

DECLASSIFIED

IRAQ: THE NEXT SIX MONTHS

1. This paper takes a strategic look at the position we want Iraq to be in at the end of January 2005; risks to our strategy; and priority areas in which the UK can help ensure success. Annex A lists the key milestones. Our objectives are:

Political

- **An elected Transitional National Government** which enjoys broad domestic and international support.
- **Increased international support for the IIG**, building on a successful international conference during the autumn.

Security

- **Real inroads into the insurgency** through Iraqi-led security and political measures, including a political process which has begun to draw in some FREs and militants like Moqtada As-Sadr **and a much tougher operating environment for foreign fighters**, including through improved Iraqi intelligence and real co-operation from Iraq's neighbours over border security.
- **Significantly increased Iraqi security capacity and capability** with Iraqi forces in local control around much of the country and a reduced reliance on MNF-I, paving the way for foreign troop reductions in 2005. Targets are: 50 battalions of Iraqi National Guard integrated into the regular army; a three brigade Iraqi Intervention Force to deal with insurgency situations; and a police civil intervention capability comprising 2 battalions of counter-terrorism forces and 9 public order battalions.

Reconstruction and Economic

- **A functioning Iraqi Administration** in Baghdad and at governorate level capable of delivering basic services.
- **Reconstruction programmes** funded by PCO, IRFFI, bilateral donors and the Iraqis delivering jobs and improvements to infrastructure and services.
- **Reduction of subsidies underway and an agreed IMF programme** leading to a debt settlement by December.

RISKS TO OUR STRATEGY

2. **Security.** The risk remains of a **terrorist spectacular** against Allawi and other key Iraqi figures.. The US currently provide close protection to Allawi. RMP are advising on long-term Iraqi close protection structures. Another attack on the UN could lead to their withdrawal and leech international support: we are lobbying hard for a dedicated UN protection force. **Medium to High Risk.**

DECLASSIFIED

CONFIDENTIAL
DECLASSIFIED

3. **Postponement of elections**, either because of delays in UN deployment and technical problems, or because security does not improve. The IIG may have to decide whether to delay elections or press ahead with partial elections in safe areas. This would maintain momentum, but results could be disputed. UN endorsement of any decision would be essential to maintaining legitimacy. **We should press hard to maintain the January timetable. Medium Risk.**

4. **Allawi responds to a deteriorating security situation by imposing draconian emergency measures** including martial law and extra-judicial detention. Emergency laws could be popular, but if extended could undermine support from Sistani or the Kurds, and damage his (and our) international credibility. **We could be drawn into some difficult choices over whether to support ISF in particular operations and the extent to which we seek to moderate their approach. Medium Risk**

5. **Nationalist pressure grows for premature withdrawal of MNF-I.** Heavy-handed MNF intervention in a Fallujah-type situation could provoke pressure on the IIG to ask for its withdrawal (**Low Risk**). More likely is that populists within the Interim National Council and politicking in the run up to elections increases this pressure, and results in a 'troops out' faction in the TNA. **Medium Risk.**

6. **Infrastructure failures over the summer lead to popular discontent.** Although power supplies have improved to 5500MWs, demand has increased sharply due to imports and undercharging for power, so there are shortfalls. **Medium Risk.**

7. **Sectarian tension intensifies** either as a result of election sparring, assassination of leading community figures (e.g. Sistani), or inter-ethnic tension in Kirkuk spilling over into violence. This could lead to slowing of DDR, as parties or local communities insure themselves by maintaining, or building up militias. **Medium.**

8. **Army get drawn into politics.** Under Allawi's plan the Army will be expanded and become the key institution in the new Iraq. If they buy into the TAL's vision of a federal, democratic Iraq, there is a chance Iraq will eventually attain this. If drawn into internal security, however, it may be difficult to persuade them to give up this role to the police, or to stay out of politics. **Low Risk.** But we need to track trends and, through training and mentoring courses, instil notions of civilian oversight.

9. **Loss of US Resolve.** Iraq is too important to US interests for any Administration to abandon its commitments. But there is a risk
over plans to draw down US troops in 2005. **Low risk.**

UK PRIORITIES

10. UK priorities fall out of the objectives and risks outlined above.

Political

11. **Redefine the US/UK Relationship with Iraqis.** Success will depend on Iraqis being seen to take decisions, including adopting policies of which we disapprove, without US/UK interference. This adjustment in roles will be harder for the US than

CONFIDENTIAL
DECLASSIFIED

DECLASSIFIED

us, particularly in an election year. We must persuade the US that their interests are best served by a sensitive approach.

12. Early UN Engagement. We must press the UN to deploy elections experts immediately to avoid the risk of delay; to provide political support to the National Conference; and to step up their lobbying effort to find a UN protection force that will allow them to expand their presence and assist reconstruction.

13. International Conference. Originally a French/Russian idea, this is the key to locking them into supporting the IIG. We should aim to rebrand and relocate in the region (perhaps Dubai or Amman) the donors conference scheduled for early October in Tokyo. **By end July we should aim to agree a strategy with the US and IIG this and then approach key players, including the Japanese, UN, French and Russians.**

14. Media. Co-ordinate with the IIG and the Electoral Commission over communicating both internally and internationally. We will continue to support Allawi's office and a cabinet communications office, co-ordinate with them on announcements, particularly in the security and reconstruction fields, and work with the Iraqi Electoral Commission over democracy promotion and voter education. We must help ensure that Allawi retains consent at least until the elections process is well underway. In parallel, we will continue to try to get our media to reflect the improving situation in Iraq.

