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COALITION PROVISIONAL AUTHORITY

BAGHDAD

INFO MEMO

February 15, 2004

FOR: THE ADMINISTRATOR

FROM: Darrell Trent, Senior Advisor to the Iraqi Ministry of Transportation

SUBJECT: Ministry of Transportation Issues Update

MARITIME — (b)(2),(b)(3):10 USC §130b,(b)(6)

- **Port Task Force – Victoria Wayne** (b)(2) The Baghdad-based Ports Task Force has forwarded several projects to the PMO. Included are: 1) a comprehensive UNDP Scrap Removal contract that will provide revenues from the sale of scrap. Proceeds from the sale of the scrap will be put into a trust fund at UNDP in New York and used for further port improvement projects requested by the Iraqi MOT, 2) a $3.5 mil. Dredging awarded to a Section 8(a) company that can begin dredging immediately, 3) refurbishing of 2 of the big container cranes, 4) lease of 2 temporary cranes; 5) tractor trailers, 6) container handlers and 7) spare parts for cranes. Electricity and security construction requirements are being assessed and are prioritized. The Ports Task Force has divided into two working groups: Infrastructure/Construction and Operations. Baghdad is recommending moving the Operations section of the Task Force to the port where the meeting should include the newly appointed DG of Iraq Port Authority, Ports management (SSA) and CPA MoT staff, and local and British military security.

- **Iraqi Dredging at Umm Qasr.** The ship *Saaf Said* will be ready this weekend for sea trials, after extensive maintenance and repair. Once the ship is ready, it will dredge berths 1 and 2 to ensure 12.5-meter depth, so that wheat shipment can be expedited.

- **Grain Deliveries at Umm Qasr.** The portable evacuators capable of discharging grain are ready to be moved to berth 1, and MoT staff is establishing a schedule to maximize the offload capability using the grain terminal and the evacuators at berth 2. Close coordination between SSA (port manager), CPA, and the grain terminal workers will aim to offload an additional 100K tons in February.

- **Salaries for Ports Co. workers.** MoT staff in Baghdad, Basrah, and Umm Qasr has finalized the disbursement of salaries to Ports Co. workers. Due to changes in the pay scale, and management difficulties, the Basrah Treasury has been slow to disburse the salaries. However, the Ministry of Finance and Ministry of Transportation yesterday completed documentation to expedite the Basrah Treasury's disbursement.

- **Ports Fees.** According to MoT staff in Basrah, SSA—the contracted port manager of Umm Qasr—has collected on behalf of the Iraq Port Authority an amount of $4-6 million from shipping companies, now deposited in established accounts in Kuwait and Seattle.

UNCLASSIFIED

AVIATION– (b)(2);(b)(3):10 USC §130b;(b)(6)

- **Hajj Update.** Hajj return flights from Medina are scheduled to deliver 24,280 passengers to Kuwait between Feb. 7-21. The program is running very smoothly with buses picking up passengers directly at the Safwan border crossing, and taking them to their provinces, with no delay at the border tent city.

- **World Bank funding for projects.** MoT staff is finalizing details for World Bank transportation projects, for expected consideration during World Bank video teleconference on Feb.15th.

- **Bridging of BIAP management between military drawdown and Iraqi assumption.** MoT staff worked on Air Navigation Services Contract #DABV01-03-C-0037, which provides for a technology and service capacity bridge between the draw-down of the coalition forces supplying air navigational services and the Iraqi personnel obtaining the capability to assume responsibility for those activities.

- **BIAP Transition.** MoT's staff is working with the Army Corps of Engineers, and its Iraqi FEST (Forward Engineering Support Team), to complete a mapping and building assessment at BIAP. Because the Army Corps of Engineers will withdraw on February 28, MoT is trying to secure a military staff person to oversee the work of the Iraqi FEST.

- **BIAP Management.** MoT staff finalized with Iraqi CAA the organizational structure of BIAP, Bechtel's continued construction schedule at BIAP, and SkyLink management and operations.

- **VSAT Installation.** Designed to improve voice and data links between civilian aircraft and air traffic control, the Very Small Aperture Terminal (VSAT) project is undergoing final preparation for installation. Along with a 2-person team from the International Air Transport Association (IATA), which will arrive on February 15, MoT staff will deploy VSAT at Ar Rutbah, Iraq on February 18-23. A follow-on contract to supplement VSAT capabilities in the Iraq Air Navigation System (ANS) will require additional training for Iraqi Civil Aviation Authority (CAA).

- **ANS Contract.** MoT is currently drafting the Statement of Work for the supplemental-funded comprehensive ANS contract for BIAP, Mosul airport, and Basrah airport.

