

CONFIDENTIAL AND PERSONAL
DECLASSIFIED



PM/09/225

PRIME MINISTER

My Visit to Iraq: 26-27 February

1. I was in Iraq on February 26/27, visiting Baghdad and Basra. In Baghdad I saw Prime Minister Maliki; Vice Presidents Adel Abdul Mehdi and Tariq al-Hashimi; Deputy Prime Ministers Barham Saleh and Rafie Al Issawi; and a wide assortment of politicians from across the political spectrum. In Basra I saw the outgoing Governor Wai'li, had lunch with the Basrawi political leaders who will form the next Provincial Council and did a walk about on the Corniche, by the Shatt al-Arab. I was struck by the frankness and force of the conversation I had. This is a new Iraq. As one man on Basra Corniche said to me: "life is better than under Saddam: now I can talk".
2. The visit was an opportunity to highlight with the GOI in Baghdad our new and positive agenda and to explain that we want to use 2009 to build up a comprehensive UK-Iraq partnership following the end of our military presence; and in Basra to underscore the progress made and the surge of effort towards our transition. The UK military is leaving. But the UK is not leaving Basra. We will have a Consulate, as a basis for continuing engagement, including on trade and investment, and development.

CONFIDENTIAL AND PERSONAL
DECLASSIFIED

DECLASSIFIED

3. Overall we have an increasingly strong story to present about Basra. Work is underway across Whitehall on the communications strategy for our transition. The clear view of the US, both civilian and military, in Baghdad is that the key stage of the military transition will be the 2* TOA on 31 March. They want to help us to make the most of that and to co-operate in presenting our key messages on what has been achieved in Basra. General Odierno himself plans to attend.
4. In my view, a proper ceremony to mark the TOA on 31 March will be essential to our campaign to "end well" in Basra. In June - July, after the US have been in command in the South for some months, it will be harder to distinguish between UK and US achievements.
5. This increasingly positive picture within Basra and the growing local appreciation for the UK role also gives us economic opportunities. This is key: over the next year jobs will be the central concern of ordinary Iraqis. Everyone I spoke to on the streets of Basra said so. We have an opportunity to show we can help.
6. The investor interest which we have generated, and our plans to broaden that into a whole Iraq trade and investment campaign, now need to be followed up by action from UK companies. They should take advantage of the appetite within Iraq, including from Maliki and other senior Iraqis, to see a

DECLASSIFIED

DECLASSIFIED

higher profile for UK business; and for the UK to benefit from the new Iraq which they recognise that we have helped to create. But they need to move quickly: I received many Iraqi warnings about the stiff international competition.

7. Other aspects of our transition to a "comprehensive partnership with the whole of Iraq" are also going well. Maliki confirmed that he is looking forward to his visit to London at the end of April for talks with you and for the Invest Iraq Conference. Before that, Peter Mandelson will lead a delegation of senior UK businessmen to Baghdad and we hope to have concluded a Trade and Investment MoU, of which I gave a first draft to PM Maliki. We are also now well set to conclude a follow-on agreement on the future military relationship, as I was able to confirm to Maliki our agreement that this will not need to be taken to the CoR. I also raised the idea of an overarching "Partnership Declaration".
8. Maliki again thanked you for sending Sion Simon to attend the January launch of his Scholarships Initiative. Education is another area in which there is a strong appetite for UK engagement and we should support the widest possible re-engagement in Iraq by the British Council.

DECLASSIFIED

DECLASSIFIED

9. There are many obstacles still to the rapid development of the broader relationship, most of them deriving from Iraq's own continuing internal challenges. Security has improved hugely but conditions for business visitors are still far from normal. Political and parliamentary dispute has replaced the clash of militias but the government does not yet have a monopoly of arms in society. Tensions, particularly between the Arabs and Kurds, could still flare into clashes along the Green Line. And Iraq's economy is also facing its version of the global recession with the collapse of government revenues after the fall in the oil price. Corruption needs to be checked.
10. But Iraq's potential, its oil wealth, geostrategic importance and pivotal regional role remains huge. Our bilateral relations are strong and the Iraqis are making significant strides towards democracy. In the coming years I would hope that Iraq becomes the main channel through which UK influence is projected in the Arab world. So we are right to be investing fully now in the relationship and, with our partners, to be helping Iraq to realise that potential.
11. As we do so, we must not create unnecessary obstacles of our own. I was concerned during my visit by the references from senior Iraqis to the difficulties they are experiencing from our present restrictive arrangements for issuing visas. As conditions improve - and they are improving rapidly - we must do our best to broaden the

DECLASSIFIED

CONFIDENTIAL AND PERSONAL
DECLASSIFIED

categories of visitors, whom we wish to encourage to the UK, who can apply for visas in Baghdad without travelling first to Amman or Damascus. I know that the Border Agency is looking at this. Iraq's status as an asylum risk requires us to remain vigilant but I hope that we can rapidly agree new arrangements for handling applications from business delegations, students and medical visitors. This will be the clearest signal we can send to Iraqis of the step change we intend in our relationship.



DAVID MILIBAND

Foreign and Commonwealth Office

9 March 2009

CONFIDENTIAL AND PERSONAL
DECLASSIFIED