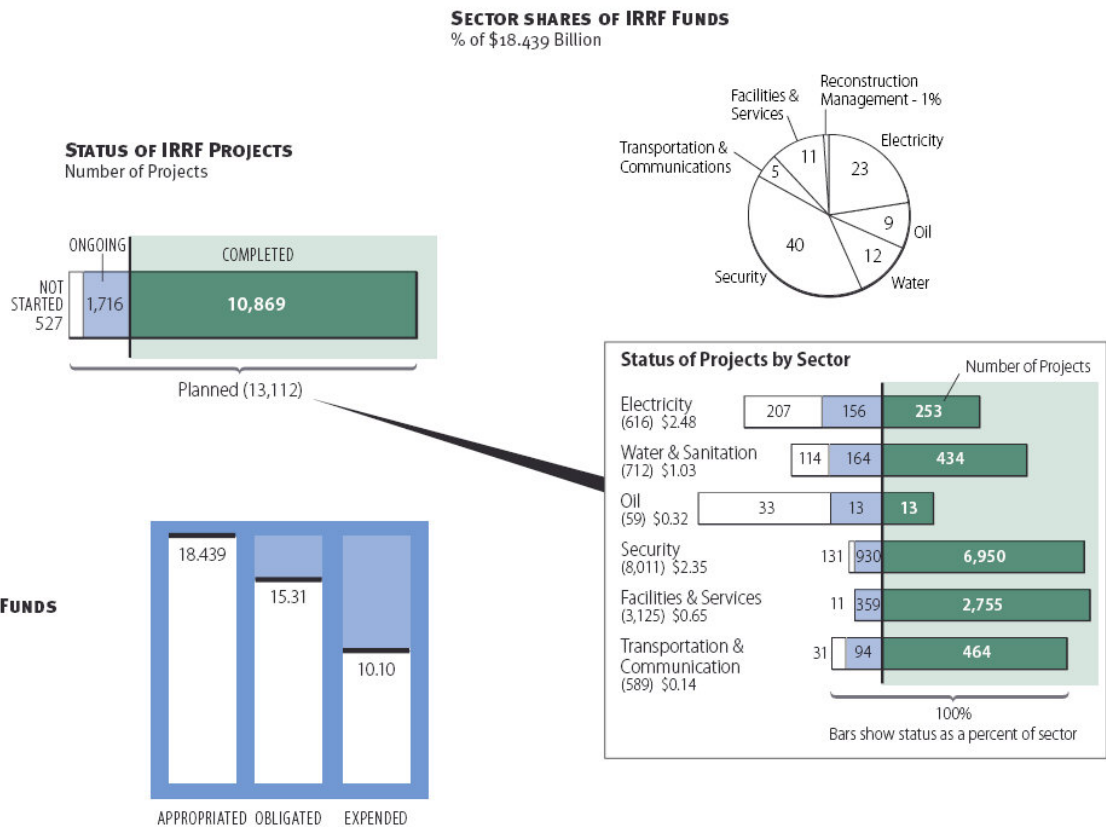


Summary IRRF Reconstruction Fact Sheet

OVERVIEW OF RECONSTRUCTION PROGRESS

AS OF DECEMBER 31, 2005

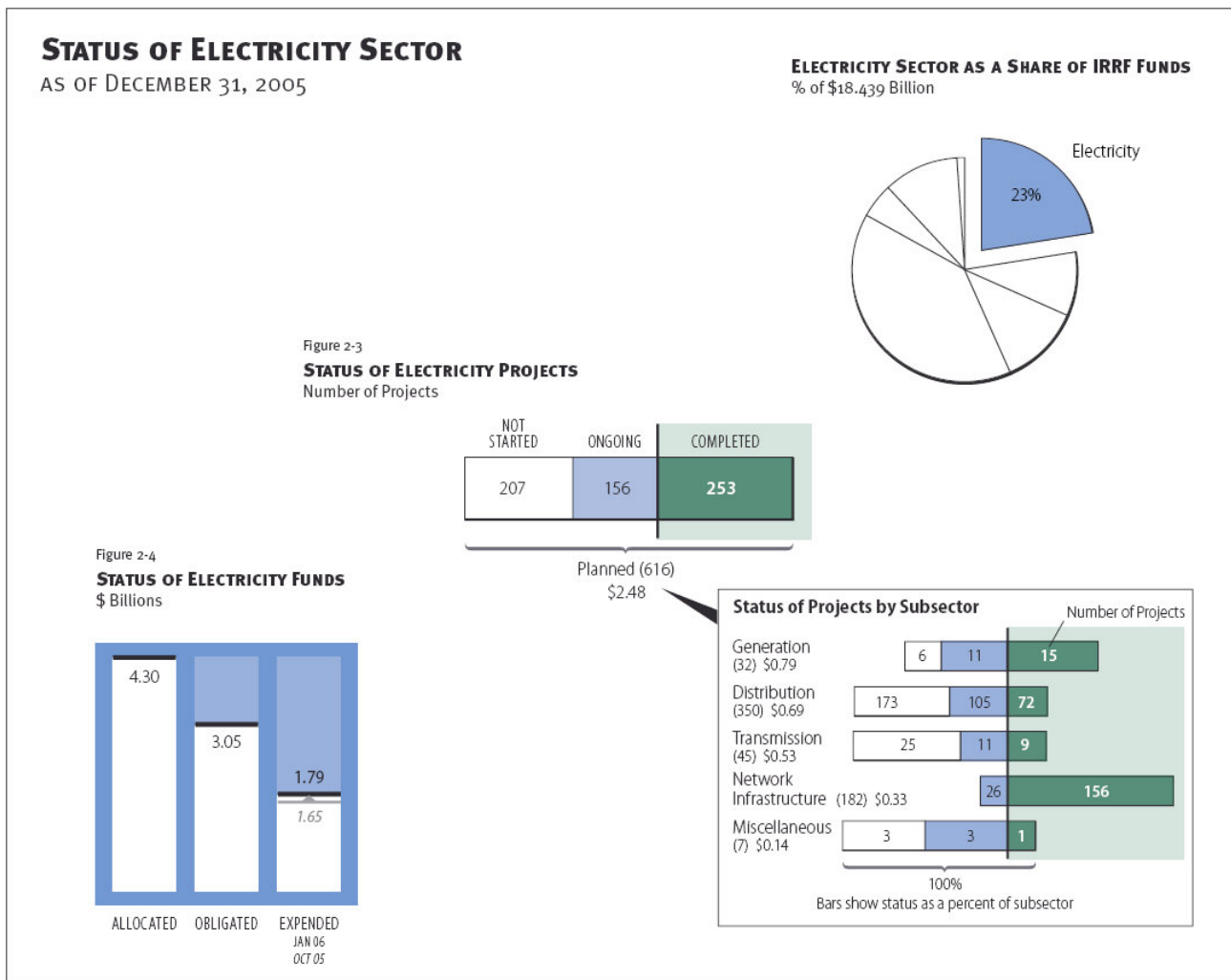


Current Critical Issues in Iraq Reconstruction

- **Outputs** of US reconstruction projects *have not translated* into enhanced essential services for Iraqis – a wide “gap” is evident between increased capacities and service deliveries

- The **final end date** of construction projects is *undetermined* at this point
 - Restoration of essential services implications
 - Cost to Complete implications

Electricity Reconstruction Fact Sheet



| Metric | Pre-War | Post-war Peak | Current | US Contribution |
|--------------------------------|---------------|---------------------------------|--------------|-----------------|
| Generation Capacity | 4,500 MW | 5375 MW <i>(Summer 2005)</i> | 3,995 MW | 2,710 MW |
