(b)(1) (b)(3)



 ${\it Director\ of\ Central\ Intelligence}$ 

Top Secret

CIA CPAS.

NTD 27- 830 CX.



National Intelligence Daily

Thursday, 6 February 1997









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CPAS NID 97-0030CX 6 February 1997.

EUROPE	
France:	Exploring Oil Contracts With Iraq
	The state-owned firm Total hopes to sign a contract soon with Baghdad to develop the Nahr Umar oilfield, according to press reports.
	Total believes UN sanctions do not prohibit it from signing a deal and beginning technical studies in Paris, the press reports say.
	— The French Government is unlikely to permit Total to sign a formal contract while it awaits the UN Special Commission's latest assessment and as President Chirac labors to improve relations with the US.
	— Even so, however, France will continue to foster growing commercial ties and, barring any new violations by Iraq, will increasingly lobby to end sanctions.

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