

From: (b)(6) CIV, OASD-PA
Sent: Friday, September 08, 2006 11:18 AM
To: Ballesteros, Mark J, LTC, OASD-PA; Vician, Todd M LtCol OSD PA; (b)(6) LCDR OSD PA; (b)(6)
(b)(6) Capt OSD PA
Cc: (b)(6) OSD PA
Subject: FW: Any help on Iraqis taking over own Army?
Importance: High

hello all,

realize the 1120 deadline is o.b.e. at this point, but if there's anything you could quickly shoot me for the other radio hits, that would be great.

thanks!

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Bob

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Robert L. Maginnis
(b)(6)

(b)(6)

<http://home.comcast.net/>(b)(6)

(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Friday, September 08, 2006 11:27 AM
To: (b)(6) CIV. OASD-PA; Ballesteros, Mark J, LTC, OASD-PA; (b)(6) LCDR
OSD PA; (b)(6) Capt OSD PA
Cc: (b)(6) OSD PA
Subject: RE: Any help on Iraqis taking over own Army?

(b)(6)

Currently, there are six of 10 division headquarters in the lead highlighted in yellow. Also there are 26 brigades, and 88 battalions in the lead.

With the recent 1st Iraqi Army Division headquarter's assumption of control, now 60 percent of Iraqi Army Division headquarters maintain the lead in coordinating, planning and conducting security operations in Iraq.

With more and more Iraq forces in the lead, the number of counter-insurgency operations conducted by Iraqi Security Forces, with Coalition Forces in support, continues to increase steadily.

Sept 7, the Iraqi Ministry of Defense, thru the Iraqi Joint Headquarters, assumed operational control of the Iraqi Ground Forces Command, the Iraqi Air Force, and the Iraqi Navy. This event shows significant progress in the building of the Iraqi Armed Forces' capabilities and marks a new chapter in Iraq's history, as it forms the basis for a joint force capable of protecting its people and preserving peace.

Iraqi Security Forces assuming the lead in their nation's security also assist in setting the conditions to allow for Provincial Iraqi Control, which is the civil counterpart to Iraqi Security Forces in the lead. Provincial Iraqi Control is when civil authorities in a province assume independent governance and civil security duties. On August 31, Prime Minister Nouri al-Maliki said Iraqi will assume Provincial Control over Dhi Qar province during the month of September. As you know, in July, Muthanna was the first province to be turned over to Iraqi control. There will be other transfers of responsibility in other provinces this year, as directed by the Prime Minister.

Whether it's Iraqi Security Forces taking the lead or handover of governance and security responsibilities to Iraqi civil leadership in a province, both show progress toward the aim of handover of responsibility to the Iraqis.

Here's an article from MNF-I

BAGHDAD — Iraqi Prime Minister Nouri al-Maliki is now officially the commander in chief of his country's armed forces.

Coalition forces handed over operational control of Iraq's navy, air force and the 8th Iraqi Army Division in a ceremony Thursday at the Iraqi Ministry of Defense.

"It's fitting I follow the commander in chief of the Iraqi forces," said Multi-National Force – Iraq Commander Gen. George W. Casey Jr., who spoke following al-Maliki. "From today forward, the Iraqi military responsibilities will be increasingly conceived and led by the Iraqis."

Prior to Thursday's ceremony, Iraqi forces received commands from the Coalition force.

More Iraqi Army divisions are expected to follow the 8th IAD in the coming months.

"They had proved, through rigorous operation, that they were ready," said MNF-I spokesperson Maj. Shawn Stroud, regarding the 8th IAD. "They were the unit that was fully prepared to do so through training, readiness and experience."

The prime minister said Thursday's ceremony was an historic event.

"It's a great and happy day in the history of Iraqis," said al-Maliki.

During his speech, the prime minister also issued a warning to terrorists.

"Terrorists, we'll see you have a great punishment, wherever you are," he said. "Now here again we are challenging terrorism. We have to continue to work hard with other security forces."

The deputy chief of staff for the Iraqi armed forces reiterated the prime minister's statement.

"I think this is a monumental day, a great day for the Iraqi armed forces; it's not a pleasant day for the insurgency."

Al-Maliki said the Iraqi Army would adhere to a strict code of ethics and move away from sectarian violence.

During his weekly press briefing on Wednesday, MNF-I spokesperson Maj. Gen. William B. Caldwell IV called the upcoming handover "a milestone."

"It's the one event that puts the prime minister directly in the operational control of his military forces as his role as the commander in chief," said the general.

"This is such a huge, significant event that's about to occur," Caldwell said. "If you go back and you map out significant events that have occurred in this government's formation in taking control of the country, (this handover ceremony) is gigantic."

Officials said the pace of the transition for the Iraqi Armed forces to take over security for the entire country is up to the Iraqi government.

"It's the prime minister's decision how rapidly he wants to move along with assuming control," Caldwell said. "They can move as rapidly thereafter as they want. I know, conceptually, they've talked about perhaps two divisions a month."

During the ceremony, al-Maliki painted a picture of his vision for the future Iraqi military.

"We want a very active army that will go ahead in its mission very quickly," the prime minister said.

Todd

Lt Col Todd Vician, USAF
Defense Press Officer
Office of Assistant Secretary of Defense (Public Affairs)

(b)(2)

DSN (b)(2)

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From: (b)(6) OSD PA
Sent: Friday, September 08, 2006 11:25 AM
To: (b)(6) CIV. OASD-PA; Ballesteros, Mark J, LTC, OASD-PA; Vician, Todd M LtCol OSD PA; (b)(6) LCDR OSD PA; (b)(6) Capt OSD PA
Subject: RE: Any help on Iraqis taking over own Army?

Re GWOT accomplishments: Check out the forward section of the 9-11 Five Years Later report the White House put out yesterday I think.

<http://www.whitehouse.gov/nsc/waronterror/2006/section1.html>

Foreword

The attacks of September 11, 2001, were unprecedented. Nineteen hijackers seized multiple planes and used them as weapons to destroy the World Trade Center in New York and to attack Washington, DC. The United States retaliated by waging war against al-Qaida, its network of violent extremists, and those who provided them safehaven. We set out to destroy the terrorist enemy, using every instrument of national power – diplomacy, intelligence, law enforcement, and financial and military tools – to disrupt and defeat the global network. We have also waged a war of ideas, confronting the ideology that drives the murderous agenda of the terrorists. As a result we have made significant strides in making America and its allies more secure:

- Before 9/11, al-Qaida was in Afghanistan training thousands of would-be terrorists and planning attacks unfettered, while the Taliban provided safehaven and imposed a totalitarian religious regime on the Afghans. Today, Afghanistan is no longer a safehaven for al-Qaida, and there are no functioning al-Qaida training camps. Afghanistan is a strong partner in the War on Terror, and the Afghan people are free and are being led by their democratically elected President, with a National Assembly and new Constitution. As a result of a concerted international effort, key al-Qaida leaders and lieutenants have been killed, captured, or put on the run.
- Before 9/11, Iraq was a designated state sponsor of terrorism, ruled by a tyrant, believed to hold weapons of mass destruction and was in violation of United Nations resolutions and sanctions. Today, Iraq is off the state sponsors list, governed by a duly elected representative government, and working to be fully integrated with the international community and a partner in the United Nations.
- Before 9/11, Libya was a designated state sponsor of terrorism, seeking the capability to produce WMD. Today, Libya is off the state sponsors list and has renounced WMD.
- Before 9/11, Pakistan and Saudi Arabia were not taking active measures to combat support to terrorists. Today, they stand with the United States as key allies in opposition to terrorism and are making important efforts to deny safehaven and stem support to the global terrorist network.
- Before 9/11, financiers of terrorism and terrorist financing networks went untouched and largely ignored by the international community. Today, we continue the aggressive worldwide campaign to disrupt terrorism financing, making it harder, costlier, and riskier for al-Qaida and other terrorist groups to raise and move money around the world.
- Before 9/11, combating terrorism was treated largely as a law enforcement problem. Today, the United States is leading an international Coalition to take the fight to the terrorists and their supporters and acting preventatively, using all instruments of national power.
- Before 9/11, there were barriers restricting the sharing of information between law enforcement and the intelligence community to counter terrorism. Today, with the passage and reauthorization of the USA PATRIOT Act and the creation of the National Counterterrorism Center, these walls no longer exist, and the United States continues to create a robust information sharing environment to ensure appropriate information sharing between the law enforcement and intelligence community and among Federal, State, local, and tribal authorities.
- Before 9/11, homeland security consisted of a patchwork of efforts undertaken by disparate departments and agencies. Today, we have a comprehensive approach, consolidated under the Department of Homeland Security, including key strategies for maritime and aviation security.
- Before 9/11, terrorism and WMD proliferation were treated largely as separate concerns. Today, we have a comprehensive strategy to combat WMD terrorism with domestic institutions to support its implementation, bolstered by an international framework (UNSCR 1540 and the Convention Against Nuclear Terrorism) and strategic partnerships (Proliferation Security Initiative and the newly unveiled Global Initiative to Combat Nuclear Terrorism).
- Before 9/11, the A.Q. Khan nuclear network was working in over three continents to provide North Korea, Iran, and Libya sensitive centrifuge technology and parts for their nuclear weapons programs and was poised to expand its services to other countries. Today, the network has been exposed and shut down. Each of its key members is in prison, under house arrest, or facing prosecution, and governments are acting individually and collectively to make it harder for similar networks to operate in the future.
- Before 9/11, there were insufficient international standards for identity documents and no comprehensive use of tools to verify identities. Today, there are strong domestic and international standards for passport and travel document issuance, use of biometrics to verify identities of travelers, comprehensive screening of passengers at airports, and a National Strategy to Combat Terrorist Travel.