| Hours of Power, Iraq | 4-8 per Day | N/A | 10.2 per Day | N/A |
| Hours of Power, Baghdad | 16-24 per Day | N/A | 3.7 per Day | N/A |

Sector Critical Issues

- *Insurgent attacks* on transmission lines and fuel pipelines reduce generation
- *Demand is unchecked* because of below-market prices (subsidies)
- *Iraqi ability to sustain infrastructure* is limited
- *Increased fuel cost* has burdened the sector

Oil & Gas Reconstruction Fact Sheet

STATUS OF OIL AND GAS SECTOR

AS OF DECEMBER 31, 2005

Figure 2-10

OIL AND GAS SECTOR AS A SHARE OF IRRF FUNDS
% of \$18.439 Billion

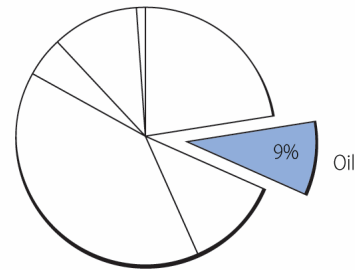


Figure 2-8

STATUS OF OIL AND GAS PROJECTS
Number of Projects

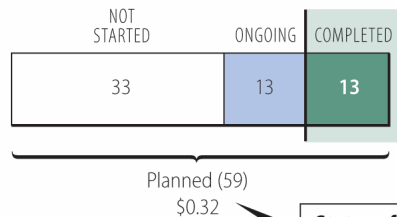
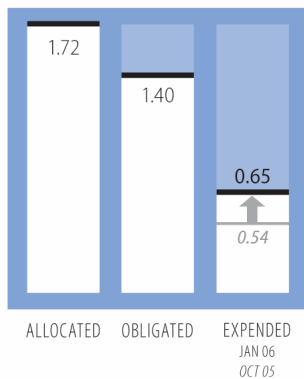
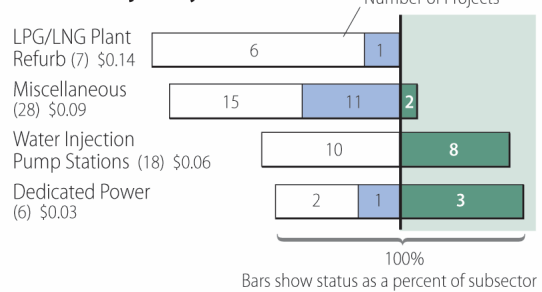


