Baghdad's ability over the last three years to work on prohibited programs without risk of disclosure has grown immensely. Iraq's activities since 1998 clearly show that it has repaired and expanded dual-use WMD facilities, increased WMD production capabilities, and advanced clandestine production and procurement.

Iraq maintains an active and capable BW program.

Iraq is using transportable BW agent production plants, which we estimate could produce hundreds of metric tons of unconcentrated agent slurry per year. Iraq also has the dangerous capability to quickly convert vaccine, biopesticide, and other plants:

- Baghdad has rebuilt, expanded, and is now operating the vaccine plant at al-Dawrah, which produced 5,400 liters of Botulinum toxin in a few months before the Gulf war. The BW-associated Amiriya serum facility has also expanded its research, production, and cold storage capabilities.

- Iraq has been operating the Fallujah III castor oil plant since March 2000 and could be extracting ricin toxin from the leftover bean pulp, as it did in the early 1990s. Iraq is not openly destroying the pulp, nor is it operating the nearby brake fluid plant—the claimed destination of the castor oil.

Baghdad continues to work on unmanned aerial vehicles that we believe will be fitted with an indigenously made dissemination device for BW agents. Iraq is trying to move beyond the L-29 aircraft to the more capable L-39 and other vehicles. Over the last year, the program spent $5-6 million on new UAV and autopilot technology.

Iraq is advancing its CW Program under cover of civilian chemical industries, the same tactic it used before the Gulf war. In particular, Iraq has rebuilt and expanded the facilities at Fallujah II that produce chlorine and phenol, key nerve agent precursor ingredients. Important parts of the plant are tied to Iraq's defense ministry and leading plant personnel come from Iraq's past CW program. Moreover, imagery shows that trailers previously used as CW filling stations were moved to the compound last year and have been partially assembled.
There are disturbing signs that the Missile Program has exceeded the parameters established under UNSC resolutions and that production sites are being geared for prohibited, longer-range systems.

- A large motor test stand and trench are being constructed at al-Rafah that are larger than those used to test al-Samoud and Scud engines.

- E.O. 13526, section 1.4(c) show that Iraq is producing and testing large-diameter motor cases for longer-range missiles.

- Two sites previously associated with the Badr 2000 solid propellant missile (which would have had a range of up to 1,000 km) are expanding the infrastructure previously associated with prohibited systems.

- The size of the new motor assembly and check-out building at the al-Mutasim site suggests an intent to support development of prohibited systems.

- The reconstruction of two large mixer buildings and the Badr 2000 cast-and-cure building at the al-Mamoun facility also points to development of longer-range missiles.

- We assess that Baghdad is trying to jumpstart its Nuclear Program, particularly through clandestine uranium enrichment.

- Baghdad has significantly increased nuclear dual-use procurement activity in recent years, and a foreign government service says Iraq was trying to acquire 500 tons of uranium from Niger.

- Nearly 2000 high-grade, finely-milled aluminum tubes in June 2001, which we assess were destined for use in Iraqi centrifuges.