- Before 9/11, the United States, did not openly challenge repression and restricted liberties in the Arab world, prioritizing stability, yet stability was not the outcome –the lack of freedom in the region meant anger and resentment grew, radicalism thrived, and terrorists found willing recruits. Today, democracy and freedom are an integral part of the U.S. agenda globally, reflected in such initiatives as the G-8's collaboration with the Broader Middle East and North Africa (BMENA) in the Partnership for Progress and a Common Future.
- Before 9/11, throughout most of the broader Middle East and North Africa, democratic institutions and processes were, with the exception of Israel, largely weak or even nonexistent. Today, freely contested multiparty elections are more common and are increasingly accepted as the basis for legitimate government.
- Before 9/11, the world did not act against the threat from violent Islamic extremism. Today, the world, including our Arab and Muslim partners and Muslim voices around the world, are rejecting the message, agenda, and tactics of the violent extremist movement.
- Before 9/11, the protection of civil liberties was not systematically and comprehensively balanced in our counterterrorism efforts. Today, the Administration established first the President's Board on Safeguarding Americans' Civil Liberties and then, in coordination with Congress, the Privacy and Civil Liberties Oversight Board to ensure that all American citizens' civil liberties are considered and respected in our counterterrorism efforts.

Though America and its allies are safer as a result of these achievements, we are not yet safe. We have important challenges ahead as we wage a long-term battle not just against terrorists, but against the ideology that supports their agenda. These challenges include:

- Terrorist networks today are more dispersed and less centralized. They are more reliant on smaller cells inspired by a common ideology and less directed by a central command structure.
- While the United States Government and its partners have thwarted many attacks, we have not been able to prevent them all. Terrorists have struck in many places throughout the world, from Bali to Beslan to Baghdad.
- While we have substantially improved our air, land, sea, and border security, our Homeland is not immune from attack.
- Terrorists have declared their intention to acquire and use weapons of mass destruction (WMD) to inflict even more catastrophic attacks against the United States and our allies, partners, and other interests around the world.
- Some states, such as Syria and Iran, continue to harbor terrorists at home and sponsor terrorist activity abroad.
- The ongoing fight for freedom in Iraq has been twisted by terrorist propaganda as a rallying cry.
- Increasingly sophisticated use of the Internet and media has enabled the terrorist enemies to communicate, recruit, train, rally support, proselytize, and spread their propaganda without risking personal contact.

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(b)(6)

From: (b)(6)
Sent: Thursday, September 07, 2006 4:49 PM
To: Lawrence, Dallas Mr OSD PA
Cc: (b)(6) CIV, OASD-PA
Subject: Re: (no subject)

D/(b)(6) Many thanks for all your help, but please count me out for this one. Lacking a sponsor, and will just be glad to get the reports when people get back. Best, Jed.

Jed Babbin

(b)(6) (Home office)
(b)(6) (Mobile)

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Thursday, September 07, 2006 4:32 PM
To: (b)(6)
Subject: RE: trip

sir, you will only need your passport. we are staying at the sheraton downtown. i think the rest of the group is planning to leave out of kwi around the 8 a.m. hour. that is the target so that our escorts only make one trip. if that does not work for you and you need to leave earlier, please let me know so we can make the proper arrangements.
thank you,

(b)(6)

-----Original Message-----

From: (b)(6) [mailto:(b)(6)]
Sent: Thursday, September 07, 2006 3:35 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: trip

Visa?

Sent from my BlackBerry Wireless Handheld

-----Original Message-----

From: (b)(6)
To: Downing, Wayne A. (b)(6)
Sent: Thu Sep 07 08:05:46 2006
Subject: trip

hi sir,
as promised, here is the follow up to our conversation, with details:

please plan to arrive into kwi on the evening of the 15th, no later than 12 midnight. (we are hoping to have everyone in by 10 p.m.)

we will make hotel reservations for you on the front and back end in kuwait city. you can then switch it to your credit card once you arrive.

your return should be scheduled for the morning of the 19th out of kwi.

again, please make all reservations fully refundable, as just by nature these trips tend to be a little unpredictable. we expect to have a great trip.

please let me know if you need any more details. i'm so glad you can join us.
looking forward to it,

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

(b)(6)

From: (b)(6) on behalf of Downing, Wayne A.
Sent: Thursday, September 07, 2006 3:17 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: trip

Which Hotel?

What time can we dpt on 19 September?

There is a 0200 flt and others real early. Can we make those?

From: (b)(6) [mailto:(b)(6)]
Sent: Thursday, September 07, 2006 10:06
To: Downing, Wayne A.
Subject: trip

hi sir,

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(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

(b)(6)

From: Grange, David (b)(6)
Sent: Thursday, September 07, 2006 2:04 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Army Field Manual for Detention Operations

(b)(6) thanks. Bt the way, did you ever get a go-ahead for the trip to Iraq on the 14th? Dave

From: (b)(6), CIV, OASD-PA [mailto:(b)(6)]
Sent: Wednesday, September 06, 2006 11:13 AM
To: (b)(6) CIV, OASD-PA
Subject: Army Field Manual for Detention Operations

Gentlemen,
Please find attached the released DoD Directive regarding the Detainee program, as well as a one-page summary of the Army Field Manual.
We hope you find this useful.
Have a great day,

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

(b)(6)

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Sent: Thursday, September 07, 2006 11:06 AM
To: (b)(6)
Subject: trip

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Washington, D.C. 20301

(b)(2)

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Wednesday, September 06, 2006 12:13 PM
To: (b)(6) CIV, OASD-PA
Subject: Army Field Manual for Detention Operations
Attachments: FINAL SIGNED COPY - 9-5-06.pdf; FM 2-22 3 Key Points 1Sep06.doc

Gentlemen,
Please find attached the released DoD Directive regarding the Detainee program, as well as a one-page summary of the Army Field Manual.
We hope you find this useful.
Have a great day,

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(b)(6)

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Community Relations and Public Liaison
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Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1216



Department of Defense

DIRECTIVE

NUMBER 2310.01E
September 5, 2006

USD(P)

SUBJECT: The Department of Defense Detainee Program

- References:**
- (a) DoD Directive 2310.01, "DoD Program for Enemy Prisoners of War (EPOW) and Other Detainees," August 18, 1994 (hereby canceled)
 - (b) DoD Directive 5101.1, "DoD Executive Agent," September 3, 2002
 - (c) Secretary of Defense Memorandum, "Office of Detainee Affairs," July 16, 2004 (hereby superseded)
 - (d) DoD Directive 2311.01E, "DoD Law of War Program," May 9, 2006
 - (e) through (k), see Enclosure 1

1. REISSUANCE AND PURPOSE

This Directive:

1.1. Reissues Reference (a) to revise policy and responsibilities within the Department of Defense (DoD) for a Detainee Program to ensure compliance with the laws of the United States, the law of war, including the Geneva Conventions of 1949, and all applicable policies, directives, or other issuances, consistent with References (d) through (k).

1.2. Re-designates, according to Reference (b), the Secretary of the Army as the DoD Executive Agent for the Administration of Department of Defense Detainee Operations Policy.

1.3. Supersedes Reference (c) and establishes the responsibilities of the Under Secretary of Defense for Policy (USD(P)) as the lead proponent in developing, coordinating, and implementing policies and guidance pertaining to detainee operations.

2. APPLICABILITY

2.1. This Directive applies to:

2.1.1. The Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all

other organizational entities in the Department of Defense (hereafter collectively referred to as the "DoD Components").

2.1.2. DoD contractors assigned to or supporting the DoD Components engaged in, conducting, participating in, or supporting detainee operations.

2.1.3. Non-DoD personnel as a condition of permitting access to internment facilities or to detainees under DoD control.

2.1.4. All detainee operations conducted by DoD personnel (military and civilian), contractor employees under DoD cognizance, and DoD contractors supporting detainee operations.

2.2. This Directive applies during all armed conflicts, however such conflicts are characterized, and in all other military operations.

3. DEFINITIONS

Terms used in this Directive are defined, and are to be interpreted, in accordance with U.S. law and the law of war. Specific terms found in this directive are provided in Enclosure 2.

4. POLICY

It is DoD policy that:

4.1. All detainees shall be treated humanely and in accordance with U.S. law, the law of war, and applicable U.S. policy.

4.2. All persons subject to this Directive shall observe the requirements of the law of war, and shall apply, without regard to a detainee's legal status, at a minimum the standards articulated in Common Article 3 to the Geneva Conventions of 1949 (References (g) through (j), full text of which is found in Enclosure 3), as construed and applied by U.S. law, and those found in Enclosure 4, in the treatment of all detainees, until their final release, transfer out of DoD control, or repatriation. Note that certain categories of detainees, such as enemy prisoners of war, enjoy protections under the law of war in addition to the minimum standards prescribed in Common Article 3 to References (g) through (j).

4.3. Captured or detained persons will be removed as soon as practicable from the point of capture and transported to detainee collection points, holding areas, or other detention locations operated by the DoD Components.

4.4. Detainees and their property shall be accounted for and records maintained according to applicable law, regulation, policy, or other issuances.

4.4.1. Detainees shall be assigned an Internment Serial Number (ISN) as soon as possible after coming under DoD control, normally within 14 days of capture. DoD Components shall maintain full accountability for all detainees under DoD control.

4.4.2. Detainee records and reports shall be maintained, safeguarded, and provided to USD(P) and other DoD Components as appropriate.

4.5. No person subject to this Directive shall accept the transfer of a detainee from another U.S. Government Department or Agency, coalition forces, allied personnel, or other personnel not affiliated with the Department of Defense or the U.S. Government, except in accordance with applicable law, regulation, policy, and other issuances.

4.6. No detainee shall be released or transferred from the care, custody, or control of a DoD Component except in accordance with applicable law, regulation, policy, and other issuances.

4.7. Where doubt exists as to the status of a detainee, the detainee's status shall be determined by a competent authority.

4.8. Detainees under DoD control who do not enjoy prisoner of war protections under the law of war shall have the basis for their detention reviewed periodically by a competent authority.

4.9. All persons subject to this Directive shall:

4.9.1. Receive instruction and complete training, commensurate with their duties, in the laws, regulations, policies, and other issuances applicable to detainee operations, prevention of violations of same, and the requirement to report alleged or suspected violations thereof that arise in the context of detainee operations.

4.9.2. Receive instruction and complete training in advance of conducting, participating in, or supporting detainee operations, and annually thereafter. Training requirements and certifications of completion shall be documented according to applicable law and policy.

4.10. All persons subject to this Directive shall report possible, suspected, or alleged violations of the law of war, and/or detention operations laws, regulations, or policy, for which there is credible information, or conduct, during military operations other than war, that would constitute a violation of law or policy if it occurred during an armed conflict, in accordance with References (d) and (k).

