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Contractor Training guides bidders

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BAGHDAD, Iraq – Gulf Region Division and Joint Contracting Command-Iraq/Afghanistan held a Contracting Training session May 10, 2008 with the aim of guiding Iraqi contractors through bidding procedures. Also at the session new services being offered by three Iraqi Banks were laid out.

The hosts, Azza Humadi, program manager of the Women's Program at GRD, and Ali al-Hathaf, senior business advisor at JCC-I/A, gave registration information to companies interested in bidding. They also encouraged and showed the audience how to search for solicitations on the web.

The session held in the fortified Green Zone in central Baghdad, was attended by Navy Capt. Mark Ohl, the deputy commander of the JCC-I/A, military officers, two representatives of the Iraqi defense and interior ministries, 18 business women and about 40 vendors and contractors.

"Despite the challenges and obstacles, Iraqi First Program (IFP) proved its success by showing its ability to build credibility and help Iraqi contractors to bid on contracts," said Humadi in her opening remarks.

Gen. George Casey launched the IFP initiative in June 2006 in a bid to give as many contracts as possible to Iraqi contractors and vendors in order to create more job opportunities for the unemployed in the country.

Humadi requested in her speech that more immediate support be provided to the Iraqi women.

"In spite of the difficult situation, she [Iraqi business woman] is building and competing with her male counterparts...unfortunately, the overall percentage of contracts awarded to them is still very small," she said.

There have been considerable strides in giving more contracts to Iraqi contractors in the last couple of years, according to Ohl. "In the last two years, through our very successful Iraqi First Program, we have awarded over \$4.8 billion in contracts to Iraqi vendors. We have increased the number of local businesses we work with directly to over 3,500 in that time as well.

"That is a tremendous amount of economic impact," Ohl added.

There are 15 business advisors in JCC-I/A across Iraq, who act as a bridge to connect contract offices with the Iraqi contractors in order to help them.

Ohl touched on adopting the new Electronic Funds Transfer (EFT) approach, considering "it will give support to Iraqi banking."

On his part, Brig. Torrens-Spence, the deputy commanding general at the Multi-National Security Transition Command - Iraq told the audience that the financial

allocations for the Iraqi defense and interior ministries have increased significantly in the last year.

"I am keen that these funds will be spent all over Iraq," said Torrens-Spence.

"I know that this task is not easy and is accompanied by some slowness, but we are trying to find solutions," the brigadier said.

Iraqi defense and interior ministries were allocated \$7 billion in Iraq's 2008 budget and will be increased to \$9 billion for 2009.

Al-Hathaf delineated how the contracts must be submitted and also the conditions that must be met in order to register the Iraqi firms correctly. He pointed out that a committee will verify the credibility of submitted information and will check the companies' bank balances.

Al-Hathaf underlined the importance of insurance. Every contractor must apply for insurance for his or her workers through recognized companies.

Capt. Mark Santasiero said that the lowest prices and the earliest delivery dates are the main criteria in awarding contracts.

An Iraqi business woman in attendance said that she found the training session useful for asking questions directly to contracting organization representatives. "I try not to miss any meeting arranged by Ms. Azza [Humadi]." The 32-year-old woman who handles various contracts, including a \$1 million vehicle supply contract spoke on condition of anonymity.

Asked about the difficulties that contractors face, she said, "Every project has its particular difficulties, including the delay at customs or in delivery, but still the paramount one is the security."

Representatives from three Iraqi banks talked about their banks' new services for the Iraqi contractors, including the EFT and the possibility of getting the contract payments directly from the banks, instead of waiting for periods up to 42 days to receive their payment from the U.S. side.

Bank representatives expressed their optimism about the banking sector, especially while the Iraqi government is buying the components of rations from Iraqi merchants who are dealing with banks that give them the required letters of credit of up to \$2 million.

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