M, 2 applications worth US\$32.9M, 7 applications worth \$20.3M in Watsan Sector and 11 applications worth \$23.29M in Transport & Communications Sector [*detailed list of released applications per sector is attached separately*].

6. **661 COMMITTEE TO MEET ON HOLDS IN AGRICULTURE SECTOR:** The Committee is tentatively scheduled to meet on 22 October 2001 to discuss holds in Agriculture sector. OIP/CPMD will prepare the usual update on holds in the sector with brief analysis and will share the documents with the colleagues in the field. More substantive input, if any, is expected from the Agriculture SWG. The representatives of FAO are also expected to participate in the meeting.

7. **A CONTRACT FOR MEDICAL STERILIZERS/AUTOCLAVES RELEASED FROM HOLD, OTHERS STILL PENDING:** After over a year, comm.701032 for various medical sterilizers and parts worth total of US\$7.8M was released from hold under the specific conditions of end-use verification by the UN and also by the supplier who will be in charge of installation. This is the first major contract for such goods, traditionally considered of “dual use” that has recently been approved. Several contracts with similar goods still remain on hold, to include 702221 and 701404. Also, as a reminder to Health SWG, the requested end-use locations for sterilizers and parts for comms. 700822 and 801438 (requested by OIP in July 2001) have not been provided yet.

8. **AN APPLICATION CONTAINING PHOSTOXIN PLACED ON HOLD:** Comm.901786 containing fumigation materials for the Ministry of Trade and worth \$0.45M was placed on hold for item #1 (phostoxin) being of dual use (precursor for PCI3), specifications for adhesive tape, specifications of the dust masks and precise end-use/user locations. We should remind here that small quantities of phostoxin are delivered with some comms for grain or rice, these being the goods that do not require circulation to the Committee. However, the inclusion of these goods into the pre-approved list was conditioned by “bulk reporting” by the UN on arrival and utilization of such phostoxin. Apart from a very early report, we have received no such reports and would be grateful if the Food Handling SWG could either provide us with such reports and/or organize observation visits as appropriate. The latter may be done in conjunction with provision of end-use/user info on comm.901786.

9. **Total of 80 applications worth US\$176.4M** was released last week. As mentioned above, most of the applications in this category (63) were released in a single batch on 25 September. Major releases included the following comms:

<b>901034(A)</b>	<b>\$30.7M</b>	<b>SHOVEL LOADERS</b>
<b>900780(M)</b>	<b>\$12.2M</b>	<b>MEDICAL EQUIPMENT</b>
<b>802744(M)</b>	<b>\$11.25M</b>	<b>OFFSET MACHINE W/SPARE PARTS</b>
<b>802421(M)</b>	<b>\$10.8M</b>	<b>SPARE PARTS</b>
<b>900489(T)</b>	<b>\$10.7M</b>	<b>TRUCKS W/SPARE PARTS</b>
<b>702700(E)</b>	<b>\$10.2M</b>	<b>PRINTING EQUIPMENT</b>
<b>702215(T)</b>	<b>\$ 6.0M</b>	<b>CAR WASHING EQUIPMENT</b>

10. Total of **40 applications worth US\$83.32M** were placed on hold during the last week, including the following applications:

<b>1000262(Q)</b>	<b>\$24.60M</b>	<b>TRUCKS</b>	Specs on valves, special tools
<b>901776(M)</b>	<b>\$11.64M</b>	<b>CT/MRI</b>	Specs on all computers
<b>901715(W)</b>	<b>\$ 3.95M</b>	<b>Paver Finisher</b>	Specs on spare parts
<b>901715(W)</b>	<b>\$ 1.90M</b>	<b>Paver Finisher</b>	Specs on spare parts
<b>900628(Q)</b>	<b>\$ 3.12M</b>	<b>Prod. Equipment</b>	Specs on furnaces, pumps, lathe
<b>802787(M)</b>	<b>\$ 1.85M</b>	<b>Dental Lab Eq.</b>	Specs on valves, filters

(\*) NOTE: The UK placed on hold 3 applications worth \$18.3M for buses and vehicles (1000264, 1000265 and 702751). However, the hold was for “pending further consideration” and was subsequently released (Monday). The three holds will be listed as releases in the next week’s update.