4.11. The International Committee of the Red Cross (ICRC) shall be allowed to offer its services during an armed conflict, however characterized, to which the United States is a party.

5. RESPONSIBILITIES

5.1. The Under Secretary of Defense for Policy (USD(P)) shall:

5.1.1. Review, ensure coordination of, and approve all implementing policies or guidance to the DoD Detainee Program, including all detainee matters involving interaction between the Department of Defense and other U.S. Government Departments or Agencies.

5.1.2. Review, ensure coordination of, and approve all implementing policy or guidance developed pursuant to this Directive by DoD Components. DoD Components will forward copies of such documents to USD(P) for review prior to issuance.

5.1.3. Serve as the principal DoD interlocutor with the ICRC and develop policy and procedures to ensure the proper and timely reporting of ICRC communications to appropriate DoD and U.S. Government officials.

5.2. The Under Secretary of Defense for Personnel and Readiness (USD(P&R)) shall:

5.2.1. Develop and oversee policy to ensure education and training programs satisfy DoD Component requirements in the areas of language, culture, customs, and related matters and to assure that persons subject to this directive have been provided requisite training, knowledge, and skills, necessary to perform detainee operations duties.

5.2.2. Ensure the Assistant Secretary of Defense for Health Affairs develops policies, procedures, and standards for medical program activities and issues DoD instructions consistent with this Directive for medical program activities required by the DoD Detainee Program.

5.2.3. Ensure the Assistant Secretary of Defense for Reserve Affairs develops policies, procedures, and standards for Reserve Components and issues DoD Instructions consistent with this Directive for National Guard and Reserve activities required for the DoD Detainee Program.

5.3. The Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) shall:

5.3.1. Establish policies and procedures, in coordination with USD(P), the General Counsel, and the appropriate DoD Components, to ensure all DoD contracts pursuant to which contractor employees interact with detainees include a requirement that such contractor employees receive training regarding the international obligations and laws of the United States applicable to detention operations.

5.3.2. Ensure contractor employees accompanying DoD Components in conducting, participating in, or supporting detainee operations complete training and receive information on the law, regulations, and policies applicable to detention operations, and the requirements to report possible, suspected, or alleged violations that arise in the context of detention operations, in accordance with References (d) and (k).

5.4. The Under Secretary of Defense for Intelligence (USD(I)) shall:

5.4.1. Exercise primary responsibility for developing policy pertaining to DoD intelligence interrogations, detainee debriefings, and tactical questioning according to Reference (k).

5.4.2. Act as primary liaison between the Department of Defense and other agencies of the Intelligence Community on intelligence matters pertaining to detainees.

5.5. The General Counsel of the Department of Defense shall coordinate with the Department of Justice and other agencies regarding detainee-related litigation matters and on matters pertaining to detainees who may be U.S. citizens, dual-nationals with U.S. citizenship, or U.S. resident aliens, as appropriate.

5.6. The Heads of the DoD Components shall ensure that all personnel are properly trained and certified in detainee operations commensurate with their duties, maintaining records of such training and certification.

5.7. The Secretary of the Army is hereby designated as the Executive Agent for the Administration of Department of Defense Detainee Operations Policy and in that role shall:

5.7.1. Ensure all Executive Agent responsibilities and functions for the administration of DoD detainee operations policy are assigned and executed according to Reference (b) and this Directive.

5.7.2. Develop and promulgate guidance, regulations, and instructions necessary for the DoD-wide implementation of detainee operations policy in coordination with USD(P).

5.7.3. Communicate directly with the Heads of the DoD Components as necessary to carry out assigned functions. The Chairman of the Joint Chiefs of Staff shall be informed of communications to the Commanders of the Combatant Commands.

5.7.4. Designate a single point of contact within the Department of the Army for detainee operations policy, who shall also provide advice and assistance to USD(P).

5.7.5. Plan for and operate a national-level detainee reporting center and its elements (e.g., theater and lower levels) to account for detainees. Coordinate with USD(P) to provide reports on detainee operations to the Secretary of Defense and others as appropriate.

5.7.6. Recommend DoD-wide detainee operations-related planning and programming guidance to the USD(P), USD(AT&L), USD(I), USD(P&R), the Under Secretary of Defense (Comptroller), the Assistant Secretary of Defense for Networks and Information Integration, the Director of Program Analysis and Evaluation, and the Chairman of the Joint Chiefs of Staff. Provide information copies of such guidance to the Secretaries of the Military Departments.

5.7.7. Establish detainee operations training and certification standards, in coordination with the Secretaries of the Military Departments and the Joint Staff.

5.7.8. Develop programs to ensure all DoD detainee operations policy; doctrine; tactics, techniques, and procedures; and regulations or other issuances are subject to periodic review, evaluation, and inspection for effectiveness and compliance with this Directive.

5.8. The Chairman of the Joint Chiefs of Staff shall:

5.8.1. Provide appropriate oversight to the Commanders of the Combatant Commands to ensure their detainee operations policies and procedures are consistent with this Directive.

5.8.2. Designate a single point of contact within the Joint Staff for matters pertaining to the implementation of this Directive.

5.8.3. Ensure that operational exercises routinely test the capabilities of the DoD Components to conduct, participate in, and support detainee operations, consistent with this Directive.

5.9. The Commanders of the Combatant Commands shall:

5.9.1. Plan, execute, and oversee Combatant Command detainee operations in accordance with this Directive and implementing issuances.

5.9.2. Develop programs and issue appropriate guidance and orders implementing this Directive. All such programs and guidance shall be subjected to periodic review and evaluation for compliance and efficacy.

5.9.3. When detainee internment facilities, holding areas, collection points, or interrogation facilities are in their area of responsibility:

5.9.3.1. Ensure procedures are established for the treatment of detainees consistent with this Directive.

5.9.3.2. Ensure detainees are provided with information, in their own language, concerning the rights, duties, and obligations of their detention, which may include applicable provisions of the Geneva Conventions.

5.9.3.3. Ensure periodic unannounced and announced inspections of internment facilities, including temporary holding areas and collection points, are conducted to provide continued oversight of detainee operations.

6. EFFECTIVE DATE

This Directive is effective immediately.



Gordon England
Deputy Secretary of Defense

Enclosures – 4

- E1. References, continued
- E2. Definitions
- E3. Article 3 Common to the Geneva Conventions of 1949
- E4. Detainee Treatment Policy

E1. ENCLOSURE 1

REFERENCES, continued

- (e) Sections 2340 & 2340A of Title 18, U.S. Code
- (f) The Detainee Treatment Act of 2005, Pub. L. No. 109-163 (119 STAT. 3474-3480), Section 1401-1406, Title XIV
- (g) Geneva Convention Relative to the Treatment of Prisoners of War, August 12, 1949
- (h) Geneva Convention Relative to the Protection of Civilian Persons in Time of War, August 12, 1949
- (i) Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, August 12, 1949
- (j) Geneva Convention for the Amelioration of the Condition of Wounded, Sick and Shipwrecked Members of Armed Forces at Sea, August 12, 1949
- (k) DoD Directive 3115.09, "DoD Intelligence Interrogations, Detainee Debriefings, and Tactical Questioning," November 3, 2005

E2. ENCLOSURE 2

DEFINITIONS

E2.1. Detainee. Any person captured, detained, held, or otherwise under the control of DoD personnel (military, civilian, or contractor employee). It does not include persons being held primarily for law enforcement purposes, except where the United States is the occupying power. A detainee may also include the following categories:

E2.1.1. Enemy Combatant. In general, a person engaged in hostilities against the United States or its coalition partners during an armed conflict. The term "enemy combatant" includes both "lawful enemy combatants" and "unlawful enemy combatants."

E2.1.1.1. Lawful Enemy Combatant. Lawful enemy combatants, who are entitled to protections under the Geneva Conventions, include members of the regular armed forces of a State party to the conflict; militia, volunteer corps, and organized resistance movements belonging to a State party to the conflict, which are under responsible command, wear a fixed distinctive sign recognizable at a distance, carry their arms openly, and abide by the laws of war; and members of regular armed forces who profess allegiance to a government or an authority not recognized by the detaining power.

E2.1.1.2. Unlawful Enemy Combatant. Unlawful enemy combatants are persons not entitled to combatant immunity, who engage in acts against the United States or its coalition partners in violation of the laws and customs of war during an armed conflict. For purposes of the war on terrorism, the term Unlawful Enemy Combatant is defined to include, but is not limited to, an individual who is or was part of or supporting Taliban or al Qaeda forces or associated forces that are engaged in hostilities against the United States or its coalition partners.

E2.1.2. Enemy Prisoner of War. Individuals under the custody and/or control of the Department of Defense according to Reference (g), Articles 4 and 5.

E2.1.3. Retained Person. Individuals under the custody and/or control of the Department of Defense according to Reference (g), Article 33.

E2.1.4. Civilian Internee. Individuals under the custody and/or control of the Department of Defense according to Reference (h), Article 4.

E2.2. Law of War. That part of international law that regulates the conduct of armed hostilities and occupation. It is often called the "law of armed conflict" and encompasses all international law applicable to the conduct of hostilities that is binding on the United States or its individual citizens, including treaties and international agreements to which the United States is a party (e.g., the Geneva Conventions of 1949), and applicable customary international law.

E3. ENCLOSURE 3

ARTICLE 3 COMMON TO THE GENEVA CONVENTIONS OF 1949

E3.1. The text of Common Article 3 to the Geneva Conventions of 1949 is as follows:

"In the case of armed conflict not of an international character occurring in the territory of one of the High Contracting Parties, each Party to the conflict shall be bound to apply, as a minimum, the following provisions:

"(1) Persons taking no active part in the hostilities, including members of armed forces who have laid down their arms and those placed *hors de combat* by sickness, wounds, detention, or any other cause, shall in all circumstances be treated humanely, without any adverse distinction founded on race, colour, religion or faith, sex, birth or wealth, or any other similar criteria.

"To this end, the following acts are and shall remain prohibited at any time and in any place whatsoever with respect to the above-mentioned persons:

"(a) violence to life and person, in particular murder of all kinds, mutilation, cruel treatment and torture;

"(b) taking of hostages;

"(c) outrages upon personal dignity, in particular humiliating and degrading treatment;

"(d) the passing of sentences and the carrying out of executions without previous judgment pronounced by a regularly constituted court, affording all the judicial guarantees which are recognized as indispensable by civilized peoples.

