

DECLASSIFIED
UK CONFIDENTIAL



10 DOWNING STREET
LONDON SW1A 2AA

Foreign Policy Adviser to the Prime Minister,
and Head of the Defence and Overseas Secretariat

11 February 2005

Dear Steve

IRAQ

As promised, I enclose a copy of our 2005 Strategy paper on Iraq which was approved by Ministers earlier this week. I look forward to discussing this with you. We might want to think about a White House/No 10 videoconference to talk the issue through.

Yours

Nigel

NIGEL SHEINWALD

Stephen J Hadley
The White House

DECLASSIFIED

UK CONFIDENTIAL

DECLASSIFIED
CONFIDENTIAL

IRAQ: STRATEGY FOR 2005

The elections on 30 January signalled the desire of the majority of Iraqis for democracy, and secured widespread international support. It is vital that we seize that momentum, and are ready to engage the new Iraqi Transitional Government (ITG) and the international community, to pursue the democratic process and start to weaken the insurgency.

2. This paper sets out the key elements for a strategy:

- building up the capability of the Iraqi Security Forces;
- outreach by the ITG to bring in those currently supporting the insurgency;
- drawing in the international community and giving it a new sense of purpose;
- reviewing reconstruction to find ways to make a difference quickly.

SECURITY STRATEGY

3. A successful counter-insurgency strategy needs both political and security action, but the core will be developing Iraqi forces more rapidly and effectively than hitherto.

4. The military assessment mission, led by General Luck, concluded that there is no "silver bullet". The existing Petraeus plan is viable, but

DECLASSIFIED
CONFIDENTIAL
1

DECLASSIFIED
CONFIDENTIAL

better execution is required to deliver results. (Key elements at Annex A.)

5. The growing insurgency presents challenges for the Iraqi Security Forces (ISF) – military and police – for which they are not yet trained or equipped to respond. The ITG will regard security as a top priority. We should encourage them to build on Allawi's new security plan, and discuss the reconfiguration of the MNF to support the ISF and the broad timelines for drawdown.

6. Key elements of a strategy are:

- an overarching and visible Iraqi structure responsible for security, under a single, senior Minister which can provide effective leadership;
- effective governance at Provincial level to provide a political framework for ISF control;
- competent and committed Ministers, military commanders and senior officials;
- developing proposals on how to make security sector reform work; and secure Iraqi ownership of the plan;
- a clear declaratory plan for MNF drawdown, agreed with the ITG. It may not, at this stage, require a timetable as such, but could include milestones for achieving progressive Iraqi control in individual provinces/towns;

CONFIDENTIAL

2
DECLASSIFIED

DECLASSIFIED

CONFIDENTIAL

- a new emphasis on training the Iraqi Security Forces, as the MNF reduces its visibility, with an accompanying focus on the need to capture 'hearts and minds'; embedded military teams to mentor Iraqi forces in operational roles;
- adequate top-end capability, eg agreement on the size of the Iraqi Intervention Force (IIF) and Police Comandos, and plans to deliver them;
- a long overdue reorientation of the MNF intelligence effort from "warfighting" to "counter-insurgency";
- help for Iraqi military and police intelligence as soon as the intentions of the ITG are clear;
- development of a "policing plan" setting out the role of the police, including self-protection, development of a paramilitary capability, its relationship with the military, and areas of police primacy;
- a co-ordinated plan to provide advisers to support the relevant ministries (for both policy development and institutional capacity building);
- resolving the de-Baathification dilemma to allow Security Sector Reform to work;
- supporting the creation of a criminal justice system, and the Iraqi criminal tribunal;
- introducing improved regimes in detention facilities.

CONFIDENTIAL

DECLASSIFIED

DECLASSIFIED
CONFIDENTIAL

SECURITY - UK CONTRIBUTION

7. The UK will not increase force numbers in Iraq, and we do not anticipate providing personnel for Military Assistance Teams, or operations, outside our current area of operations.

8. We will offer further assistance with:

- continued training effort in MND(SE) – could take on training and operations from other parts of the South;
- development of a strategy for the Iraqi police service (deployment of experienced, senior officers to both the Ministry of Interior and MNF could achieve considerable impact);
- provision of suitably qualified and experienced advisers to mentor senior Iraqi officials and support to build institutional capacity;
- development of Iraqi intelligence capability (once the new Government's intentions are clear) with an emphasis on counter-insurgency operations [drawing on Northern Ireland/Special Branch experience;
- building on MND(SE) practices (eg fast track procurement) to provide the condition for handover to Iraqi regional control as soon as practicable;

DECLASSIFIED
CONFIDENTIAL
4

DECLASSIFIED

CONFIDENTIAL

- encouraging the Dutch, Portuguese etc, to keep at least some forces in Iraq, in a training role, to mitigate the impact of their withdrawal from military operations.

