

ACTION NEA-00

INFO	LOG-00	CA-00	INL-00	EB-00	EUR-00	E-00	UTED-00
	TEDE-00	IO-00	L-00	NSCE-00	OMB-00	PA-00	PER-00
	PM-00	P-00	D-00	SP-00	SSO-00	SS-00	TEST-00
	R-00	PMB-00	PRM-00	G-00	SAS-00	SWCI-00	/000W

-----F9C4B2 101558Z /03

R 091927Z MAR 04
 FM CPA BAGHDAD
 TO SECDEF WASHDC 0057
 SECSTATE WASHDC 0065
 WHITE HOUSE NSC WASHDC 0050

UNCLAS BAGHDAD 000038

SENSITIVE

STATE ALSO PLEASE PASS TO IRAQ COLLECTIVE

E.O. 12958: N/A
 TAGS: PREL, PGOV, IZ
 SUBJECT: CPA 0681: ADMINISTRATORQS WEEKLY ESSENTIAL
 SERVICES REPORT: 2 MARCH 2004

1. (SBU) SUMMARY. HEADLINES OF PARAGRAPHS 3-10 REFLECT GOALS IN THE COALITION PROVISIONAL AUTHORITY STRATEGIC PLAN. CPA-WASHINGTON DISTRIBUTES ALL THREE ADMINISTRATORQS WEEKLY REPORTS - ESSENTIAL SERVICES, ECONOMIC, AND GOVERNANCE - WITH GRAPHICS VIA EMAIL. THE ECONOMIC, GOVERNANCE, AND AN ABRIDGED VERSION OF THE ESSENTIAL SERVICES REPORTS WILL BE POSTED AFTER 48 HOURS ON THE CPA WEBSITE, WWW.CPA-IRAQ.ORG. THE FULL ESSENTIAL SERVICES REPORT REMAINS SENSITIVE BUT UNCLASSIFIED. END SUMMARY.

2. (SBU) HIGHLIGHTS

-- KHAWR AL AMAYA OFFSHORE OIL TERMINAL REOPENED THIS PAST WEEK, AND AN OIL TANKER IS ALREADY EN ROUTE TO RECEIVE CRUDE OIL. THIS TERMINAL HAS BEEN OUT OF SERVICE SINCE THE IRAN-IRAQ WAR, AND IS CAPABLE OF EXPORTING APPROXIMATELY 200,000 BARRELS PER DAY.

-- THE TOTAL NUMBER OF TELEPHONE SUBSCRIBERS IN IRAQ, INCLUDING THE 225,000 CELL PHONE SUBSCRIBERS, EQUALS 919,150, WHICH IS 10.4 PERCENT GREATER THAN THE NUMBER OF ACTIVE SUBSCRIBERS PRE-WAR.

PROVIDE ELECTRICITY SERVICES THAT MEET NATIONAL NEEDS

3. (SBU) CPA TASKS: IMPROVE GENERATING CAPACITY TO 6000MW BY JULY 1, 2004; FULLY IMPLEMENT POLICY ON ALLOCATION OF ELECTRICAL POWER; PUBLISH DRAFT OF LONG TERM STRATEGY; MINIMIZE SABOTAGE AND IMPROVE SECURITY

-- THE SEVEN-DAY AVERAGE (FEBRUARY 21-27) OF PEAK ELECTRICITY PRODUCTION WAS 4,154 MW, A DECREASE OF 1.1 PERCENT OVER THE PREVIOUS WEEK. ON FEBRUARY 25, PEAK PRODUCTION HIT A HIGH OF 4,333 MW DURING THE REPORTING PERIOD.

-- THE SEVEN-DAY AVERAGE (FEBRUARY 21-27) PRODUCTION OF ELECTRICAL ENERGY WAS 90,822 MWH PER DAY, AN INCREASE OF 0.3 PERCENT OVER THE PREVIOUS WEEK. ON FEBRUARY 26, THE PRODUCTION OF ELECTRICAL ENERGY PEAKED AT 91,558 MWH.