"(2) The wounded and sick shall be collected and cared for.

"An impartial humanitarian body, such as the International Committee of the Red Cross, may offer its services to the Parties to the conflict.

"The Parties to the conflict should further endeavour to bring into force, by means of special agreements, all or part of the other provisions of the present Convention.

"The application of the preceding provisions shall not affect the legal status of the Parties to the conflict."

E4. ENCLOSURE 4

DETAINEE TREATMENT POLICY

E4.1. In addition to the requirements in paragraph 4.2 and Enclosure 3, DoD policy relative to the minimum standards of treatment for all detainees in the control of DoD personnel (military, civilian, or contractor employee) is as follows:

E4.1.1. All persons captured, detained, interned, or otherwise in the control of DoD personnel during the course of military operations will be given humane care and treatment from the moment they fall into the hands of DoD personnel until release, transfer out of DoD control, or repatriation, including:

E4.1.1.1. Adequate food, drinking water, shelter, clothing, and medical treatment;

E4.1.1.2. Free exercise of religion, consistent with the requirements of detention;

E4.1.1.3. All detainees will be respected as human beings. They will be protected against threats or acts of violence including rape, forced prostitution, assault and theft, public curiosity, bodily injury, and reprisals. They will not be subjected to medical or scientific experiments. They will not be subjected to sensory deprivation. This list is not exclusive.

E4.1.2. All persons taken into the control of DoD personnel will be provided with the protections of Reference (g) until some other legal status is determined by competent authority.

E4.1.3. The punishment of detainees known to have, or suspected of having, committed serious offenses will be administered in accordance with due process of law and under legally constituted authority.

E4.1.4. The inhumane treatment of detainees is prohibited and is not justified by the stress of combat or deep provocation.

- **FM 2-22.3, Human Intelligence Collector Operations.**
 - **Broader scope than old FM 34-52; covers *Interrogation* in detail**
 - **In deference to Congressional concerns (McCain, Graham, Levin), the new FM is wholly unclassified; can be shared with Coalition partners**
- **Complies with Detainee Treatment Act of 2005; incorporates provisions of Geneva Conventions, to include Common Article 3**
 - **Single Humane standard for Detainee treatment regardless of status**
 - **Explicitly prohibits Torture, Cruel, Inhuman & Degrading treatment**
 - **Lists prohibited practices (dogs, nakedness/sex acts, beatings/ burns/shocks & infliction of physical pain, heat/cold use, hoods, mock executions, waterboarding, deprivation of food/water/medical).**
- **Personally reviewed and approved by every Combatant Cdr, Service Secretaries & Chiefs, JCS & Service General Counsels/JAGs & Dir DIA**
 - **FM has been favorably reviewed by ODNI & Interagency**
 - **Synchronized with DoD Policies (2310.1E/Detainee Program; 3115.09/Intel Interrogations, Detainee Debriefings & Tactical Questioning; 2310.08/ Medical Program Support for Detainee Operations)**
 - **Establishes DoD-wide Interrogation standards**
- **FM contains 19 Interrogation approach techniques (No others authorized)**
 - **18 Interrogation techniques authorized for use with all enemy combatants, regardless of status**
- **One additional (19th) Restricted Interrogation technique (*Separation*) in Appx M for use only with unlawful enemy combatants**
 - **Combatant Cdrs specifically requested that *Separation* be included to meet operational requirements (eg to keep unlawful enemy combatants from communicating & to obtain time-sensitive information)**
 - **For use by-exception**
 - **High level of oversight; Combatant Cdrs must approve; 2d General Officer must review/approve Interrogation plans which utilize**
 - **Special Interrogator training & certification required**
 - **Mandatory safeguards integrated to ensure Humane application**
- **FM clarifies Military Intelligence & Military Police roles and responsibilities**
- **Specifies requirements for Non-DoD access to Detainees under DoD control**
 - **JTF or Combatant Cdrs must authorize; Non-DoD must comply with DoD standards, be escorted & observed by DoD personnel**
- **Specifies that Commanders are responsible & accountable for compliance with provisions of FM 2-22.3; for ensuring Humane Detainee treatment**
- **All Military personnel responsible and accountable to immediately report suspected Detainee abuse; FM proscribes procedures**

(b)(6)

From: Bing West (b)(6)
Sent: Wednesday, September 06, 2006 10:19 AM
To: bingwestlist
Subject: Atlantic article

The Atlantic Monthly | October 2006

The Road to Haditha

How did the heroes of Fallujah come to kill civilians in Haditha? A Vietnam veteran who witnessed the battle of Fallujah says it's too soon to judge the marines—but not the high command.

by Bing West

A Marine infantry officer in Vietnam, **F. J. "Bing" West** is the author of *The Village*, a Vietnam classic, and *No True Glory: A Frontline Account of the Battle for Fallujah*, out in paperback in October.

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Toward the end of the savage battle for Fallujah in December of 2004, I met the 3rd Platoon of Kilo Company in the shattered southern remnants of the city. Lieutenant Jesse Grapes was justly proud of his platoon, which was serving as part of Battalion 3/1. A few weeks earlier, a half-dozen jihadists barricaded on the second floor of what came to be known as the House From Hell had poured fire on four wounded marines trapped in downstairs rooms. Instead of backing off, Grapes's men rushed the house, smashing at doors and windows and ripping apart metal grates to rescue their comrades. They swarmed into an alcove, dripping red from cuts, gouges, and bullet wounds. Blood flowed across the concrete floor, slippery as ice. It stuck like gum to their trigger fingers, pulling their aim off target as they ducked grenades that sent shrapnel ricocheting off the walls.

Sergeant Byron Norwood poked his head around a door frame. *Bang!* A round hit him in the head and he fell, mortally wounded. The fight swirled on until Grapes wriggled through a small window and laid down covering fire while the wounded were pulled out. Corporal Richard Gonzalez, the platoon's "mad bomber," rushed forward with a twenty-pound satchel of C4 explosive—enough to demolish two houses. He placed it on the chest of a dead jihadist and ran outside.

The house exploded in a flash, followed by concrete chunks thudding down. A pink mist mixed with the dust and gunpowder in the air. Grapes was happy to see it. He hastily evacuated eleven wounded marines and the body of Sergeant Norwood, who was from a Texas town but whose sharp wit reminded his colonel of New York City-type humor.

Three months later, President Bush invited Norwood's parents to the State of the Union address. When the president thanked them for their sacrifice, everyone stood and applauded. Back in Camp Pendleton, the courageous platoon basked in the country's adulation. Two marines who had fought in the House From Hell were awarded the Navy Cross, the nation's second-highest medal for courage. Fallujah was

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the most ferocious urban battle Americans had fought since the Vietnam War.

In the fall of 2005, Battalion 3/1 returned to Iraq with veterans of the House From Hell, together with new squad and platoon leaders. In November, the 3rd Platoon of Kilo Company—including several of Grapes's men—engaged in a fight in Haditha in which twenty-four Iraqi civilians died. President Bush, unaware that this was Norwood's unit, said, "The Marine Corps is full of honorable people who understand the rules of war ... those who violated the law, if they did, will be punished." A year after the president had praised the 3rd Platoon, he censured it.

What happened? What the hell happened? The president, were he a reflective man, might be asking himself this question.

In March 2003, I accompanied the Marine battalion and British engineers who seized the pumping station just north of Basra that facilitated a multibillion-dollar flow of oil. The engineers were appalled to find open cesspools, rusted valves, sputtering turbines, and other vital equipment deteriorating into junk. Heaps of garbage lay outside the walls of nearby houses. Yet inside the courtyards, tiny patches of grass were as well tended as putting greens. That defined Iraq: a generation of tyrannical greed had taught Iraqis to look out for their own, to enrich their families, and to avoid any communal activity that attracted attention.

When Baghdad fell that April, the population was in awe of the Americans. When the American soldiers did nothing to stop the looting, that feeling of awe vanished.

The Iraqi army had melted away, but its soldiers were eager to regroup in order to gain pay and prestige. Indeed, the American commanders working with Iraqi officers reported that they could easily reconstitute several trained battalions. But in May, the American proconsul, L. Paul Bremer III, hastily disbanded the Iraqi army and outlawed former Baathists from government service. The Joint Chiefs of Staff did not object, and American soldiers moved alone into the Sunni cities west and north of Baghdad.

The insurgency began that summer, as gangs of Sunni youths and unemployed soldiers heeded the urgings of imams and former elements of Saddam Hussein's regime to oppose the infidel occupiers, protectors of the Shiite apostates. The Sunni population sympathized with and was intimidated by the insurgents, who freely mingled in the marketplaces. The insurgents' tactics were trial and error; attacks increased as respect for the Americans and their armor dissipated.

The Americans responded to the low-level attacks with vigorous sweeps and raids. This was the wrong approach, because mobile armored offensives could not hope to neutralize the insurgent manpower pool of a million disaffected Sunni youths. The American divisions lacked a commander who would curb their instinct for decisive battle and lay out a counterinsurgency plan. Instead, their inexperienced commander, Lieutenant General Ricardo Sanchez, expressed confidence that the tactic of offensive operations was succeeding.

In March 2004, the Marine Corps assumed responsibility for Anbar province, the heart of the Sunni insurgency. The Marine commander, Lieutenant General James Conway, quickly reported that the security condition was terrible, contradicting Sanchez's optimism. Nine Marine battalions—some 9,000 men in all—were trying to control twelve cities stretching from the outskirts of Baghdad to the Syrian border, 200 miles to the west. When the marines moved into one city, the insurgents shifted to another. Elementary arithmetic showed there were not enough troops for the task. Yet the military chain of

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command never sent a formal request to Secretary of Defense Donald Rumsfeld for additional troops.

The commanders in the field were keenly aware that repeated offensives antagonized the Iraqis. "We must in all things be modest," General John P. Abizaid, who commanded all forces in the Central Command, had said. "We are an antibody in their culture."

