



COALITION PROVISIONAL AUTHORITY
BAGHDAD

040303-09

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INFO MEMO

March 1, 2004

FOR: THE ADMINISTRATOR
 FROM: Darrell T. [Signature], Senior Advisor to the Iraqi Ministry of Transportation
 SUBJECT: Ministry of Transportation Issues Update

MARITIME — [REDACTED]

Port Task Force — Chair Victoria Wayne [REDACTED]

- **UNDP Contract for Scrap Removal.** The UN Development Program (UNDP) has tendered out a project for bids to remove scrap metal from the port of Umm Qasr, which will close in one week. Two weeks ago, the CPA/MoT, the Iraqi MoT, and UNDP signed a contract to remove large amounts of scrap from wrecks covering the docks at Umm Qasr. The UNDP-funded work will increase the port's capacity by 10% within a short time.
- **Supplemental-funded Dredging.** MoT and PMO are working to finalize the Super 8(a) contract, totaling \$3.5 million, to commence supplemental-funded dredging.
- **Delivery of Weapons for IPA.** The Iraq Port Authority in Umm Qasr received 160 AK-47's and associated ammunition for use in training and equipping the IPA security force.
- **Training Security Guards at Umm Qasr.** Supervising port security at Umm Qasr, Olive Security Co. has graduated the first class of 45 guards. After 3 more weeks, the port should have approximately 165 additional trained guards. By that time, the number of guards should total approximately 300.
- **SSA Contract Extension.** SSA's contract to manage the port of Umm Qasr is scheduled to expire on March 22. MoT obtained Program Review Committee (PRC—precursor to Program Review Board) approval for funding totaling \$5.1 million to support SSA's contract extension until June 30. Simultaneously, MoT staff is working with USAID and SSA to continue the existing contract until funds are expended. The proposed contract extension using PRB funds would help ensure that professional management and training of Iraqi managers will continue until June 30, in order to provide sufficient time to award a long-term port management contract in conjunction with the Iraq Port Authority.
- **Collected Port Fees.** MoT staff is developing a plan to transfer port revenues that SSA receives from ships delivering goods to Umm Qasr on behalf of the Iraq Port Authority. Due to the IPA's inability to administer electronic funds transfer (EFT), SSA receives these fees and holds them in trust in accounts in Kuwait and Seattle. MoT is working to transfer these funds into Iraq, where they will not be subject to seizure and into a

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trust whereby appropriate signatures would be required to safeguard it and ensure their appropriate use.

- **Military Cargo Distribution through Khawr Az Zubayr (KAZ).** MoT's port team met with the Umm Qasr-based US Army Surface Deployment and Distribution Command unit to discuss the command's decision to ship military cargo into Iraq through Maersk, which is based at KAZ. Effectively, this means that all military cargo shipped into Kuwait by water will go through KAZ.
- **Coordination between FPS and Iraqi Port Authority (IPA) guards.** In conjunction with the FPS security program, 572 FPS guards are being officially transferred to MOT for use at Umm Qasr, as of March 1. These guards have been in place at Umm Qasr and are now going to be paid through Ministry of Transport.
- **Fuel at the Port of Umm Qasr.** CPA Ministry of Oil presented to SSA a contract between Ministry of Oil and the Iraq Port Authority on fuel bunkering. Pursuant to this agreement, the port will be able to purchase its fuel generator requirements. This should reduce the port's operating expenses. Until the port is reconnected to the electrical grid, fuel generators are exclusively powering it.
- **Briefing ADM. Nash at Umm Qasr.** The ports team in Umm Qasr briefed ADM. Nash on the needs of the port, and delivered a "wish list" of critical action items needed to enable delivery of reconstruction cargo for the UN Donors' Conference in Abu Dhabi, which ADM. Nash attended.

AVIATION

- **VSAT Installed.** On February 29, 2004, technicians from Bechtel, the International Air Transport Association (IATA), and the Iraqi Civil Aviation Authority (CAA) installed the Very Small Aperture Terminal (VSAT) to improve voice and data linkage between air traffic control and aircraft in Ar Rutbah, in western Iraq. As the last of 7 VSAT sites to be installed in Iraq, this VSAT sites provides the backbone for air traffic control information throughout Iraq. Installation meets the strategic plan deadline of March 1. Validation testing is still in progress.
- **Task Orders for BIAP Infrastructure.** MoT's aviation team developed task orders for the supplemental-funded BIAP infrastructure improvement project, for submission to PMO. Three task orders on airfield lighting, terminal infrastructure assessment and checkpoints have been submitted. In addition, funding has been set against modification to the ANS contract.
- **Cargo operations at Basrah.** Following planned Port Task force meeting, MoT staff is planning to meet the British military in mid-March to move forward on initiating cargo flights into Basrah airport, which will bring supplemental cargo and passenger flights associated with that cargo.
- **ANS Contract.** MoT's aviation team undertook site surveys of BIAP airfields for installation of the Air Navigation System (ANS). Construction surveys will continue for the next 2 weeks. The oubrief report is due in early March.

