Program Review Board (PRB) Minutes – Sep 9, 2003

Attendees:

*David Oliver  
Sherri Krahm  
*Lewis Lucke  
*Andrew Ockenden  
COL Paul Hough  
COL Tony Bell  
*COL Michael Toner  
LTC Terry Ross  
Al Runnels  
*Gerald Thompson  
*Andy Bearpark  
*Suzanne Schaffrath  
Eric Pelofsky  
* Voting member  

Chair, Director of CPA Office of Management & Budget  
Director, Program Review Board  
Director, US Agency of International Development  
Representative of the UK Government  
CPA Comptroller  
CPA – Contracting Activities  
Coalition Joint Task Force-7 Comptroller  
Coalition Joint Task Force-7 Comptroller, Deputy  
CPA Chief Financial Office  
CPA Advisors office National Security and Defense  
CPA Director of Operations  
Advisor, CPA office of Governance  
CPA General Counsel  

Previous minutes were approved.

Status of Funds: Runnels: Good news, IRRF $48M uncommitted; Washington working to fund $300M for electricity program out of Iraq Freedom Fund, represents new money if Congress goes along. Taking $466M out of IRRF (previously approved) appropriated funding of Task Force Rio oil infrastructure program. All remaining funding will come from DFI. Transfer from DFI account to support Wheat/Barley Harvest program. $120M of UN Oil for Food funds, designated for this program, has been deposited into the DFI account. $55M to be transferred from DFI into the Rasheed Bank to repay two loans made to the Ministry of Trade to support wheat and barley harvest program earlier this year. According to the General Counsel, program transfers do not require PRB approval, notification for the record only.

The following Funding Requests were considered by the Board for recommendation to the Administrator:

#461 Seaports for Fuel, $10M. Oliver: Came into PRB last week requesting $15M for security in Basrah region. Researched with Oil Minister, had sufficient funds to finance $5M. Project not entirely Ministry of Oil responsibility, $9M off shore portion Ministry of Transportation responsibility, Ministry of Transportation does not have funds available to support. Approved, $10M.

#482 Iraqi Foreign Litigation, Claims & Arbitrations, $1,445,770. Pelofsky: Iraq engaged in litigation worldwide, mostly as a defendant. Large numbers (dollars) are at risk, numbers become hunting licenses for individuals or companies to go after our assets overseas. Litigation can’t attack DFI, can attack any funds placed overseas. Strong motivation to limit hunting licenses, get delays so the Iraqis can make their own litigation decisions once we’re gone. Most cases seeking delays or trying to prevent large judgments against Iraq. $445K requested by UN
to individuals in Iraq while working in Geneva transferred by individuals to the Ministry of Foreign Affairs authority to give back to Iraq; Ministry of Foreign Affairs never up the money gave money, (UN wants us to pay with lawyers that were litigated). Funds currently in Ministry of Foreign Affairs branch of Rasheed Bank. Oliver: Procedures for paying all private accounts must be followed. POC: Dan Devlin can provide a copy of signed memo. Oliver: Put as Iraqi Ministry of Justice budget. Pelofsky: Was submitted for 2004 budget, think it has been stripped. Need to act now; have to commit to pay lawyers. Pay will vary depending on skill level, London litigators more expensive. Oliver: $1M now, $3M put in budget. Approved, $1M.

#480 & 481, Ad Duluiyah Water Treatment Projects. Kraham: Two local projects for the North under Construction Initiative, had $15M, have now spent half. Projects cleared by water resources. Not long term projects, provides immediate potable water to the community. Approved.

Oliver: Change meeting to once a week to get the new Finance Minister to come in, to Saturdays only. Working with military to resolve issues of CERP & DERP. Kraham: PRCs will change to two meetings per week.