THE POLITICAL PROCESS

9. The main responsibility for outreach must lie with the ITG. But we must use opportunities to influence them. Pulling those on the fringes of the insurgency (or giving it passive support) into the political process is a key requirement for the next 3-6 months, by:

- Sunnis in key Cabinet positions;
- where possible (eg as replacements for those appointed as Ministers) increased Sunni representation in the TNA;
- lobbying Iraq's neighbours and the wider international community to encourage Sunni participation in the political process;
- encouraging the ITG/TNA to invite UN advice/support to devise an inclusive political process for drafting the constitution as early as possible. That might include a set piece event to launch the process; a committee of elected TNA members, which properly represents all elements of Iraqi society, charged with overseeing the drafting process; a sub-commission or "preparatory committee" of Iraqi experts, to which Sunnis could be co-opted, plus the UN to draw in international expertise; regional "town hall events" around Iraq.

CONFIDENTIAL

DECLASSIFIED
CONFIDENTIAL

- encouraging the ITG to relax the rules on de-Baathification as a way of drawing disaffected former Army officers and officials back into the system;
- engaging in early discussions with the ITG on a conditions based reconfiguration of the MNF to address the concern that the MNF presence is open ended.

THE INTERNATIONAL COMMUNITY

10. We also need to increase the international community's engagement to:

- enhance the legitimacy of the ITG;
- reduce the extent to which insurgents are able to feed off divisions in the international community;
- lock neighbouring countries into a policy of active support (increasing pressure on the Syrians and Iranians);
- improve burden sharing;
- create an atmosphere within the UN to facilitate the renewal/revision of the MNF mandate (UNSCR review in June, expiry in December); and
- improve the cohesion of the MNF.

DECLASSIFIED
CONFIDENTIAL

DECLASSIFIED
CONFIDENTIAL

Other measures should include:

- Sharm el-Sheik follow-up meetings at official level to co-ordinate practical assistance and give participants ownership over the process (cf 6 plus 2 mechanism for Afghanistan);
- identifying niche roles for countries/organisations, through which they can make a distinctive contribution to both the political and security processes, and which gives them a stake in success. (Illustrative list attached at Annex B.)
- helping the Iraqis to co-ordinate international assistance.

11. We should use President Bush's visit to Brussels on 22 February to get agreement on expanding NATO and EU involvement, on the principle that everyone should do something: and that the effort should increase following the elections. In NATO, the accent should be on military training, within and outside Iraq, and the Trust Funds. From the EU, we want an increased police training effort, starting outside Iraq, and civilian capacity building for the ITG.

GOVERNANCE AND RECONSTRUCTION

12. Apart from improving the security environment, the key challenges for reconstruction and development in 2005 are:

- promoting economic stability and prosperity;

DECLASSIFIED
CONFIDENTIAL
7

DECLASSIFIED
CONFIDENTIAL

- the weak capacity of Iraqi Government institutions to drive forward reconstruction;
 - sustained improvement in fuel and electricity will require difficult reforms and cracking down on corruption and sabotage;
 - limited presence on the ground of international bodies and NGOs;
 - ensuring that all areas of Iraq benefit from reconstruction funds.
13. In advance of ITG formation, we should be taking action now to:
- prepare key messages to the new Government on reconstruction priorities, including the need for a stronger relationship between Baghdad and the governorates, eg by encouraging the ITG to offer each of the Provincial Councils \$50 million. That would have substantial political, as well as reconstruction benefits;
 - make the reconstruction effort more effective. We need greater emphasis on rapid job creation, direct funding for Iraqi ministries, and delegate project implementation to them – both for speed and to get the ITG political credit. We need to address complaints that funding for essential services has been diverted;
 - support the handover using capacity building consultants in Baghdad;

DECLASSIFIED
CONFIDENTIAL
8

DECLASSIFIED
CONFIDENTIAL

- lobby the UN, IMF and other International Financial Institutions (IFIs) and donors to engage;

14. Iraqi Transitional Government ownership of the process will be crucial. To facilitate that we should:

- suggest an overarching structure for reconstruction under a single, senior Minister;
- offer help to the ITG to develop an action plan, addressing economic policy, reconstruction, oil, debt and the IMF programme, and a policy towards mass graves;
- encourage the UN and IFIs to re-engage by: offering life support and security to the World Bank and IMF; increase the UN role in reconstruction, including UN/World Bank co-ordination of the donor effort;
- help the ITG's strategic communication capacity. (When there are successes (eg Najaf) they need to be promulgated);
- second a British official into the US Project Contracting Office (PCO);
- work out a detailed division of labour, between the UN, EU, US and UK, for building up the ITG.