Haditha, a drab city of 100,000 on the Euphrates River 140 miles northwest of Baghdad, demanded a constant presence to protect its massive hydroelectric dam. The 3rd Battalion of the 4th Marine Regiment was sent to the city in March 2004. Battalion 3/4 had experienced heavy fights during the 2003 invasion and had hauled down Saddam's statue in Firdos Square, an image seen around the world. The battle-tested battalion flooded Haditha with hundreds of four-man foot patrols. Insurgents who responded with their standard "shoot and scoot" tactics were chased down by squads of marines. Although the mayor had been assassinated the previous summer, the insurgents were not well organized. A platoon was ordered to combine forces with the local police; Lieutenant Matt Danner, the platoon commander, moved his men into the police station. Joint patrols became the norm.

The joint patrol, known as a Combined Action Platoon, or CAP, was a counterinsurgent tactic from Vietnam, where squads of fourteen marines lived for a year or more with local militias of about thirty farmers. In my CAP south of DaNang in 1966 we engaged in firefights every night for the first few months. Then the shooting petered out as the villagers, coming to trust us, betrayed local guerrillas and began to point out strangers. In Haditha, this pattern was repeated. When the first marines arrived, fights broke out every third night; six months later, they were down to twice a month. Danner had hit on an elementary axiom of guerrilla warfare: once the police in the CAP were accepted by the population as the strongest fighting force, information flowed to them. As the Iraqis in the police force became more self-confident, they became more aggressive and more effective.

Then, on March 31, four American contractors were lynched in Fallujah, a city of 300,000 ninety miles southeast of Haditha. Rumsfeld ordered the Marines to attack the city, with the concurrence of Bremer and the military high command. The division commander, Major General James N. Mattis—"Mad Dog" to his admiring grunts—demurred. His strategy, he said, was to repeat the success of Haditha and move in "as soft as fog," supporting and reinvigorating the demoralized local police.

Washington overrode General Mattis's objections and the Marines went in. Simultaneously, Bremer decided that coalition forces should move against the dangerous Shiite demagogue Muqtada al-Sadr. American troops were thus engaged on two fronts—against Sunnis west of Baghdad, and against Shiites in Baghdad and to the south. Calls for jihad swept across Anbar province, and insurgents besieged Baghdad, reducing it to a few days of fuel and fresh food.

To finish the fight in Fallujah, Mattis called Battalion 3/4 down from Haditha. "Some of the *jundis* in my Combined Action Platoon were up for the fight," Danner recalled, referring to the Iraqis who had joined forces with his platoon. "I told them they had to guard Haditha and that we'd be back for them. They wanted to come with us. We had lived together, fought together." While the Iraqis in Danner's CAP volunteered for Fallujah, other Iraqi soldiers around the country mutinied to avoid going there.

Televised images of the house-to-house fighting in Fallujah stirred anger across Iraq. After three weeks of fighting and confused negotiations, just as Mattis was squeezing the insurgents into a corner, Bremer, concerned about a degenerating political situation, persuaded the White House to pull the Marines out

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of Fallujah. When the order came through, Danner and his men were bewildered. "Fallujah and the Sunnis out west are a sideshow," a senior Pentagon official told me at the time. "We have to get the Shiites to agree to an interim government in return for early elections."

Within a month, Abu Musab al-Zarqawi and other jihadists had taken control of Fallujah. To the south, al-Sadr was cornered, but American officials in Baghdad decided not to arrest him. He slunk away, to emerge later as the leader of the most dangerous Shiite militia in Iraq.

Danner and his men returned to Haditha in early May and resumed living downtown with the police. "Most of the police we lived with were local Sunnis," Danner said. "A few were tough enough to stand on their own, but 80 percent needed to know we Americans were there with them and would back them up."

In late summer, Danner's battalion rotated home, and Battalion 1/8 moved into the Haditha area. Fresh from the States and eager, the new marines continued the joint policing and patrolled vigorously. Word of how Americans had fought in Fallujah had spread, and the insurgents avoided the new marines, targeting instead the Iraqi soldiers.

"Haditha was sinister," Corporal Timothy Connors, a squad leader in Battalion 1/8, said. "On some blocks, people would wave. But mostly they ignored us, like we weren't even there. You could sense something was going on, but no one dared shoot at us." The hearts and minds of the Sunni residents had not been won over, but the insurgents did not challenge the superior force.

In October 2004, one month before the U.S. election, Battalion 1/8 was called away from Haditha to prepare for a second battle of Fallujah. The White House had made a terrible mistake in not letting the Marines finish in April. At the time, Mattis had cited a quote from Napoleon to his field marshal: "If you're going to take Vienna, then by God, sir, take it!" Delay played to the advantage of the defenders, and Fallujah was now held by 2,000 die-hard jihadists. To take the city, American forces were stripped from other cities across the province. After most residents had left, ten battalions fought block to block in a ferocious urban slugfest. The deeper the marines penetrated into the city, the fewer civilians they encountered and the tougher the fighting became, with jihadists hiding among the 30,000 buildings, waiting to kill the first American to open the door. The 3rd Platoon's bloody room-to-room fight in the House From Hell was typical of the savagery of Fallujah II.

Many of the jihadists, including leaders such as al-Zarqawi, fled Fallujah before the fight and regrouped in the cities the Americans had vacated. In Haditha, two weeks after Battalion 1/8's departure, insurgents captured the police station and executed twenty-one policemen, including the police chief. With the police knocked out, the insurgents became the de facto government. The deputy police chief gathered his family and fled to Baghdad.

"He was a good man," Danner said. "The November battle in Fallujah pulled the rug out from under the police. We left them on their own. Without moral support, they collapsed."

It wasn't until late 2004 that General George W. Casey Jr., who had taken command of the coalition forces in Iraq that summer, issued a campaign plan that focused on counterinsurgency, emphasizing the need for a genuine partnership with Iraqi forces. He inherited a military mess. Sunni jihadists had gathered strength by appealing to tribal religiosity. They preached that Americans were infidels crusading against Muslims and raising a Shiite army that would oppress the Sunnis. This greatly complicated the counterinsurgency task, because the Sunnis had to be persuaded that the new Iraqi

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army was secular and not sectarian.

In early 2005, the Marines launched an extended campaign in Anbar province to pry the Euphrates River valley, which runs 200 miles from Syria to Baghdad, loose from the insurgents. The intent was to chop up the “rat line” that allowed foreign fighters to slip in from Syria. Some unkindly compared the effort to the carnival game of Whac-a-Mole: until there were sufficient Iraqi forces to occupy the Sunni cities, the Americans could only jab and punch to keep the insurgents off balance.

In March, the Marines swept through Haditha as part of this operation, searching door to door. The insurgents slipped away. When the Marines left, the insurgents returned, rounded up nineteen remaining Iraqi police, marched them to the soccer stadium, and publicly executed them. A few days earlier, they had assassinated the new police chief and three of his family members.

The Marines responded by again stationing a full battalion in the area, Battalion 3/25, a reserve unit from Ohio. The cycle of hope, followed by abandonment, followed by executions and reprisals had worn down the population. This time the city council refused to meet with the Americans. Instead, a delegation asked that no pro-government messages be played by the local radio station. The surviving Sunni police had fled. The Associated Press quoted the American colonel in charge of the Haditha area as saying, “What I need most now is someone who can say, ‘This is a good guy, and this is a bad guy.’”

In August an English newspaper, *The Guardian*, smuggled an Iraqi journalist into Haditha. He slipped out to report that the city was tightly controlled by two terrorist gangs, one answering to al-Zarqawi and the other to a local radical. Executions of suspected spies had become a sport to entertain the crowds. When the Americans drove by on patrol, no one would point out an insurgent.

Battalion 3/25 stayed in Haditha for seven months and suffered some horrific losses. An IED killed fourteen marines in a single blast in August, the worst such explosion to date in the war. Efforts to recruit yet another local police force came to naught. The Americans patrolled the sullen streets alone.

That was the environment Battalion 3/1 inherited in the fall of 2005. A year earlier, Grapes’s men had fought their way through Fallujah, often destroying houses in a city largely devoid of civilians. Haditha was their first redeployment since then, after a few months retraining back at Camp Pendleton in the States. Grapes and several of the officers who’d fought by his side in Fallujah had gone back to civilian life; the platoon had new leaders, some of whom had not seen combat.

After Fallujah, the veterans of the House From Hell, like other battle-scarred marines, had their own way of looking at houses on a street. “I don’t like to say it, but after a while, when you have the rifle, and you see how the Iraqis look at you and how they live,” said Corporal Connors, “then some of our guys feel superior—like the people in Haditha or Fallujah aren’t quite human like us. You don’t think of them the same way. That’s not right, but it does happen.”

On the morning of November 19, 2005, a thirteen-man squad mounted in four Humvees turned a corner and—*boom!*—the fourth Humvee in the column disappeared in a red flash and a thick cloud of smoke and dust. A popular lance corporal, Miguel “T.J.” Terrazas, was killed—ripped apart—and two other marines were badly burned.

Back at battalion headquarters, streaming video from an Unmanned Aerial Vehicle circling overhead

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showed a confused situation, with marines at various locations maneuvering amid radio chatter indicating incoming fire. The remaining ten men in Terrazas's squad approached a car that had stopped nearby. When the five men inside started to flee, the marines shot and killed them. The squad leader later reported that his men took fire from a nearby house. They assaulted first one house, and then a second. When the battle was over, fourteen Iraqi men, four women, and six children had been killed.

The tragedy was followed by eight months of investigations. Iraqis claim that enraged marines executed the civilians. Defense lawyers claim the deaths were accidents that occurred while the men were following the Rules of Engagement for clearing rooms when under fire. The ROE stipulate the circumstances under which a soldier may employ deadly force. In the Fallujah battle, Battalion 3/1 was fighting so fiercely that reporters referred to the ROE as "Enter every room with a *boom*." But in Haditha, unlike Fallujah, there were civilians in the room.

Time magazine broke the Haditha story in March and presented a balanced report. Then, on May 17, Representative John P. Murtha held a press conference and declared that the troops "killed innocent civilians in cold blood." As the leading advocate for an immediate withdrawal from Iraq, Murtha advanced his own agenda by acting as judge and jury.

After Murtha's incendiary remarks, Haditha captured worldwide attention. Many commentators leaped to conclusions. The European press gloatingly linked Haditha to the massacre at My Lai in Vietnam, but My Lai was on a much larger scale, with implications that the high command looked the other way. If in the coming months the press does transpose the killings at Haditha into a metaphor for the war—as happened with My Lai—the consequences will be tremendous, and misleading.