-- THE FOLLOWING CHART PRESENTS THE DAILY ELECTRIC POWER CONSUMPTION BROKEN DOWN AMONG THE NORTH, CENTRAL (INCLUDING BAGHDAD), AND SOUTH REGIONS. TOTAL POWER CONSUMPTION AVERAGED 3,888 MW IN IRAQ FROM FEBRUARY 21-27. DURING THE REPORTING PERIOD, THE NORTH CONSUMED AN AVERAGE OF 965 MW PER DAY, 25 PERCENT OF TOTAL POWER CONSUMPTION. PER DAY, THE CENTRAL REGION CONSUMED 2,186 MW, 56 PERCENT OF THE TOTAL, AND THE SOUTH CONSUMED 737 MW, 19 PERCENT OF TOTAL ELECTRICITY CONSUMPTION DURING THE PAST WEEK.

-- AS OF 27 FEBRUARY, 883 MW (17 GENERATORS) OF GENERATING CAPACITY WAS ON FORCED (UNPLANNED) OUTAGE, AND 831 MW (18 GENERATORS) WAS ON SCHEDULED OUTAGE. AS OF FEBRUARY 27, NINE (400 KV) TRANSMISSION LINES AND SEVEN (132 KV) LINES WERE OUT OF SERVICE.

RECONSTRUCT COMMUNICATIONS AND POSTAL SYSTEMS

4. (SBU) CPA TASKS: BUILD IRAQ'S FIRST RESPONDER NETWORK; ESTABLISH INDEPENDENT REGULATORY AGENCY; UPGRADE IRAQI TELEPHONE AND POSTAL COMPANY (ITPC) NETWORK FOR INTEROPERABILITY; BUILD TRANSMISSION COMPONENT DATA NETWORK FOR IRAQ, INCLUDING INTERNATIONAL GATEWAYS; RESTRUCTURE ITPC AND ITS BUSINESS OPERATIONS; UPGRADE AND MODERNIZE POSTAL SYSTEMS; UPGRADE ITPC OUTSIDE PLANT FOR INCREASED SUBSCRIBER CAPACITY AND USE

-- SINCE MAY 2003, CPA HAS REINSTATED TELEPHONE SERVICE FOR 111,550 SUBSCRIBERS, INCLUDING 19,750 SINCE LAST WEEK. CPA CONTINUES TO MAKE PROGRESS IN RESTORING SERVICE TO

CUSTOMERS, ESPECIALLY IN BAGHDAD.

-- THE THREE CELL PHONE COMPANIES IN IRAQ CONTINUE TO SIGN UP NEW SUBSCRIBERS. CURRENTLY, IN MOSUL, SULAYMANIYAH, AND KIRKUK THERE ARE 117,000 SUBSCRIBERS. IN BAGHDAD THERE ARE 68,000 SUBSCRIBERS; AND IN BASRA, AL KUT, AMARAH, SAMAWAH, AND NASIRIYAH THERE ARE 40,000 SUBSCRIBERS.

-- IN APRIL 2003, THE IRAQI TELEPHONE SYSTEM WAS CAPABLE OF PROVIDING SERVICE TO 1.1 MILLION CUSTOMERS, BUT THERE WERE ONLY 833,000 ACTIVE SUBSCRIBERS (EXCLUDING THE THREE NORTHERN GOVERNORATES). CURRENTLY THERE ARE 694,150 ACTIVE TELEPHONE SUBSCRIBERS IN IRAQ. THE TOTAL NUMBER OF TELEPHONE SUBSCRIBERS IN IRAQ, INCLUDING THE 225,000 CELL

PHONE SUBSCRIBERS, EQUALS 919,150, WHICH IS 10.4 PERCENT GREATER THAN THE NUMBER OF ACTIVE SUBSCRIBERS PRE-WAR. THE PENETRATION RATE (THE NUMBER OF ACTIVE LANDLINE TELEPHONE SUBSCRIBERS AS A PERCENTAGE OF THE POPULATION) IS 2.7 PERCENT (USING AN ESTIMATED POPULATION OF 25.9 MILLION). THE TELEDENSITY IN IRAQ (ALL SUBSCRIBERS WITH A TELEPHONE) IS 3.6 PERCENT OF THE POPULATION.