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- **Meteorological World Bank request.** MoT's aviation team drafted a \$60 million World Bank submission to help establish World Meteorological Organization (WMO)-sponsored trust fund to rebuild the Iraq Meteorological Organization. A letter was submitted to the Italian Ambassador requesting the Italian donation for meteorology with a defined project, which will provide weather capabilities for BIAP.
- **Requesting Civil Affairs team.** MoT will request a Civil Affairs team to assist CPA with the ongoing building improvement projects that have been started by IAD's Civil Affairs Battalion. These units can apply for Army's CERP funds that are specifically used to restore basic infrastructure capability.
- **BIAP Transition.** MoT's aviation team is working with Iraqi Airways to administer a preliminary inspection of buildings at BIAP. Iraqi Airways will supply a list of employees working 24/7 at these buildings. Also, MoT met with CJTF-7 to discuss the transition chart and security issues for the assumption of authority by the Iraqi Civil Aviation Authority (CAA) and Iraqi Airways.
- **BIAP Nortel Switch.** MoT staff is working with Iraqi technicians and Bechtel to ensure all parties understand the telecommunications installation blueprint, for turning over to CPA and Iraqi technicians. Technicians have been unable to program the switch to install fiber-optic remotes at other buildings, and phones at BIAP's terminal C. While Bechtel needs to close out work orders, MoT staff is ensuring the system is ready for turnover.
- **Kuwaiti Airlines spare parts.** MoT's aviation team arranged the removal of the Kuwaiti Airlines spare parts (two containers) from BIAP to Kuwait City via flat-bed trucks. The POC of the Kuwaiti Airlines (KAC) will arrive BIAP Thursday to start the process under the supervision of CPA, Civil Affairs, Iraqi Airways, and the General Council. Pursuant to a court order, an agreement has been reached to deliver the inventory to Kuwait on a date to be determined.

RAILROADS

- **Arrival of Russian Locomotives.** The first two of six Russian-built large shunting locomotives acquired under the Oil-for-Food (OFF) program have been received and are being readied for service.
- **Arrival of New Ukrainian Locomotives.** The first two of an eventual thirty new Ukrainian-built mainline diesel-electric locomotives acquired under the UN Oil-for-Food project arrived in Baghdad. A further eight will arrive shortly. They will be prepared for service at the workshop in Baghdad and then immediately be placed in traffic.
- **VHF radio installation.** To date, VHF radios have been installed in 36 locomotives, including all of the active Baghdad-based units. Base station radios have been installed in 17 locations, all in the area between Baghdad and Basrah/Umm Qasr. Additionally, a number of stations north of Baghdad will receive their radios at a later date, because they already had operational radios. A substantial number of hand-held radios have also been distributed. Performance of the radios has exceeded expectations, particularly in their effective range.

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- **Iraqi-Syrian Railways Discussion.** Senior managements of the Iraqi and Syrian railways are meeting in Baghdad to discuss a variety of bilateral issues including matters related to the current movement of World Food Program (WFP) grain and a proposed movement of 200,000 tons of Iraqi crude oil to Syria. More than 2,000 wagons of Syrian and Turkish traffic have crossed the border at Rabiya in the first two months of this year.

SURFACE TRANSPORT

- **Intermodal Property at BIAP.** Today, MoT signed for the property that is being vacated by the U.S. Army's 125th Forward Support Battalion, at the Atlas Forward Operating Base in the Abu Ghurayb area north of the Baghdad International Airport (BIAP). This property is 7km long and 1km wide, contains many suitable warehouses, and served as the former Iraqi Army's tank maintenance facility. The site is envisioned to be developed into an intermodal transportation, distribution and warehousing hub for central Iraq over the next 7 to 10 years. On February 29, 2004, when 1AD forces draw down, the facility will be secured by MVM Corp. (private contractor) and a contingent of Iraqi Police. High value assets located on the property include 21 megawatt diesel generators, several major warehouses with AC and cranes, cafeteria, firearms training range, headquarters' buildings, and sleeping/billeting quarters with city water outlets. The Ministry of Transportation will complete a TOA with the 1AD military unit redeploying back to CONUS on February 29.
- **World Bank Project Activity.** During a video conference, 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. Also, 7 Iraqi MoT staff are currently undergoing World Bank training in contracts, finance, and project management.

ATTACHMENTS: NONE

COORDINATION: Department Heads

Reviewed: Victoria Wayne, Deputy Senior Advisor

Drafted:

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