A central issue in the Haditha tragedy is whether the marines deliberately shot civilians, or whether they threw grenades into the room first, creating clouds of dust that obscured the presence of civilians. If the latter was the case, a further issue is whether the Rules of Engagement permitted such an action. Forty investigators have worked for months to determine what happened. It remains for the military justice system to sort through the chaos of battle and reach a conclusion about individual guilt or innocence.

Many more than a handful of young marines will be on trial as the Haditha killings are adjudicated. It is too soon to judge these men, but it is not too soon to judge the high command and the underlying policies governing the conduct of the war. As Americans, we have been fighting the war the wrong way. Haditha degenerated due to a lack of security manpower, both American and Iraqi. We didn't have sufficient troops in Anbar province, and those we did have were shifted to fight a battle provoked by feckless senior leadership. The hardened veterans of Fallujah were sent into Haditha to operate in isolation from the Iraqis, rather than in combined units, as counterinsurgency doctrine demands. We left our squads to fight alone for too long on a treacherous battlefield.

Three years after the president declared victory, our military is struggling to keep a semblance of order, with scant ability to shape decisions in Washington or Baghdad. General Casey is directing a sound campaign to improve the Iraqi army, but the time has come for more radical change. When, in 1969, U.S. Army General Creighton Abrams directed a campaign to invigorate the South Vietnamese army, military skills did not prevail against political turmoil. Given the persistence of Sunni versus Shiite mass murders, military logic calls for martial law and for placing the untrustworthy police under the control of the Iraqi army. But Iraqi politicians prefer to keep the police under local control, shared with Sunni insurgents and Shiite militias, and President Bush has chosen to praise rather than to pressure Prime Minister Nouri al-Maliki.

12/3/2007

Regardless of how the war began, we are now locked in a struggle to the death against fanatical murderers. We may yet prevail in Iraq by persistence and the weight of resources. But our military, singularly unimaginative in developing the right tactics to beat an insurgency it refused for over a year to recognize, has some hard thinking to do about how to fight the long war against Islamic extremists.

As the legal proceedings play out, we should have empathy for those young marines who were involved. Empathy should not cloud judgment or excuse wrongdoing. To consciously kill a child or, in a rage, execute unarmed men and women would be a criminal act meriting punishment and dishonor. But the world of an infantryman is unlike any other, and a soldier's motivations in battle are hard to judge from the outside looking in.

President Bush initiated the war by authorizing a massive air strike against Dora Farms, outside Baghdad, because one CIA agent said Saddam was there. The civilians who were at Dora were injured and killed; Saddam was not there. In July, Israeli aircraft bombed a housing complex in Lebanon, because Hezbollah rockets were believed to be there. Thirty-seven children died in that bombing.

Civilian casualties are accepted as inevitable in high-tech, standoff warfare. The infantryman does not stand off. He opens the door, enters the house, and, like Sergeant Norwood, is often posthumously praised. The grunt must make instant, difficult choices in the heat of battle. He must keep his honor clean and resist the sin of wrath when fighting an enemy who hides among compliant civilians. Those of higher rank must resist the sin of pride, lest they act impulsively because they are removed from the gore of battle. And we must also be careful not to twist Haditha into a larger symbol that demeans the sacrifice of those very, very few who volunteer to be riflemen.

In his defining new book, *War Made New*, the military historian Max Boot has written that "the most important military unit in the emergence of modern states was the humble infantryman." For two decades, the Pentagon has neglected the infantry, believing that high technology would win wars. Today, American forces have more combat aircraft than infantry squads, and more combat pilots than squad leaders. Fully 75 percent of our Army and Marine infantry leave the military after their four-year tour. They receive no pension, a tiny educational stipend, and no immediately transferable skills.

Of all those who serve our country, the humble foot soldiers sacrifice the most for the rest of us. They don't see it that way, of course. They have each other; they are their own tribe. General Casey told me that he has talked to dozens of grunts about Haditha. "Universally," he said, "they tell me, 'We hope our brothers get a fair shake.'"

The URL for this page is <http://www.theatlantic.com/doc/200610/haditha>.

(b)(6)

From: (b)(6) Capt OSD PA
Sent: Wednesday, September 06, 2006 9:20 AM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow
Attachments: FINAL SIGNED COPY - 9-5-06.pdf

(b)(6)

How are we looking, do we have an RSVP list??

In case you want it, here's the 2310, which will be publicly released at 1130 today.

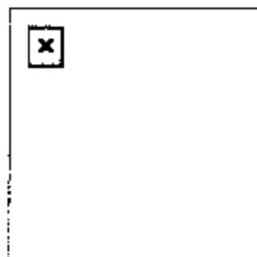
Thanks again,

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow

Gentlemen,
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Thank you,

(b)(6)



MEMORANDUM

To: Retired Military Analysts

From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense

Date: September 5, 2006

Re: **Conference Call with Senior DoD Officials**

We invite you to participate in a conference call, **WEDNESDAY, September 6, 2006, from 12:30-1:00 p.m.**

12/3/2007

NY TIMES

1236

The topic of the conference call will be the release of DOD and Army directives for detainee programs.

Deputy Assistant Secretary of Defense for Detainee Affairs Charles (Cully) Stimson and Mr. Thomas Gandy, Director for Human Intelligence, Foreign Disclosure and Security in the Office of the Army's Deputy Chief of Staff for Intelligence will brief you. (Their biographies are attached for your review.) This call will be On-the-Record.

To participate in this conference call, please dial (b)(2) and ask the operator to connect you to the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(2) or call her at (b)(2)

We hope you are able to participate.

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

12/3/2007

NY TIMES

1237



Department of Defense

DIRECTIVE

NUMBER 2310.01E

September 5, 2006

USD(P)

SUBJECT: The Department of Defense Detainee Program

- References:**
- (a) DoD Directive 2310.01, "DoD Program for Enemy Prisoners of War (EPOW) and Other Detainees," August 18, 1994 (hereby canceled)
 - (b) DoD Directive 5101.1, "DoD Executive Agent," September 3, 2002
 - (c) Secretary of Defense Memorandum, "Office of Detainee Affairs," July 16, 2004 (hereby superseded)
 - (d) DoD Directive 2311.01E, "DoD Law of War Program," May 9, 2006
 - (e) through (k), see Enclosure 1

1. REISSUANCE AND PURPOSE

This Directive:

1.1. Reissues Reference (a) to revise policy and responsibilities within the Department of Defense (DoD) for a Detainee Program to ensure compliance with the laws of the United States, the law of war, including the Geneva Conventions of 1949, and all applicable policies, directives, or other issuances, consistent with References (d) through (k).

1.2. Re-designates, according to Reference (b), the Secretary of the Army as the DoD Executive Agent for the Administration of Department of Defense Detainee Operations Policy.

1.3. Supersedes Reference (c) and establishes the responsibilities of the Under Secretary of Defense for Policy (USD(P)) as the lead proponent in developing, coordinating, and implementing policies and guidance pertaining to detainee operations.

2. APPLICABILITY

2.1. This Directive applies to:

2.1.1. The Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all

other organizational entities in the Department of Defense (hereafter collectively referred to as the "DoD Components").

2.1.2. DoD contractors assigned to or supporting the DoD Components engaged in, conducting, participating in, or supporting detainee operations.

2.1.3. Non-DoD personnel as a condition of permitting access to internment facilities or to detainees under DoD control.

2.1.4. All detainee operations conducted by DoD personnel (military and civilian), contractor employees under DoD cognizance, and DoD contractors supporting detainee operations.

2.2. This Directive applies during all armed conflicts, however such conflicts are characterized, and in all other military operations.

3. DEFINITIONS

Terms used in this Directive are defined, and are to be interpreted, in accordance with U.S. law and the law of war. Specific terms found in this directive are provided in Enclosure 2.

4. POLICY

It is DoD policy that:

4.1. All detainees shall be treated humanely and in accordance with U.S. law, the law of war, and applicable U.S. policy.

4.2. All persons subject to this Directive shall observe the requirements of the law of war, and shall apply, without regard to a detainee's legal status, at a minimum the standards articulated in Common Article 3 to the Geneva Conventions of 1949 (References (g) through (j), full text of which is found in Enclosure 3), as construed and applied by U.S. law, and those found in Enclosure 4, in the treatment of all detainees, until their final release, transfer out of DoD control, or repatriation. Note that certain categories of detainees, such as enemy prisoners of war, enjoy protections under the law of war in addition to the minimum standards prescribed in Common Article 3 to References (g) through (j).

4.3. Captured or detained persons will be removed as soon as practicable from the point of capture and transported to detainee collection points, holding areas, or other detention locations operated by the DoD Components.

4.4. Detainees and their property shall be accounted for and records maintained according to applicable law, regulation, policy, or other issuances.

4.4.1. Detainees shall be assigned an Internment Serial Number (ISN) as soon as possible after coming under DoD control, normally within 14 days of capture. DoD Components shall maintain full accountability for all detainees under DoD control.

4.4.2. Detainee records and reports shall be maintained, safeguarded, and provided to USD(P) and other DoD Components as appropriate.

4.5. No person subject to this Directive shall accept the transfer of a detainee from another U.S. Government Department or Agency, coalition forces, allied personnel, or other personnel not affiliated with the Department of Defense or the U.S. Government, except in accordance with applicable law, regulation, policy, and other issuances.

4.6. No detainee shall be released or transferred from the care, custody, or control of a DoD Component except in accordance with applicable law, regulation, policy, and other issuances.

4.7. Where doubt exists as to the status of a detainee, the detainee's status shall be determined by a competent authority.

4.8. Detainees under DoD control who do not enjoy prisoner of war protections under the law of war shall have the basis for their detention reviewed periodically by a competent authority.

4.9. All persons subject to this Directive shall:

4.9.1. Receive instruction and complete training, commensurate with their duties, in the laws, regulations, policies, and other issuances applicable to detainee operations, prevention of violations of same, and the requirement to report alleged or suspected violations thereof that arise in the context of detainee operations.

4.9.2. Receive instruction and complete training in advance of conducting, participating in, or supporting detainee operations, and annually thereafter. Training requirements and certifications of completion shall be documented according to applicable law and policy.

