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*cc Nick Banner
+ back to
Nigel.*

Sir Nigel Sheinwald, No10

Nigel,

BASRA

Sp. C.

We discussed General Shirref's letter to the Prime Minister at the Iraq Strategy Group this morning. I welcome your proposal that Senior Officials should discuss next week, and seek to resolve, some of the substantive issues the General raises. I have no wish to pre-empt that discussion. But given that the Prime Minister will see the letter over the weekend I thought it would be helpful if I wrote briefly now to set the record straight from a DFID perspective on a few key points in the letter.

First, there is much in the letter with which we agree; in particular that we have a short window of opportunity in the first half of 2007 and that success depends on unlocking Iraqi money. For these reasons both Better Basra and the PRT workplan are being revised and reinvigorated to ensure we maximise the chances of success. The PRT, with DFID and FCO support, is already working on getting a delegation from Basra to Baghdad to meet soon with Barham Saleh to unlock the 'big investment' required. As we discussed this morning, we are seized of the urgency to have effective leadership of the PRT. We are working on a number of options together with FCO and the Consul General to ensure this post is filled quickly.

Second, there are areas where we differ with the General, in particular around the establishment of a new Reconstruction Committee or of a Joint Inter Agency Taskforce under military command. On the first, I am unconvinced that another committee, essentially breathing the same air as the existing and elected Provincial Reconstruction and Development Committee, would be any better at unlocking the Iraqi funds required. We need to use and support the elected structures, not undermine them. We are, as you know, also working in Baghdad to get the Government to have a more strategic grip on economic and public financial management. The linkage between these 2 groups is clear.

On the idea of a Joint Taskforce, we recognise and share the frustration at the difficulties of achieving a better-coordinated effort in Basra. As we discussed this morning, performance will be much enhanced when all elements are co-located at Basra Air Station. Like Simon, I disagree with the idea of a Joint Taskforce under military command. I do not believe the military is currently best placed to oversee the totality of HMG effort in Southern Iraq, not least because, while respecting its many strengths, several areas do not conform to the military's strategic or comparative advantage. But we do need unity of purpose and a coherent and shared work plan and I look forward to the Senior Officials' discussion next week when we can talk through how to make the existing arrangements work more effectively and coherently when we are all based on a single site. As you said at the meeting, we also need to base

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our relationships locally on mutual respect for each other's contributions, and understanding of each other's constraints.

Finally, a word on the DFID water towers project, to which the General refers. I fear that much of the information here is inaccurate. This project is one element of a broader £40 million infrastructure programme that DFID has been delivering in and around Basra, mostly to time and budget, with substantial practical benefits to the local population: including the equivalent of a 24 hour power supply to 700,000 people and clean drinking water and water supplies to about a million. The water tower component is contracted to PA Consulting, who have sub-contracted Mott MacDonalds and International North Star - both engineering firms - to supervise and implement the project respectively. The project is one of our most difficult - in terms of complexity, ground conditions, and continued insecurity in and around the Al Hayaniyah area of Basra (aka 'Shia Flats'). The latter means that our infrastructure team - who are civilians volunteering for the task - have been physically unable to visit the site regularly; but this has not deflected them or us from persevering with the project.

The General suggests the towers are in danger of collapse; they are not. They have not been built yet. While the original piling work by the local sub-contractor was not considered good enough, the Motts engineering team identified this some time ago and insisted on the insertion of pre-cast piles. These pre-cast piles are currently being tested to ensure they offer sufficient support for the water towers, the superstructure for which will not be started until the piles have been thoroughly checked. To say that the project has been 'saved from ignominious collapse by timely assistance from the US Corps Commander' is also inaccurate. Support from the US Army Corps of Engineers was always part of the plan and designed to complement the work. To date we have spent £1.7 million (\$3.3 million) on the towers; not \$12.1m. The project is presently on track to cost £5.7 million as originally planned. We expect it to be concluded in August 2007, slightly later than originally anticipated, but completed nonetheless.

I am copying this letter only to Margaret Aldred, Martin Howard, Charles Style and Simon Macdonald.

Yours

Martin

Martin Dinham
Director, Europe, Middle East, Americas, Central and East Asia
Department for International Development
5 January 2007

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