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## AGENDA

### IRAQ SENIOR OFFICIALS

(Chair – M Aldred)

Friday 28 April 2006 at 10:30

Conference Rm C, 70 Whitehall

**1. Government Formation**

**2. Basra** (*ref FCO draft paper for DOP(I)*)

**3. AOB**

Cabinet Office  
27 April 2006

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## DOP(I): BASRA

### Key Points

- Security and governance in Basra are bad and worsening. Attacks on us, and both criminal and sectarian violence, are rising. Basic services are not being delivered. Basra is one of the four provinces in Iraq judged by MNF(I) to be furthest away from transition to full Iraqi control;
- The UK civilian effort in Basra is increasingly hunkered down. We face a lack of co-operation from the local authorities and severe restrictions on our movement. Our local staff - who are critical to much of DFID's work - suffer growing intimidation. Against this background, much of our effort - notably the Provincial Reconstruction Team we are standing up in May - can make little headway;

The Iraqi Security Forces and criminal justice system are not yet capable of addressing the security problems. Some elements in the Iraqi Police Service are complicit in them. The Basra Governor is a big part of the problem, and will not support firm action by us to root out those responsible;

- The US is increasingly concerned. They see growing lawlessness, and pervasive militia and Iranian influence in Basra. They are very critical of what they see as our 'hands off' approach, which they believe is exacerbating the problems;
- Simply maintaining our current approach is not sustainable. It will not deliver our objective of transitioning Basra to full Iraqi control later this year - or indeed early in 2007. This will mean maintaining current troop levels for longer than we would like, in an increasingly dangerous environment;
- We need a determined and sustained effort to turn this around. An important part of this will be a political effort with key Iraqi decision-makers both in Basra and in Baghdad. We are already seeking to capitalise on the formation of a new Iraqi Government to get them to focus on the problems we face and to reassert the centre's authority in Basra.
- [But it may also require a more assertive military posture to deliver greater security on the ground perhaps making use both of those IPS who are loyal and capable, and also of the newly-trained 10<sup>th</sup> Division of the Iraqi Army]. And UK civilian operations need military support and protection, in particular the provision of logistical and transport support (helicopters and quick reaction force support).

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## Background

1. The security incident on 19 September 2005, in which two UK servicemen were detained by the Iraqi Police Service and militia elements highlighted the challenges we face in south-east Iraq. We recognised then that stability was threatened by intense rivalry among political parties and their militias, who had an interest in criminality. This had a direct impact on the police service and our efforts to train it.
2. At that time, we recognised that our only real option was to maintain the course we had set and to see the job through. Asserting direct control over local government and institutions was, and remains, out of the question. Pulling out of Basra, and leaving a political and security vacuum in a key strategic area was equally unacceptable.
3. Ministers agreed last autumn that our objectives for Southern Iraq should be:

### *Political*

- To ensure that South Eastern Iraq was an intrinsic part of the Iraqi nation, connected to Baghdad..
- Resistant to Iranian influence and..
- Having credible local government, with the capacity eventually to deliver effective services, with minimal need for advice

### *Security / Rule of Law*

- Security forces (including police) which can provide sufficient law and order to avert a descent into criminality and chaos, and which owe their allegiance to state institutions, with tribal and militia allegiances managed. A culture of respect for human rights rooted.

### *Economy*

- Stabilisation in the supply of services (particularly electricity) and the development of infrastructure, with a national government plan to improve these in the longer term. Continuing interest in investment by the wider international community and the private sector.
- Greater economic sustainability, in co-ordination with the rest of the country.

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## Developments since September 2005

### 4. On the **political** front:

- We have had on/off co-operation from the Basra Provincial Council since 19 September, in protest at continuing MNF-I detention operations. The Governor has recently suggested a possible resumption of co-operation, in part because his own position on the Council is weaker. But until he goes (this should happen at the Provincial Elections, but these could now slip, perhaps to early 2007), these problems will persist.
- Basrawis feel little or no connection with the Iraqi nation and the Government in Baghdad. Equally there has been little focus on Basra by national politicians. Prime Minister Ja'afari was reluctant to address Basra issues for fear of alienating the Sadrists.
- With central Government failing to set a clear direction and implementing it, de facto regionalism has been setting in, irrespective of the Constitution.