4.10. All persons subject to this Directive shall report possible, suspected, or alleged violations of the law of war, and/or detention operations laws, regulations, or policy, for which there is credible information, or conduct, during military operations other than war, that would constitute a violation of law or policy if it occurred during an armed conflict, in accordance with References (d) and (k).

4.11. The International Committee of the Red Cross (ICRC) shall be allowed to offer its services during an armed conflict, however characterized, to which the United States is a party.

5. RESPONSIBILITIES

5.1. The Under Secretary of Defense for Policy (USD(P)) shall:

5.1.1. Review, ensure coordination of, and approve all implementing policies or guidance to the DoD Detainee Program, including all detainee matters involving interaction between the Department of Defense and other U.S. Government Departments or Agencies.

5.1.2. Review, ensure coordination of, and approve all implementing policy or guidance developed pursuant to this Directive by DoD Components. DoD Components will forward copies of such documents to USD(P) for review prior to issuance.

5.1.3. Serve as the principal DoD interlocutor with the ICRC and develop policy and procedures to ensure the proper and timely reporting of ICRC communications to appropriate DoD and U.S. Government officials.

5.2. The Under Secretary of Defense for Personnel and Readiness (USD(P&R)) shall:

5.2.1. Develop and oversee policy to ensure education and training programs satisfy DoD Component requirements in the areas of language, culture, customs, and related matters and to assure that persons subject to this directive have been provided requisite training, knowledge, and skills, necessary to perform detainee operations duties.

5.2.2. Ensure the Assistant Secretary of Defense for Health Affairs develops policies, procedures, and standards for medical program activities and issues DoD instructions consistent with this Directive for medical program activities required by the DoD Detainee Program.

5.2.3. Ensure the Assistant Secretary of Defense for Reserve Affairs develops policies, procedures, and standards for Reserve Components and issues DoD Instructions consistent with this Directive for National Guard and Reserve activities required for the DoD Detainee Program.

5.3. The Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) shall:

5.3.1. Establish policies and procedures, in coordination with USD(P), the General Counsel, and the appropriate DoD Components, to ensure all DoD contracts pursuant to which contractor employees interact with detainees include a requirement that such contractor employees receive training regarding the international obligations and laws of the United States applicable to detention operations.

5.3.2. Ensure contractor employees accompanying DoD Components in conducting, participating in, or supporting detainee operations complete training and receive information on the law, regulations, and policies applicable to detention operations, and the requirements to report possible, suspected, or alleged violations that arise in the context of detention operations, in accordance with References (d) and (k).

5.4. The Under Secretary of Defense for Intelligence (USD(I)) shall:

5.4.1. Exercise primary responsibility for developing policy pertaining to DoD intelligence interrogations, detainee debriefings, and tactical questioning according to Reference (k).

5.4.2. Act as primary liaison between the Department of Defense and other agencies of the Intelligence Community on intelligence matters pertaining to detainees.

5.5. The General Counsel of the Department of Defense shall coordinate with the Department of Justice and other agencies regarding detainee-related litigation matters and on matters pertaining to detainees who may be U.S. citizens, dual-nationals with U.S. citizenship, or U.S. resident aliens, as appropriate.

5.6. The Heads of the DoD Components shall ensure that all personnel are properly trained and certified in detainee operations commensurate with their duties, maintaining records of such training and certification.

5.7. The Secretary of the Army is hereby designated as the Executive Agent for the Administration of Department of Defense Detainee Operations Policy and in that role shall:

5.7.1. Ensure all Executive Agent responsibilities and functions for the administration of DoD detainee operations policy are assigned and executed according to Reference (b) and this Directive.

5.7.2. Develop and promulgate guidance, regulations, and instructions necessary for the DoD-wide implementation of detainee operations policy in coordination with USD(P).

5.7.3. Communicate directly with the Heads of the DoD Components as necessary to carry out assigned functions. The Chairman of the Joint Chiefs of Staff shall be informed of communications to the Commanders of the Combatant Commands.

5.7.4. Designate a single point of contact within the Department of the Army for detainee operations policy, who shall also provide advice and assistance to USD(P).

5.7.5. Plan for and operate a national-level detainee reporting center and its elements (e.g., theater and lower levels) to account for detainees. Coordinate with USD(P) to provide reports on detainee operations to the Secretary of Defense and others as appropriate.

5.7.6. Recommend DoD-wide detainee operations-related planning and programming guidance to the USD(P), USD(AT&L), USD(I), USD(P&R), the Under Secretary of Defense (Comptroller), the Assistant Secretary of Defense for Networks and Information Integration, the Director of Program Analysis and Evaluation, and the Chairman of the Joint Chiefs of Staff. Provide information copies of such guidance to the Secretaries of the Military Departments.

5.7.7. Establish detainee operations training and certification standards, in coordination with the Secretaries of the Military Departments and the Joint Staff.

5.7.8. Develop programs to ensure all DoD detainee operations policy; doctrine; tactics, techniques, and procedures; and regulations or other issuances are subject to periodic review, evaluation, and inspection for effectiveness and compliance with this Directive.

5.8. The Chairman of the Joint Chiefs of Staff shall:

5.8.1. Provide appropriate oversight to the Commanders of the Combatant Commands to ensure their detainee operations policies and procedures are consistent with this Directive.

5.8.2. Designate a single point of contact within the Joint Staff for matters pertaining to the implementation of this Directive.

5.8.3. Ensure that operational exercises routinely test the capabilities of the DoD Components to conduct, participate in, and support detainee operations, consistent with this Directive.

5.9. The Commanders of the Combatant Commands shall:

5.9.1. Plan, execute, and oversee Combatant Command detainee operations in accordance with this Directive and implementing issuances.

5.9.2. Develop programs and issue appropriate guidance and orders implementing this Directive. All such programs and guidance shall be subjected to periodic review and evaluation for compliance and efficacy.

5.9.3. When detainee internment facilities, holding areas, collection points, or interrogation facilities are in their area of responsibility:

5.9.3.1. Ensure procedures are established for the treatment of detainees consistent with this Directive.

5.9.3.2. Ensure detainees are provided with information, in their own language, concerning the rights, duties, and obligations of their detention, which may include applicable provisions of the Geneva Conventions.

5.9.3.3. Ensure periodic unannounced and announced inspections of internment facilities, including temporary holding areas and collection points, are conducted to provide continued oversight of detainee operations.

6. EFFECTIVE DATE

This Directive is effective immediately.



Gordon England
Deputy Secretary of Defense

Enclosures – 4

- E1. References, continued
- E2. Definitions
- E3. Article 3 Common to the Geneva Conventions of 1949
- E4. Detainee Treatment Policy

E1. ENCLOSURE 1

REFERENCES, continued

- (e) Sections 2340 & 2340A of Title 18, U.S. Code
- (f) The Detainee Treatment Act of 2005, Pub. L. No. 109-163 (119 STAT. 3474-3480), Section 1401-1406, Title XIV
- (g) Geneva Convention Relative to the Treatment of Prisoners of War, August 12, 1949
- (h) Geneva Convention Relative to the Protection of Civilian Persons in Time of War, August 12, 1949
- (i) Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, August 12, 1949
- (j) Geneva Convention for the Amelioration of the Condition of Wounded, Sick and Shipwrecked Members of Armed Forces at Sea, August 12, 1949
- (k) DoD Directive 3115.09, "DoD Intelligence Interrogations, Detainee Debriefings, and Tactical Questioning," November 3, 2005

E2. ENCLOSURE 2

DEFINITIONS

E2.1. Detainee. Any person captured, detained, held, or otherwise under the control of DoD personnel (military, civilian, or contractor employee). It does not include persons being held primarily for law enforcement purposes, except where the United States is the occupying power. A detainee may also include the following categories:

E2.1.1. Enemy Combatant. In general, a person engaged in hostilities against the United States or its coalition partners during an armed conflict. The term "enemy combatant" includes both "lawful enemy combatants" and "unlawful enemy combatants."

E2.1.1.1. Lawful Enemy Combatant. Lawful enemy combatants, who are entitled to protections under the Geneva Conventions, include members of the regular armed forces of a State party to the conflict; militia, volunteer corps, and organized resistance movements belonging to a State party to the conflict, which are under responsible command, wear a fixed distinctive sign recognizable at a distance, carry their arms openly, and abide by the laws of war; and members of regular armed forces who profess allegiance to a government or an authority not recognized by the detaining power.

E2.1.1.2. Unlawful Enemy Combatant. Unlawful enemy combatants are persons not entitled to combatant immunity, who engage in acts against the United States or its coalition partners in violation of the laws and customs of war during an armed conflict. For purposes of the war on terrorism, the term Unlawful Enemy Combatant is defined to include, but is not limited to, an individual who is or was part of or supporting Taliban or al Qaeda forces or associated forces that are engaged in hostilities against the United States or its coalition partners.

E2.1.2. Enemy Prisoner of War. Individuals under the custody and/or control of the Department of Defense according to Reference (g), Articles 4 and 5.

E2.1.3. Retained Person. Individuals under the custody and/or control of the Department of Defense according to Reference (g), Article 33.

E2.1.4. Civilian Internee. Individuals under the custody and/or control of the Department of Defense according to Reference (h), Article 4.

E2.2. Law of War. That part of international law that regulates the conduct of armed hostilities and occupation. It is often called the "law of armed conflict" and encompasses all international law applicable to the conduct of hostilities that is binding on the United States or its individual citizens, including treaties and international agreements to which the United States is a party (e.g., the Geneva Conventions of 1949), and applicable customary international law.

E3. ENCLOSURE 3

ARTICLE 3 COMMON TO THE GENEVA CONVENTIONS OF 1949

E3.1. The text of Common Article 3 to the Geneva Conventions of 1949 is as follows:

"In the case of armed conflict not of an international character occurring in the territory of one of the High Contracting Parties, each Party to the conflict shall be bound to apply, as a minimum, the following provisions:

"(1) Persons taking no active part in the hostilities, including members of armed forces who have laid down their arms and those placed *hors de combat* by sickness, wounds, detention, or any other cause, shall in all circumstances be treated humanely, without any adverse distinction founded on race, colour, religion or faith, sex, birth or wealth, or any other similar criteria.