-- CPA HAS REPAIRED 18 TELEPHONE SWITCHES SINCE MAY 2003 WITH FULL SUPPORTING SERVICE (OFFICE SPACE, POWER, FIBER TRANSMISSION CONNECTIONS TO OTHER SWITCHES, SECURITY). FOUR SWITCHES ARE STILL INOPERABLE (OUT OF 203 TOTAL). THE FOLLOWING CHART SHOWS THE NUMBER OF OPERATIONAL, INOPERABLE, AND REPAIRED TELEPHONE SWITCHES IN IRAQ (EXCLUDING THE THREE NORTHERN GOVERNORATES).

PROVIDE FOOD SECURITY FOR ALL IRAQIS

5. (SBU) CPA TASKS: ENHANCE CAPACITY OF MINISTRY OF AGRICULTURE; ASSURE SUPPLY OF INPUTS; STRENGTHEN RESEARCH SYSTEM; ENSURE ADEQUATE STOCKS FOR PUBLIC DISTRIBUTION SYSTEM (PDS); MONITOR FOOD SECURITY; HAND OVER ADMINISTRATION OF SYSTEM IN THE NORTH; INITIATE REFORM OF RATIONS BASKET; ENVIRONMENTAL INITIATIVES

-- SHORTAGES IN THE FOOD PIPELINE FOR IMMEDIATE RICE DISTRIBUTION ARE 67 PERCENT OF THE OVERALL RATION REQUIREMENT THIS MONTH, BUT QARREARSQ WILL BE MADE UP IN NEXT MONTHS DISTRIBUTIONS. NATIONAL WHEAT STOCKS ARE SLIGHTLY BELOW THE REQUIREMENTS FOR APRIL, BUT MOT IS USING EXISTING FOREIGN WHEAT TO MAKE UP FOR SHORTAGES THAT OCCUR IN NATIONAL WHEAT, UNTIL SUCH TIME AS THE NEW NATIONAL

WHEAT HARVEST IS AVAILABLE (JUNE). CPA IS ALSO WORKING TO ACCELERATE NEW PROCUREMENT BY THE WFP AND THE MOT TO ELIMINATE THESE SHORTAGES.

IMPROVE QUALITY AND ACCESS TO HEALTHCARE

6. (SBU) CPA TASKS: DEVELOP HEALTH CARE ORGANIZATIONS, MANAGEMENT, AND INFRASTRUCTURE; TRAIN HEALTH CARE PROFESSIONALS; SECURE SYSTEM; PUBLIC HEALTH; PHARMACEUTICALS LOGISTIC SUPPORT; STRATEGIC COMMUNICATIONS

-- THE DEPUTY MINISTER OF HEALTH CONCLUDED A VISIT TO JAPAN WHERE HE NEGOTIATED THE JAPANESE COMMITMENT TO ASSIST IN THE RECOVERY OF THE IRAQI HEALTHCARE SYSTEM. THERE IS BROAD AGREEMENT ON AN AIDE MEMOIR AND THE FINAL DETAILS ARE BEING NEGOTIATED.

-- USAIDQS IRAQI HEALTH SYSTEMS STRENGTHENING PROJECT (IHSS) IS WORKING TO IMPROVE HEALTHCARE DELIVERY THROUGH REGIONAL TRAINING PROGRAMS FOR MEDICAL TRAINERS. IHSS WILL TRAIN 400 TRAINERS BY THIS SUMMER, AND WILL ULTIMATELY TRAIN 2,500 MEDICAL STAFF IN 7 GOVERNORATES.