CONFIDENTIAL

DECLASSIFIED⁹

DECLASSIFIED
CONFIDENTIAL

15. Economic priorities for 2005 are:

- ensuring the US and UK play their part in delivering a fair and sustainable solution to Iraq's debt problems. (Iraq will need to deliver comparability of treatment for non-Paris Club creditors, and successfully complete its IMF programme);
- encouraging Iraq to perform successfully on its IMF emergency post-conflict assistance (EPCA) programme, (creating conditions necessary for entry into an upper-tranche arrangement in 2005);
- providing continued technical assistance and facilitating communication with the IMF to support structural reform (Iraq has committed to reduce fuel subsidies by \$1 billion in 2005);
- Promoting an efficient, outward looking and transparent oil and energy industry and promoting the continuation of a structure for the transparent management of oil revenues;
- advising on monetary policy tools to respond effectively to inflationary risks.

THE WAY AHEAD

16. Successful transition to a unified and democratic Iraq, which no longer relies on the MNF for its security, depends on neutralising the current insurgency and creating the conditions in which political and economic progress can be made. That requires a co-ordinated political,

CONFIDENTIAL

DECLASSIFIED
10

DECLASSIFIED
CONFIDENTIAL

reconstruction and security strategy owned by the ITG; a revised focus for Coalition operations, within a conditions based transition leading to Iraqi control and the reconfiguration and drawdown of the MNF; and a renewed focus on building international support and engagement at both the political and practical level.

Cabinet Office

London

11 February 2005

DECLASSIFIED
CONFIDENTIAL
11

DECLASSIFIED
CONFIDENTIAL

ANNEX A

RECOMMENDATIONS OF THE LUCK REPORT

To ensure success the Coalition needs to:

- improve ISF capacity to conduct independent counter-insurgency operations, as well as to maintain domestic order;
- establish partnerships between Iraqi and Coalition units, and develop military, special police, border force, and police, assistance teams from the Coalition and embed them within Iraqi forces;
- build the institutional capabilities of the Government (MOD and Ministry of Interior) to plan and direct counter-insurgency operations;
- establish priorities for, and intensify, economic development as a complement to, and enabler for, MNF security efforts;
- develop the concept of bureaucratic assistance teams to help Iraqi ministries establish a Government that functions across all the "lines of operation" needed for the campaign;
- implement a strategic communication plan for Iraq, and the region, to dispel any notion that the MNF is an occupying, rather than a liberating, force.

DECLASSIFIED
CONFIDENTIAL

DECLASSIFIED
CONFIDENTIAL

ANNEX B

NICHE ROLES: ILLUSTRATIVE LIST

- Egypt (out of country military/police training; co-ordinate the Sharm el-Sheikh follow up mechanism)
- Canada (political process: governance)
- France (police training in the region - Amman or with the Germans in UAE; constitution, using their Sunni Arab contacts;)
- Germany (military/police training; electricity infrastructure; finance ministry)
- Italy – criminal justice system
- Italians, French, Portuguese, Spaniards, Greeks (police training, particularly para military operations)
- Luxembourg (as Presidency, human rights)
- Scandinavians (human rights/rule of law)
- India, South Africa, Malaysia, UAE (the constitution/federalism; protecting minority rights)
- EU (make the ESDP package of assistance to Iraq agreed at the 5 November European Council operational, especially police training; the constitution; Kirkuk; TNA capacity building; engage the Transitional Government on preparatory steps for negotiation of a third country agreement; work with the ITG on GSP preferences; opening of a Commission Office in Baghdad, security conditions permitting)
- NATO (military training mission - Rustimayah Training Academy or in Jordan or in NATO countries – bringing in those withdrawing their contributions to MNF; expansion of the NATO Training Mission to other parts of Iraq (or relocation in Jordan); support for NATO Secretary General's plans to encourage wider participation; donation of equipment from NATO allies, funded through a Trust Fund)

CONFIDENTIAL

DECLASSIFIED
13