### 5. On the **security** situation:

- **Violence** has increased, mainly criminal, but also anti-Coalition, and sectarian. Recent events include the assassination of 11 Basra construction workers; continuing IED attacks against MNF-I and internationals in Maysan and Basra (9 UK soldiers have been killed in southern Iraq since 19 September); increased rocket attacks on the Basra Palace Compound notably 12 in a four-hour period in daylight; interpreters working for UK forces have been killed; locally engaged staff working at the Consulate and for DFID are increasingly intimidated and unwilling to come to work;
- **Criminality** has increased, abetted by elements in the Iraq Police. Despite ongoing MNF-I detention operations, a dangerous minority within the Iraqi police maintains primary loyalties to militia and/or criminal groups. The UK military estimates that 10-15% of the murders in Basra are committed by the Iraqi Police. From the Basra Governor - who had a customs officer arrested for interfering in a smuggling operation - downwards, many take their cut from criminality. The most lucrative activity is fuel smuggling. Reporting suggests the Oil Protection Service is increasingly acting as the Governor's private militia.
- **Iranian** influence is a fact of life, Iran is a big neighbour with a range of interests in southern Iraq. But it does not run Basra politics. The key problem for us is Iran's readiness to supply weapons/equipment

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to Shia extremists for attacks against us. This seems to be turned on and off as the Iranians feel under pressure on the nuclear dossier.

## 6. On the **economy**:

- The Provincial Council is ineffective and fails to deliver basic services – rubbish continues to pile up on street corners. Basrawis blame the Council for this but cannot understand why MNF-I cannot step in. Corruption remains endemic. OMS/JAM have sought to step in to provide services (reminiscent of Hamas in the Occupied Territories), though their resources are also limited.

Investment in Basra has grown substantially since 2003 – from Coalition grants, Iran and other neighbours and other parts of Iraq. There is a boom in housing development and new shops. But unemployment remains high. The key is the oil & gas sector, where the lack of a clear national regulatory framework and security are the main obstacles to investors.

## **Transition & the Provincial Reconstruction Team (PRT)**

7. Basra is one of only 4 provinces in Iraq which scored 'Red' in MNF(I)'s recent assessment of progress against the conditions (as identified by the joint Iraqi/MNF-I Committee to Transfer Security Responsibility) for transition to full Iraqi civilian control.
8. We have been working to get our PRT in Basra operational on an initial basis by May. But the security situation and lack of co-operation from the Provincial Government are plainly going to be major obstacles to its effective operation. The Japanese have already declined to participate, citing these problems.

## **Recommendations**

9. There is no quick fix to these problems. But there are things we can do:
  - Push ahead with a concerted, co-ordinated political effort, both in Baghdad and Basra to break the boycott, to draw a firm line under the events of 19 September 2005, and to gradually have the centre reassert its authority in the South – building on the work already done by HMA Baghdad and CG Basra;
  - As part of this, step up our work with the majority on the Basra Provincial Council who favour engagement with the Coalition, with a view to undercutting the Governor's authority and encouraging his early departure.

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- Continue our outreach to Sistani and Sadr. HMA Baghdad & Sir N Sheinwald had a detailed exchange with leading Sadrist Salaam al-Maliki on Basra on 25 April.
- Pursue our Operation CORRODE detention operations, to remove the worst offenders in the Basra IPS. But try to mitigate the political fall-out as far as possible by bringing Iraqi decision-makers (eg new PM & Interior Minister) into the loop and getting them to share political responsibility, and through more effective public information work in explaining our actions;
- Working with the US/MNF(I) in Baghdad, strongly encourage the new PM's publicly-declared intention to tackle the issue of militias, in a way which does not compromise the effectiveness of the Iraqi security forces.
- *[MoD to advise – perhaps something like: Move to a more assertive military posture in Basra. The Iraqi Police and the newly-trained Iraqi Army 10<sup>th</sup> Division – supported by MNF(I) - might lead operations analogous to Operation Scales of Justice in Baghdad, to reassert law & order on the streets of Basra.]*
- Encourage early economic decisions by the new Iraqi Government, notably on oil price reform (which would remove the incentive to smuggle refined projects in the South); and a new oil law (which would give investors the confidence to engage seriously).
- Review and revitalise our effort on SSR and Rule of Law activity. The newly appointed Chief Police Advisor for Iraq is undertaking a review of our effort to date. This needs to bring together all elements of the Rule of Law chain: Justice Sector Reform, Prisons, and Governance into sharper focus.
- Increase funding for the Basra PRT. Security situation permitting, we are on course for the PRT to start work by mid May. Departments have so far covered its costs through current resources. But for it to make a real difference, it will require an additional £4 million per annum.
- Manage US expectations. We need better to inform the US on how we are tackling the problems in Basra. That includes making good use of the PRT (which fits into the US structure) as well as further effort to minimise the impression that we are running our transition plans to a UK, rather than Coalition, timetable.
- Ensure adequate UK military support for UK civilian operations in Basra, specifically with helicopter transport and Warrior armoured vehicles.