- **MoT review of Mosul Airport.** MoT's aviation team visited Mosul Airport, which is manned and supervised by the 101st Airborne Division for exclusively military operations. The team reported that the 101st Division trained and employs 36 Iraqi firefighters, maintains two Iraqi fire trucks, employs 3 Iraqi air traffic controllers, employs 3 technicians to support aviation communications, and supervises 1,000 vetted Iraqis working on the airfield. While a chain link fence forms the airport perimeter, the airport is susceptible to small-arms fire from outside the fence. The airport has three gates, with only one operational. The terminal is small, with few options for businesses to operate. As the Stryker brigades moves in to replace the 101st Division, the terminal will be vacated for renovation, to include a terminal annex comprising a restaurant and duty-free shops. For civil aviation operations to resume at Mosul, particularly cargo, additional hangers and ramp would be required.

- **Agenda for International Meteorology Conference.** Held in Amman, Jordan, Feb. 9th-12th, the conference reviewed a meteorological needs assessment list for Iraq, develop a draft Request for Proposal (RFP), discussed the reorganization of the Iraq Meteorological Organization (IMO) into a modern meteorology organization, addressed funding limitations, and examined any additional requirements for IMO's re-instatement into international organizations (World Meteorological Organization, International Civil Aviation Organization, etc.).

- **Approval for Overflight Requests.** MoT's aviation team approved the overflight request of flight United Nations Humanitarian Air Serv B1900 for Ross Mountain, the UN Special Representative to Iraq, departing on February 11 and returning on February 14. He will be traveling from Amman, Jordan to Kuwait. Also, MoT approved Lufthansa's summer schedule request for overflights through October.

- **Budget for Comprehensive Security Contract.** MoT worked with the Office of General Counsel to provide a statement for the first task order, coordinate source selection team, and identify initial funds in the Iraqi 2004 budget (ranging between $100,000 to $1,500,000) to begin security contract. This contract will be funded by the DFI, through a combination of the 2004 ministry budget and additional funds anticipated in March of 2004.

RAILROADS — (b)(2),(b)(3):10 USC §130b,(b)(6)

- **Baghdad-Mosul Line.** Passenger rail service between Baghdad and Mosul was restored today after a two month suspension. The trains were stopped last December by the Iraqi Ministry of Transportation in response to an increase in attacks on the railway in that region. The IRR now operates daily passenger trains between Baghdad and Basra, Baghdad and Haseiba, Baghdad and Mosul, and Mosul and Aleppo, Syria.

- **Grain shipment.** The Iraqi Republic Railway is moving 25,000 tons of grain from the Syrian border to various inland points. Two trains have already delivered grain to silos in Mosul and Taji. Two other trains departed this morning from the border town of Rabiya for Mosul and Taji. A total of 25 trainloads of grain will be delivered by the Iraqi Republic Railway by the end of February.

- **IRR Delegation to the U.S.** The IRR delegation which has been in the US on a TDA-sponsored Orientation Visit has now returned to Iraq. During their time in the US, they visited or were briefed by such entities as General Motors (EMD), General Electric, Union Pacific, the American Association of Railroads, the Federal Railroad Administration, The World Bank, the Export-Import Bank, Burlington Northern-Santa Fe and many others. Feedback in all respects has been very favorable.

SURFACE TRANSPORT — (b)(2),(b)(3):10 USC §130b,(b)(6)

- **Rental Company Solicitation.** A rental-car company, the Delegate Transport Co. (a State-Owned Enterprise company at MoT) did not win the land transport engagement for the Turkish trade mission arriving in Baghdad tomorrow. It did not have the equipment type that the Turks requested: namely, Suburban SUV's and minibuses. This was a business plan "trial run", and next time, Land Transport promises to partner with a security company to offer a complete package. MoT staff will meet with Land

Transport's representative to develop a full service transportation/security operation for the anticipated influx of trade missions into Baghdad.

- **Inter-city Buses.** As a Ministry of Transportation state-owned enterprise, Passenger Transport Co. reported that its inter-city buses would commence its operations in Baghdad on February 15. To strengthen the public transportation system, the company signed a contract with an Egyptian firm to supply it with 50 buses.

- **Rental cars and buses for a business expo.** Because the Iraqi-American Chamber of Commerce and Industry (IACCI) is organizing a business expo in Baghdad in April, MoT staff are helping the rent-a-car Delegates Company (an MoT SOE) and the bus-oriented Passenger Transport Company (an MoT SOE) to prepare for this opportunity. MoT staff is coordinating to develop the rates and fares.

ATTACHMENTS: NONE

COORDINATION: Department Heads

Reviewed: Victoria Wayne (b)(2)
Drafted: (b)(2),(b)(3) 10 USC §130b,(b)(6)