COALITION PROVISIONAL AUTHORITY ORDER NUMBER 75

REALIGNMENT OF MILITARY INDUSTRIAL COMPANIES

Pursuant to my authority as Administrator of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant U.N. Security Council resolutions, including Resolutions 1483 and 1511 (2003),

Furthering commitments to promote public order and safety and restore the conditions of security and stability for the Iraqi people,

Having worked closely with the Governing Council to ensure that economic change occurs in a manner acceptable to the people of Iraq,

Recognizing that many state-owned enterprises previously engaged in military industrial production (heretofore "military industrial companies") sit idle and largely abandoned throughout Iraq,

Concerned that buildings and factories of companies formerly assigned to the military industrial commission (or "military industrial companies") often contain stockpiles of hardware and materials that remain deployable for violent uses against Coalition Forces and the people of Iraq, and that employees of these companies remain needlessly underemployed and unable to utilize their skills to promote the welfare of Iraq,

Determined to secure and dispose of these stockpiles and to assign responsibility for reconstituting military industrial companies and reassigning their employees as necessary for the promotion of peace, security, and stability in Iraq;

I hereby promulgate the following:

Section 1 Purposes and Objectives

This Order promotes public order and safety for the Iraqi people by providing for the security and destruction of materials abandoned after the closure of military industrial companies throughout Iraq. This order also restores conditions of stability in Iraq by assigning responsibility for the personnel and assets of military industrial companies to appropriate ministries and facilitating the reconstitution of such companies for peaceful and resourceful uses.

Section 2 Military Industrial Companies

- 1) Military industrial companies subject to this Order include those state-owned enterprises listed in Annex A. The absence of appropriate responsibility for the facilities and assets of these enterprises has been determined by the Administrator to constitute a continuing threat against Coalition Forces and the people of Iraq if not appropriately secured.
- 2) State-owned enterprises formerly assigned to institutions dissolved under CPA Order No. 2 (CPA/ORD/23 May 2003/02), Dissolution of Entities, and those enterprises formerly assigned to the military industrial commission are generally subject to inclusion in Annex A.
- 3) The military industrial commission is an entity dissolved under CPA Order No. 2 (CPA/ORD/23 May2003/02).
- 4) The Administrator retains authority to add state-owned enterprises to Annex A if it is determined that such enterprises previously engaged in military industrial production and either (a) threaten public order and safety on account of stockpiles and/or abandoned materials that may be used for violent purposes against Coalition Forces and the people of Iraq, or (b) have real property or other tangible assets that the enterprise as presently constituted cannot adequately safeguard and thus stand in danger of being looted, severely damaged, or destroyed.
- 5) The Minister of Industry shall be notified of any additions or deletions to Annex A within ten days of such action being taken by the Administrator. The Minister of Industry shall also inform the Administrator of any state-owned enterprise known to have been engaged in military industrial production, but not listed in Annex A

Section 3 Disposition of Military Industrial Assets and Employees

- 1) The Administrator retains authority to secure facilities and dispose of the material assets of enterprises listed in Annex A so long as the Administrator finds that such facilities or assets or the lack of control over such facilities and assets constitute a continuing threat to Coalition Forces and the people of Iraq.
- 2) The Administrator also retains authority to reclassify and/or reorganize the enterprises listed in Annex A, so long as the Administrator finds such reclassification and/or reorganization essential to the safety of Coalition Forces and the people of Iraq, the preservation of assets and property for the people of Iraq, or the restoration of societal conditions necessary to the self determination of the Iraqi people. Where an enterprise listed in Annex A is not reassigned to another Iraqi ministry, the liabilities of such enterprise shall be assumed by the Ministry of Finance.

- 3) The Administrator further retains authority to reassign otherwise unemployed workers of the enterprises listed in Annex A to other Iraqi ministries, governmental agencies, governmental instrumentalities, or state-owned enterprises, so long as the Administrator finds such reassignment furthers the security and safety of Coalition Forces and the people of Iraq or furthers the restoration of societal conditions necessary to the self determination of a free people.
- 4) To ensure continuity in the economy of Iraq and the salaries of workers reassigned under this Section, the Minister of Finance will assure that the budget of any enterprise reassigned and/or reclassified under this Section, and the associated payroll information for any employee reassigned under this Section, shall follow that enterprise or employee to their new ministry or place of employment. Employees reassigned under this Section shall be guaranteed a salary commensurate with the salary paid by their former employer.
- 5) The Minister of Industry must be notified in writing of any action taken under this Section, and within 14 days of such notice may issue an opinion as to whether such action serves the interests of the Iraqi people. The Minister of Industry may make specific recommendations for alternative courses of action, keeping in mind that the Administrator retains full authorization under the laws and usage of war to ensure and restore public order and security in Iraq.

Section 4 Assignment and Consolidation

- 1) Responsibility for military industrial companies and the assets and personnel thereof not listed in Annex A shall be assigned to the Ministry of Industry and Minerals or such other ministry as the Administrator deems appropriate. These companies shall include all state-owned enterprises formerly supervised or owned by institutions dissolved under CPA Order No. 2 (CPA/ORD/23 May 2003/02), or formerly assigned to the military industrial commission.
- 2) Military industrial companies assigned to the Minister of Industry and Minerals under this Section may be subject to consolidation pursuant to the procedures set forth in other CPA Orders.

Section 5 Administrative Instructions

The Administrator may delegate authority to issue Administrative Instructions to clarify and implement this Order.

Section 6

Inconsistent Legislation

Any provision of Iraqi law that is inconsistent with this Order or Annex A is hereby suspended to the extent of such inconsistency.