-- THE MINISTRY OF HEALTH HAS ESTABLISHED A NETWORKED DATA ENTRY SYSTEM THAT WILL ALLOW THE INPUT OF DATA ON OVER 3,000 HEALTHCARE FACILITIES THROUGHOUT IRAQ. THE DATA ENTRY SYSTEM INCLUDES A NETWORKED COMPUTER SYSTEM SHARING A COMMON DATABASE THAT ALLOWS SIMULTANEOUS DATA INPUT FROM MULTIPLE USERS.

IMPROVE QUALITY AND ACCESS TO EDUCATION

7. (SBU) CPA TASKS: REORGANIZE AND STAFF THE MINISTRY OF EDUCATION; REHABILITATE SCHOOL BUILDINGS AND BUILD NEW SCHOOLS; ADVANCE NATIONAL DIALOGUE ON CURRICULUM REFORM; CONTINUE AND EXPAND TEACHER TRAINING

-- THE MINISTER HAS ASKED THE PROVINCIAL DIRECTORS GENERAL TO PREPARE ACTION PLANS FOR THEIR GOVERNORATES THAT ARE CONSISTENT WITH THE MINISTRYQS SITUATION ANALYSIS. GOVERNORS IN FIVE GOVERNORATES HELD PUBLIC FORUMS TO DISCUSS THE PAPER, QA NEW OUTLOOK FOR EDUCATION IN IRAQQ BEING CIRCULATED AS PART OF THE NATIONAL DIALOGUE ON EDUCATION.

-- AS PART OF ITS TEACHERS TRAINING AND CURRICULAR REFORM

PRIORITIES, THE MINISTRY OFFERED A SEMINAR THIS PAST WEEK FOR SECONDARY SCHOOL TEACHERS OF ENGLISH: QEFFECTIVE ENGLISH LANGUAGE TEACHING: WHAT IS IT?Q IN COOPERATION WITH THE BRITISH COUNCIL. FOURTEEN TEACHERS FROM THE BAGHDAD AREA EXPERIENCED DIFFERENT TYPES OF LANGUAGE-LEARNING

ACTIVITIES AND DISCUSSED PRACTICAL STRATEGIES FOR APPLYING THEM TO THE CURRENT TEXTBOOKS.

IMPROVE QUALITY AND ACCESS TO HIGHER EDUCATION

8. (SBU) CPA TASKS: OVERSEE THE BASIC ADMINISTRATIVE FUNCTIONS OF HIGHER EDUCATION SYSTEMS; REFORM AND RECONSTRUCT HIGHER EDUCATION INSTITUTIONS; REINTEGRATE THE HIGHER EDUCATION INSTITUTIONS IN THE NORTH WITH THE REST OF THE COUNTRY; REINTEGRATE IRAQI STUDENTS, SCHOLARS, AND SCIENTISTS INTO THE BROADER INTELLECTUAL COMMUNITY; LAUNCH A REVIEW AND REFORM OF THE CURRICULUM IN ALL DISCIPLINES; PROVIDE ACCESS TO ESSENTIAL INFORMATION

-- CPA IS CONTINUING THE PROCESS OF CAPACITY BUILDING AND DECENTRALIZATION IN THE MINISTRY OF HIGHER EDUCATION AND UNIVERSITIES. THE COUNCIL OF UNIVERSITY PRESIDENTS ELECTED A CHAIR AND VICE CHAIR FROM AMONG THE PRESIDENTS THIS PAST MONTH. THIS IS NOW A PERMANENT BODY THAT SHOULD EXERCISE INCREASED AUTHORITY AS THE MAIN POLICY BODY IN HIGHER EDUCATION.

-- THE COUNCIL OF UNIVERSITY PRESIDENTS AND THE MINISTER DECIDED THAT THE ELECTION OF STUDENT UNIONS NATIONWIDE WILL TAKE PLACE ON MARCH 15, 2004.

