

## 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 of our strategy:

- building up the capability of the **Iraqi Security Forces** (Iraqisation);
- **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.

## THE CURRENT SECURITY SITUATION

3. On 3 February the JIC assessed that the scale and intensity of the Sunni insurgency continues to put the achievement of a unified and democratic Iraq at risk. All insurgents have a perceived common enemy: the MNF, particularly the US, and those Iraqis associated with supporting the "occupation". Although the election will help, the military campaign is not effectively containing the insurgency which will continue through 2005 and beyond.

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4. Reducing the insurgency is also important for progress in other areas. The UN helped with the election but its development agencies do not have an effective presence, even in MND(SE). And the World Bank and EU, both of whom have a key role to play, have yet to set up a presence in country. Law and order, the pace of economic reconstruction, the availability of jobs, and general quality of life, have not matched expectations. Taken together, this is alienating more and more Iraqis.

#### SECURITY STRATEGY

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

6. The US are currently reviewing their policy. A military assessment mission, led by General Luck, concluded that there is no "silver bullet". The existing Petraeus plan is viable, but better execution is required to deliver results. A summary of General Luck's conclusions are at Annex A. We support the idea of Military Assistance Teams, which is in effect what we have done in MND(SE); but we do not favour the Police Assistance Teams. It is not yet clear whether the US will adopt the latter proposal, which carries a high risk for those embedded at local level.

7. There are a number of concerns:

- in Central Iraq, the MNF is finding it hard to adapt from war fighting to counter insurgency operations; with individual security operations sometimes cutting across wider political objectives;

- the decisions by a growing number of Coalition members to withdraw their forces;
- the failure of the wider reconstruction effort so far to deliver, although there are some positive signs in Najaf which might provide a model for other areas, eg Fallujah;
- no co-ownership of security, in practice, between the MNF and Iraqi government.

8. The growing insurgency has meant that the Iraqi Security Forces (ISF) – military and police – have been faced with challenges for which they are not trained or equipped to respond. The ITG will regard security as a top priority. They should be encouraged to build on Allawi's new security plan, and discuss with us the reconfiguration of MNF to support the ISF and the broad timelines for drawdown.

9. Key elements are likely to be:

- an overarching and **visible Iraqi structure** responsible for security, under a single, senior Minister;
- 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, which includes milestones on the progressive handover to Iraqi control. It may not, at this stage, require a timetable as such;
- a new emphasis on **training** the Iraqi Security Forces, as the MNF reduces its visibility, **for counter-insurgency**, with an accompanying focus on the need to capture 'hearts and minds';
- 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.

UK DECISIONS

10. **The UK** should not increase force numbers in Iraq, and we would not anticipate providing personnel for Military Assistance Teams, or operations, outside our current area of operations.

11. We should 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;
- helping the Iraqis to co-ordinate **international assistance**;

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- 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.

In due course, and as the capability of the ISF develops, we may need to consider whether an extension to our area of operation, as part of a wider restructuring of the MNF, would be appropriate. This could not, given our current constraints, include those areas close to Baghdad.

#### THE POLITICAL PROCESS

12. We await the election results. The main responsibility for outreach will lie with the ITG once it is formed. But we and the US 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. The key elements are:

- Sunnis in key **Cabinet** positions;
- where possible (eg as replacements for those appointed as Ministers) increase Sunni representation in the **TNA**;
- lobby **Iraq's neighbours** and the wider international community to deal with the ITG and to encourage Sunni participation in the political process;
- encourage 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

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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.

- encourage the ITG to relax the rules on de-Baathification as a way of drawing disaffected former Army officers and officials back into the system (difficult if the Shia list dominate the new government);
- engage 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, which the JIC assessed was one driver of the insurgency.

#### THE INTERNATIONAL COMMUNITY

13. We also need to increase the international community’s engagement in the political process 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);
- create an atmosphere within the UN to facilitate the renewal/revision of the MNF mandate (UNSCR review in June, expiry in December); and

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- improve the cohesion of the MNF.

Other measures should include:

- increasing the UN role in **reconstruction** (in addition to its political role), including UN/World Bank co-ordination of the donor effort;
- **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, which gives them a stake in success. (Illustrative list attached at Annex A.)

14. 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 will be on military training, within and outside Iraq, and the Trust Funds. In the **EU**, we want a police training effort, starting in Jordan, and civilian capacity building for the ITG.

#### GOVERNANCE AND RECONSTRUCTION

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

- promoting economic stability and prosperity;

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- 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 see the benefits (the South is not a strategic priority for the US).

16. In advance of ITG formation, we should be taking action now to:

- prepare key messages to the new Government on reconstruction priorities. A key element will be to develop 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;
- work with the US to make their reconstruction effort more effective. We need greater emphasis on rapid job creation. The US should directly fund Iraqi ministries, and delegate project implementation to them – both for speed and to get the ITG political credit;
- support the handover using DFID funded capacity building consultants in Baghdad;

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- lobby the UN, IMF and other International Financial Institutions (IFIs) and donors to engage;
- complete DFID's design of a new £40 million power and infrastructure project for the South, and start mobilising the project team;
- decide on ways to expand visible job creation work in the South, and invite other donors to follow suit.

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

- offering help to the ITG to develop an action plan, addressing economic policy, reconstruction, oil, debt and the IMF programme;
- encouraging the UN and IFIs to re-engage by: offering life support and security, via the British Embassy and Consulate General, to the World Bank and IMF; lobbying the UN to engage fully in reconstruction; providing a DFID secondee to help liaison with the Iraqis;
- helping the ITG's strategic communication capacity. When there are successes (eg Najaf) they need to be promulgated.
- seconding a British official into the US Project Contracting Office (PCO);
- working out a detailed division of labour, between the UN, EU and US, for building up the ITG.

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18. Economic priorities for 2005 are:

- ensuring the UK plays its 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

19. Our current posture in Iraq is costing c.£1 billion p.a. 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 will require a co-ordinated political, reconstruction and security strategy

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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.

20. We propose to share the thinking in this paper as soon as possible with the US to build a common position for dialogue with the ITG and other allies. This will require contact between No 10 and the White House, as well as taking advantage of planned contacts, including CDS' visit to Washington next week.

Cabinet Office  
7 February 2005

## 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.

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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)
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