Section 7 Entry into Force

This Order shall enter into force on the date of signature.

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L. Paul Bremer, Administrator Coalition Provisional Authority

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Annex A

Military Industry Commission Companies (MIC's) to Ministry of Industry and Minerals (MIM):

| Enterprise Name | Area of Activity | Total Amount of Workers | Buildings Level of Destruction(%) | Machines Destruction and Looting(%) | Assign Employees and Assets to: |
|--------------------|-------------------------------|-------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| 1. Al Saheed | Copper production | 1,300 | 11.9% | 45% | MIM |
| 2. Tareq | Pesticides, chemicals | 896 | 30.6% | 25% | Ministry of Finance |
| 3. Hammurabi | Pistols, small arms | 636 | 2.8% | 15% | Ministry of Finance |
| 4. Al Tahady | Electromecanichal | 399 | 10.4% | 35% | MIM |
| 5. Ibn Waleed | Heavy armored veh. Rep. | 926 | 10.5% | 60% | Ministry of Finance |
| 6. Al Ikhaa | Mechanical, optics | 2,382 | 1.7% | 20% | MIM |
| 7. Al Rasheed | Co2 producer, mechanical | 2,290 | 43.2% | 50% | Ministry of Finance |
| 8. Asahf al Kabir | Concrete additives | 86 | 26.1% | 35% | Ministry of Finance |
| 9. Al Noaman | Plastic injection, irrigation | 643 | 6.0% | 10% | MIM |
| 10. Al Uboor | Mechanical machining | 1,217 | 70.4% | 100% | Ministry of Finance |
| 11. Al Mansour | Solar cells, IC, gases | 670 | 0.2% | 5% | MIM |
| 12. Radhwan | Machining | 760 | 34.0% | 60% | Ministry of Finance |

| Enterprise Name | Area of Activity | Total Amount of Workers | Buildings Level of Destruction(%) | Machines Destruction and Looting(%) | Assign Employees and Assets to: |
|--------------------|-------------------------|-------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| 13. Al Nidaa | Dies, molds, gears | 1,281 | 41.8% | 80% | Ministry of Finance |
| 14. Al Salam | Construction Equip. | 752 | 7.7% | 100% | Ministry of Housing |
| 15. Ibn Majed | Eng. Mfg. Marine et.al. | 1.648 | 21.6% | 30% | MIM |

MIC's to Ministry of Labor and Social Affairs (MOLSA):

| Enterprise Name | Area of Activity | Total Amount of Workers | Buildings Level of Destruction(%) | Machines Destruction and Looting(%) | Assign Employees and Assets to: | |
|--------------------|--|-------------------------|-----------------------------------|-------------------------------------|---------------------------------|--|
| 1. Training Center | All defense SOE's specialties | N/A | N/A | N/A | Ministry of Labor | |
| | MIC's That Will Have Surviving Assets and Employees Transferred to Other Iragi Covernment Agencies | | | | | |

MIC's That Will Have Surviving Assets and Employees Transferred to Other Iraqi Government Agencies:

| Enterprise Name | Area of Activity | Total Amount of Workers | Buildings Level of Destruction(%) | Machines Destruction and Looting(%) | Assign Employees and Assets to: |
|--------------------|--------------------------|-------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| 1. Jaber ben Hayan | Plastic, rubber, filters | 904 | 25.7% | 95% | Ministry of Finance |
| 2. Yarmuk | Ammunitions, barbed wire | 2,708 | 65.8% | 100% | Ministry of Finance |
| 3. Al ezz | Electronic switching | 1,046 | 23.7% | 100% | Ministry of Finance |
| 4. Al Kadissiya | Guns, grenades, mortars | 3,035 | 69.9% | 100% | Ministry of Finance |

| Enterprise Name | Area of Activity | Total Amount of Workers | Buildings Level of Destruction(%) | Machines Destruction and Looting(%) | Assign Employees and Assets to: |
|--------------------|------------------------------|-------------------------|-----------------------------------|-------------------------------------|---------------------------------|
| 5. Al Fidaa | Hydraulic, pneumatic systems | 1,285 | 50.2% | 100% | Ministry of Finance |
| 6. Al Karama | Missiles, mechanical | 2,287 | 51.4% | 40% | Ministry of Finance |
| 7. Al Qaqa | Explosives, powder, TNT | 5,365 | 36.6% | 85% | Ministry of Finance |
| 8. Bader | Tools, dies | 1,631 | 82.8% | 100% | Ministry of Finance |
| 9. Tabook | Powder for cartridges | 532 | 0.3% | 20% | Ministry of Finance |
| 10. Al Hadhar | Chemical products | 572 | 70.6% | 100% | Ministry of Finance |
| 11. 7 Nissan | Fuses, military shells | 2,652 | 94.2% | 100% | Ministry of Finance |
| 12. Al Hareth | Radars, welding equipment | 1,387 | 0.0% | 60% | Ministry of Finance |
| 13. Al Kindi | R & D radars | 976 | 38.0% | 90% | Ministry of Finance |
| 14. Sanahareeb | Irrigation systems | 675 | 22.3% | 100% | Ministry of Finance |
| 15. Salahuddeen | Communication, radars | 2,900 | 34.2% | 75% | Ministry of Finance |
| 16. Ibn Rushd | Qa, testing, inspection | 448 | 50.0% | 100% | Ministry of Finance |
| 17. Hutten | Ammunition, guns, mortars | 5,473 | 25.9% | 70% | Ministry of Finance |