RESTORE ECONOMICALLY Q STRATEGIC TRANSPORTATION
INFRASTRUCTURE

9. (SBU) CPA TASKS: ENABLE IRAQI CIVIL AVIATION TO PREPARE FOR INTERNATIONAL COMMERCIAL AVIATION AND CARGO SERVICE; ENABLE IRAQI PORT AUTHORITY (IPA) TO ADMINISTER A PORT OF CALL WITH INTERMODAL CAPABILITIES AND INLAND CONTAINER DISTRIBUTION; ENABLE IRAQI RAILROAD RAILWAYS (IRR) TO PROVIDE DOMESTIC AND INTERNATIONAL PASSENGER AND FREIGHT CAPABILITIES; REFORM CIVIL SERVICE AT MINISTRY OF TRANSPORTATION

-- THE IRAQI REPUBLIC RAILWAY RECEIVED THE FIRST TWO OF

SIX RUSSIAN-BUILT LARGE SHUNTING LOCOMOTIVES ACQUIRED UNDER THE OIL FOR FOOD PROGRAM, AND ARE PREPARING THEM FOR SERVICE.

-- DURING A VIDEO CONFERENCE WITH THE WORLD BANK, MINISTRY OF TRANSPORTATION (MOT) PRESENTED A \$3 MILLION PROJECT TO INTEGRATE EXISTING BUS TRANSPORTATION FACILITIES AND BUSES BY ESTABLISHING A DISPATCH AND MAINTENANCE MANAGEMENT SYSTEM, AND A \$2.5 MILLION PROJECT TO PROVIDE CONTINUING EDUCATION TO MID-LEVEL MINISTRY MANAGERS. IN ADDITION, 7 IRAQI MOT STAFF ARE CURRENTLY UNDERGOING WORLD BANK TRAINING IN CONTRACTS, FINANCE, AND PROJECT MANAGEMENT.

RECONSTITUTE OIL INFRASTRUCTURE

10. (SBU) CPA TASKS: PRODUCTION/EXPORTS; PRODUCT SUPPLY; SECURITY; STRUCTURAL REFORM

-- KHAWR AL AMAYA OFFSHORE OIL TERMINAL REOPENED THIS PAST WEEK, AND AN OIL TANKER IS ALREADY EN ROUTE TO RECEIVE CRUDE OIL. THIS TERMINAL HAS BEEN OUT OF SERVICE SINCE THE IRAN-IRAQ WAR, AND IS CAPABLE OF EXPORTING APPROXIMATELY 200,000 BARRELS PER DAY.

-- THE GRAPH BELOW SHOWS THE DAILY CRUDE OIL PRODUCTION IN IRAQ OVER THE PAST FOUR AND A HALF MONTHS. THE DASHED BLACK LINE IS THE CURRENT PRODUCTION TARGET GOAL OF 2 MILLION BARRELS PER DAY (MBPD). FOR THE WEEK OF FEBRUARY 21-27, THE ESTIMATED AVERAGE TOTAL CRUDE OIL PRODUCTION WAS 2.3 MBPD (1.82 MBPD IN THE SOUTH AND 0.48 MBPD IN THE NORTH). THE AVERAGE CRUDE OIL EXPORT FOR THE PAST 30 DAYS WAS 1.36 MBPD. THE AVERAGE PRICE RECEIVED FOR CRUDE OIL EXPORTS THIS YEAR IS APPROXIMATELY \$27 PER BARREL.

-- THE CHART BELOW SHOWS THE DAYS OF SUPPLY ON HAND AS OF FEBRUARY 20 FOR EACH OF THE FOUR MAIN FUEL PRODUCTS IN IRAQ. CPAQS GOAL REMAINS TO HAVE 15 DAYS OF SUPPLY (DOS) ON HAND FOR EACH FUEL SOURCE IN EVERY REGION, ALTHOUGH THIS GOAL IS UNATTAINABLE FOR LPG IN BAGHDAD AND SOUTH CENTRAL, AND FOR GASOLINE IN THE SOUTH AND SOUTH CENTRAL REGIONS BECAUSE OF INSUFFICIENT STORAGE CAPACITY. THIS WEEK, ONLY LPG IN THE SOUTH MEETS THE 15 DOS TARGET.

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