14. National Reconciliation. Taking forward the work of the Iraqi Special Tribunal (IST) and on legacy crimes will assist the process of national reconciliation and boost the legitimacy of the IIG by reminding Iraqis (and the international community) of what has changed. But work has stalled because of funding and security problems. We have allocated £1.1 million for legacy crimes and are considering a £1.3 million package of assistance to the IST. But the costs of the latter are enormous. We need to press the US to release their \$75mn supplemental funds and encourage broader international participation.

Security and SSR

15. Detach some FREs from the insurgency. Allawi has a window to draw some FREs into the political process, and break the coalition of interests between the FREs and Islamist militants and foreign fighters. Allawi's back-channel efforts to persuade some FREs to abandon violence, along with overt gestures – an amnesty, relaxation of de-Baathification policies, and re-employment of 5,000 former Army Officers – will be key. **With the US, we should continue to offer advice on strategy to support his efforts and maintain pressure on the neighbours, particularly Syria, to engage in real co-operation over border security.**

16. Mitigate Nationalist Opposition to MNF. We must work with the IIG and US to ensure an astute communications strategy over security decisions; a progressive and visible hand-over of security responsibility to Iraqi Security Forces governorate-by-governorate; and US reaction to any killings of US troops or civilians. We need to counter Iraqi and regional perceptions that we intend to stay

DECLASSIFIED

CONFIDENTIAL
DECLASSIFIED

indefinitely, and prepare our own public for the possibility of an early withdrawal, by emphasising that we expect to draw down, if not leave, in 2005.

17. Iraqi-isation. We must continue to support Iraqi-isation through training, equipping and mentoring of Iraqi SF, with a focus on command capability and emphasis on proper civilian oversight of the different security organisations, especially the Army

Reconstruction and Development

19. Bridge funding shortfalls over summer when CPA and DFI projects end, by implementing DFID and MoD job creation and infrastructure programmes. **We must maintain pressure on the US to spend Supplemental money in the South quickly.**

20. IFI Reengagement is essential to increasing international involvement in reconstruction. We must press the UN and World Bank to send key staff back to Iraq, once the UN electoral teams have returned;

Conclusion

21. Ministers are invited to agree UK priorities as set out above.

CONFIDENTIAL
DECLASSIFIED

DECLASSIFIED

Political Process	Reconstruction	SSR
Jul 04 National Conference. selects 100 person Interim National Council. UN re-deploy. IECI organise regional electoral teams across Iraq.	Jul 04 IMF undertakes first mission, meeting Ministry of Finance in the region. IIG begins programming and implementation of DFI and other Iraq revenues. Commitment of CERPS and QIPS funding. Jul-Sep 04 Budget negotiations continue in Baghdad. Negotiations continue on Iraqi debt sustainability analysis	Jul 04 <ul style="list-style-type: none"> • Iraqi National Guard Capable of small-scale ops under MNF mentoring. • Iraqi Coastal Defence Force at initial operational capability. • Facilities Protection Service at full operational capability with 74,000 personnel. • Iraqi Police: <ul style="list-style-type: none"> - Police Civil Intervention Force (CIF) concept agreed. - • Department Border Enforcement 90% recruited.
Aug -Sep 04 IECI identify polling stations across Iraq.	Aug 04 Main phase of DFID £20 million capacity building project in South. DFID support to Finance Ministry on economic reform and IMF programme begins.	Aug-Sep 04 <ul style="list-style-type: none"> • Iraqi Intervention Force recruited to a strength of 1,000 personnel. • 1000 CIF recruited by Aug • 75% Iraqi National Guard trained and equipped.
Sep 04 Provisional voter lists posted at polling stations. Appeals system.	Sep 04 Iraqi Budget 2005 published. Construction Projects under \$18.4 bn US supplemental likely to begin. Final CPA and CERPS projects come to an end.	Sep 04 <ul style="list-style-type: none"> • First battalion of Police Civil Intervention Force reaches initial operational capability. • Helicopter squadron of IAF reaches initial operational capability.
Oct 04 International Conference on Iraq, possibly in Tokyo or region.	Oct 04 G7 Finance Ministers meet prior to World Bank/IMF Annual Meetings.	Oct 04 <ul style="list-style-type: none"> • Dignitary Protection Service increased to 525 personnel.
Nov 04 Finalised electoral rolls published at polling stations.	Oct-Nov 04 Subject to Iraqi progress with IMF Paris Club likely to have substantive discussion on Iraq.	Nov 04 <ul style="list-style-type: none"> • 75% of Iraqi Army divisions trained and equipped. • Iraqi National Guard fully trained and equipped.
Dec 04 Party lists and independents submitted to IECI with signatures. Electioneering begins.	Dec 04 Paris Club debt moratorium ends on 31/12; G7 deadline for debt deal.	Dec 04 <ul style="list-style-type: none"> • 75% of Iraqi Police Service Trained and fully equipped. • Training of Iraqi National Guard completed. • Department of Border Enforcement with target of 20,420 personnel to be 75% trained and equipped.
Jan 05 National, local and regional elections.	Jan 05 2 nd phase of DFID support for public administration.	Jan 05 <ul style="list-style-type: none"> • Iraqi Army regular divisions fully trained and equipped.

DECLASSIFIED