Figure 2-9

STATUS OF OIL AND GAS FUNDS
\$ Billions



Status of Projects by Subsector



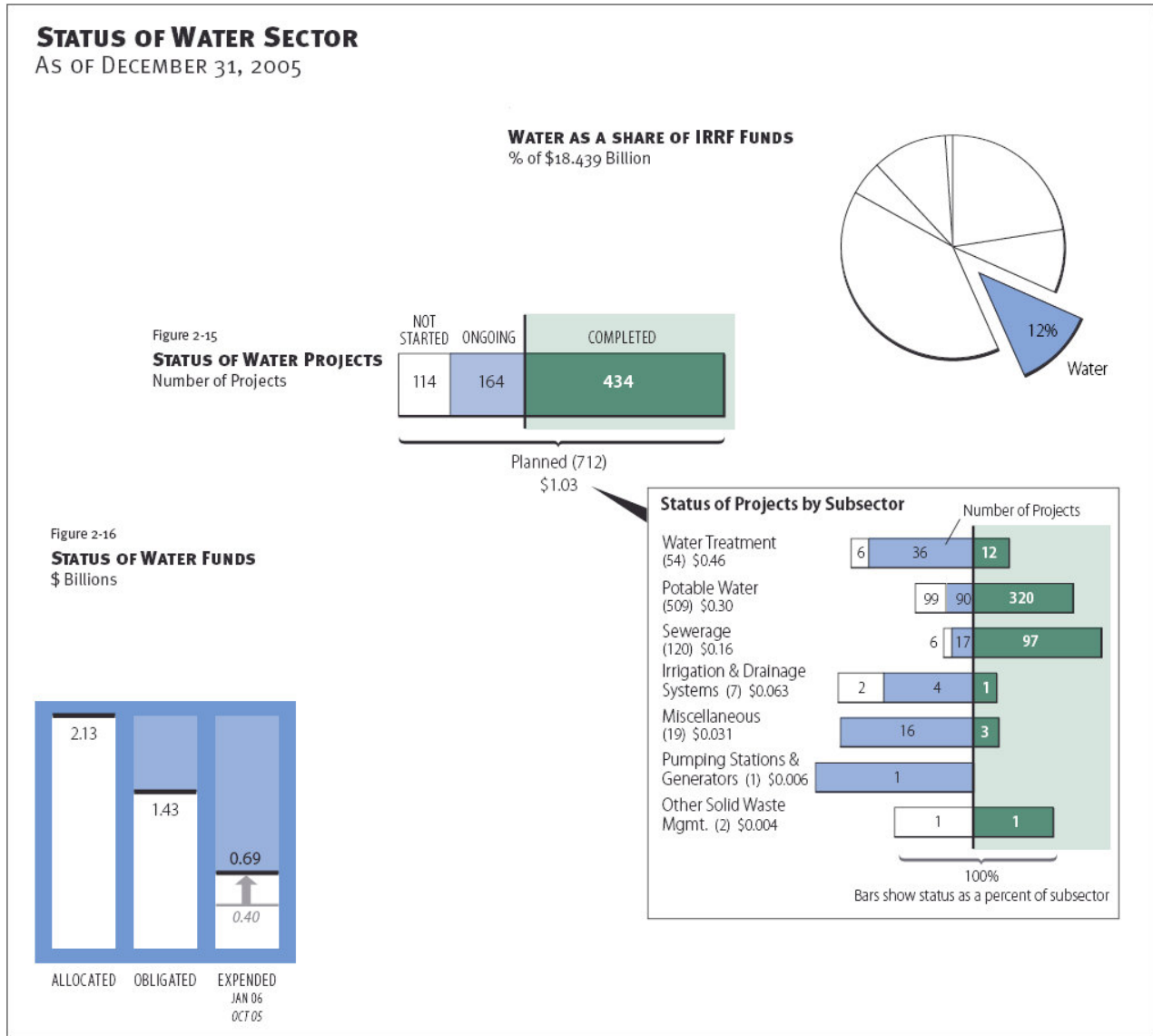
| Metric | Pre-War Peak | Post-war Peak | Current | US Contribution |
|-----------------------|--------------|---------------|-----------|-------------------|
| Oil Production | 2.58 MBPD | 2.67 MBPD | ~2.0 MBPD | 1.5 MBPD capacity |

Sector Critical Issues

- *Insurgent attacks* on pipelines and infrastructure reduce production and exports, and slow reconstruction
- *Iraqi ability to sustain infrastructure* is limited . . .

. . . *but,*
- Increase in world *oil prices has been a boon*

Water/Sanitation Reconstruction Fact Sheet



| Metric | Pre-War | Post-war Peak | Current | US Contribution |
|---|--------------|---------------|--------------|-----------------|
| Iraqis with Potable Water Access | 12.9 M (50%) | 8.25 M (32%) | 8.25 M (32%) | 2.8 M |
| Iraqis with Sewerage Access | 6.2 M (24%) | 5 M (20%) | 5 M (20%) | 4.5 M |

Sector Critical Issues

- Iraqi *ability to sustain* this infrastructure is *severely limited*
- *System rehabilitation* – plants, mains, distribution – has to be completed before clean water is delivered to users
- Power outages and lack of diesel fuel *limits plant operation*