"To this end, the following acts are and shall remain prohibited at any time and in any place whatsoever with respect to the above-mentioned persons:

"(a) violence to life and person, in particular murder of all kinds, mutilation, cruel treatment and torture;

"(b) taking of hostages;

"(c) outrages upon personal dignity, in particular humiliating and degrading treatment;

"(d) the passing of sentences and the carrying out of executions without previous judgment pronounced by a regularly constituted court, affording all the judicial guarantees which are recognized as indispensable by civilized peoples.

"(2) The wounded and sick shall be collected and cared for.

"An impartial humanitarian body, such as the International Committee of the Red Cross, may offer its services to the Parties to the conflict.

"The Parties to the conflict should further endeavour to bring into force, by means of special agreements, all or part of the other provisions of the present Convention.

"The application of the preceding provisions shall not affect the legal status of the Parties to the conflict."

E4. ENCLOSURE 4

DETAINEE TREATMENT POLICY

E4.1. In addition to the requirements in paragraph 4.2 and Enclosure 3, DoD policy relative to the minimum standards of treatment for all detainees in the control of DoD personnel (military, civilian, or contractor employee) is as follows:

E4.1.1. All persons captured, detained, interned, or otherwise in the control of DoD personnel during the course of military operations will be given humane care and treatment from the moment they fall into the hands of DoD personnel until release, transfer out of DoD control, or repatriation, including:

E4.1.1.1. Adequate food, drinking water, shelter, clothing, and medical treatment;

E4.1.1.2. Free exercise of religion, consistent with the requirements of detention;

E4.1.1.3. All detainees will be respected as human beings. They will be protected against threats or acts of violence including rape, forced prostitution, assault and theft, public curiosity, bodily injury, and reprisals. They will not be subjected to medical or scientific experiments. They will not be subjected to sensory deprivation. This list is not exclusive.

E4.1.2. All persons taken into the control of DoD personnel will be provided with the protections of Reference (g) until some other legal status is determined by competent authority.

E4.1.3. The punishment of detainees known to have, or suspected of having, committed serious offenses will be administered in accordance with due process of law and under legally constituted authority.

E4.1.4. The inhumane treatment of detainees is prohibited and is not justified by the stress of combat or deep provocation.

(b)(6)

From: (b)(6)
Sent: Wednesday, September 06, 2006 9:19 AM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

(b)(6)

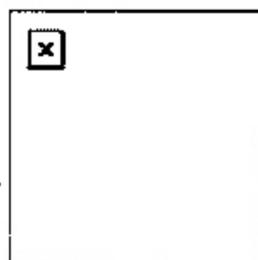
Gen. Larry D. Welch is on travel and will most likely not be able to call in.

(b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow

Gentlemen,
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Thank you,

(b)(6)



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To: Retired Military Analysts
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Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: September 5, 2006
Re: **Conference Call with Senior DoD Officials**

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12/3/2007

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Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1250

(b)(6)

From: Bing West (b)(6)
Sent: Wednesday, September 06, 2006 8:58 AM
To: (b)(6) CIV, OASD-PA
Subject: Iraq PoC

(b)(6) - do you have the name, e mail and tel numbers for our point of contact while we are in Iraq? The Marines need to start making arrangements.

Also, do you have an agenda of when we are meeting with people and when we are free? I'm getting e-mails from people who want to see me and I don't know when our free time is.

Thanks! Bing

(b)(6)

From: (b)(6)
Sent: Wednesday, September 06, 2006 8:19 AM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow
Attachments: Conference Call Tomorrow

(b)(6) I'll plan on it. Thanks. Bob

--

Robert L. Maginnis

(b)(6)

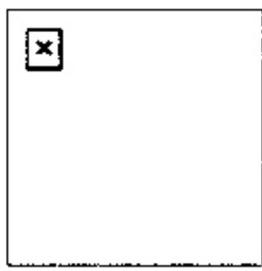
<http://home.comcast.net/> (b)(6)

----- Original message -----

From: (b)(6) CIV, OASD-PA" (b)(6)

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OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow

Attachments: GandyBio.doc; BIO - STIMSON (SEP 06) Updated.doc



GandyBio.doc (24 KB)



BIO - STIMSON (SEP 06) Updated...

THOMAS A. GANDY
DIRECTOR
COUNTERINTELLIGENCE, HUMINT, FOREIGN DISCLOSURE
AND SECURITY DIRECTORATE

Mr. Gandy assumed duties as Director, Human Intelligence (HUMINT), Counterintelligence, Foreign Disclosure and Security on May 3rd, 2004.

Mr. Gandy graduated from the United States Military Academy at West Point with a Bachelor of Science degree in 1974, and earned a Masters of Science degree in Operations Research from the Naval Postgraduate School in 1984. His military training includes the Army Command and General Staff College and the National War College (School of Information Warfare and Strategy).

Mr. Gandy served 23 years in the U.S. Army. He served three years in Armor before transferring to Military Intelligence. As a Military Intelligence officer, Mr. Gandy has served in a variety of tactical and operational assignments in CONUS, Germany, and Central America. Mr. Gandy also served as a Program Manager at the Defense Advanced Research Projects Agency (DARPA) and at the Defense Intelligence Agency. Mr. Gandy's prior civilian assignments include Chief Technology Officer of the Counterintelligence Field Activity (CIFA).

Mr. Gandy's positions in industry have focused upon advanced technology management and development to include development of collaboration and biometric technologies and systems.

BIOGRAPHY

CHARLES D. (Cully) STIMSON
Deputy Assistant Secretary of Defense
Office of Detainee Affairs
Office of the Secretary of Defense



Mr. Stimson was named Deputy Assistant Secretary of Defense for Detainee Affairs on January 23, 2006. Mr. Stimson is the primary policy advisor to the Secretary of Defense on detention policy and strategy and is the focal point for detainee matters within the Department.

An experienced career prosecutor, Mr. Stimson was an Assistant United States Attorney in the United States Attorney's Office for the District of Columbia from 2002 until his appointment. He served in the Appellate, Domestic Violence, Felony Trial, and the Major Crimes sections. In 2004, he received a Department of Justice Special Achievement Award for Meritorious work in the Felony Trial Section. He has also served as a prosecutor in Maryland and California, and is an adjunct law professor at the George Mason University School of Law.

Mr. Stimson served three tours on active duty in the United States Navy as an officer in the Judge Advocate General's Corps (JAG), including San Diego, London, England, and Jacksonville. On active duty, he was a prosecutor and defense counsel. He is a Commander in the Reserve Component of the U.S. Navy. As a reservist, he has served in Washington D.C., San Diego, and Hawaii, and he continues to serve as an instructor at the Naval Justice School in Newport, Rhode Island. Mr. Stimson was the Joint Special Operations Task Force JAG as part of JTFX 2001 for Commander Naval Special Warfare Group Two, and has also deployed to Kenya, Africa as part of exercise Natural Fire 2000.

Previously a vice president of Marsh McLennan, Mr. Stimson headed the Washington, D.C. section of the Private Equity Mergers and Acquisitions practice. For the last 20 years, he has been actively involved in the C.D. Stimson Company located in Seattle, Washington. Mr. Stimson currently serves on the Executive Committee of the property management, real estate investment firm. He is the former Director of Admissions of Saint James School in Maryland.

Mr. Stimson earned his Bachelor of Arts in English from Kenyon College in 1986. He has studied at Harvard and at Exeter University in England. In 1992, he earned his Juris Doctorate from the George Mason University School of Law. Mr. Stimson is married and has two children.

(September 2006)

(b)(6)

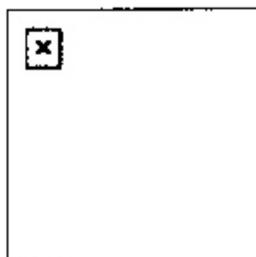
From: Lawrence, Dallas Mr OSD PA
Sent: Wednesday, September 06, 2006 7:28 AM
To: (b)(6) CIV, OASD-PA
Subject: FW: Conference Call Tomorrow
Attachments: DASD_STIMSON_Bio (Feb 06).doc; GandyBio.doc

Hi there, does Allison have this as an fyi on her calander for today?

Dallas B. Lawrence
 Director, Office of Community Relations & Public Liaison
 United States Department of Defense

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:17 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow



MEMORANDUM

To: Retired Military Analysts

From: Dallas Lawrence
 Director, Community Relations and Public Liaison
 Office of the Secretary of Defense

Date: September 5, 2006

Re: **Conference Call with Senior DoD Officials**

We invite you to participate in a conference call, **WEDNESDAY, September 6, 2006, from 11:30-12:00p.m.**

The topic of the conference call will be the release of DOD and Army directives for detainee programs.

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To participate in this conference call, please dial (b)(2) and ask the operator to connect you to

12/3/2007

NY TIMES

1257

the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(6) The Pentagon
Washington, D.C. 20301
(b)(2)

12/3/2007

NY TIMES

1258



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Deputy Assistant Secretary of Defense
Office of Detainee Affairs
Office of the Secretary of Defense

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Mr. Stimson served three tours on active duty in the United States Navy as an officer in the Judge Advocate General's (JAG) Corps, including San Diego, London, England, and Jacksonville. On active duty, he was a prosecutor and defense counsel. He is a reservist, and has been selected for Commander. As a reservist, he has served in Washington D.C., San Diego, and Hawaii, and he continues to serve as an instructor at the Naval Justice School in Newport, Rhode Island.

Previously a vice president of Marsh McLennan, Mr. Stimson headed the Washington, D.C. section of the Private Equity Mergers and Acquisitions practice. For the last 20 years, he has been actively involved in the C.D. Stimson Company located in Seattle, Washington. Mr. Stimson currently serves on the Executive Committee of the property management, real estate investment firm. He is the former Director of Admissions of Saint James School in Maryland.

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THOMAS A. GANDY
DIRECTOR
COUNTERINTELLIGENCE, HUMINT, FOREIGN DISCLOSURE
AND SECURITY DIRECTORATE

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(b)(6)

From: (b)(6)
Sent: Wednesday, September 06, 2006 12:13 AM
To: (b)(6) CIV, OASD-PA
Subject: (no subject)

Am at a board in Colorado, but plan to be on - Don Shepperd

(b)(6)

From: (b)(6)
Sent: Wednesday, September 06, 2006 12:13 AM
To: (b)(6) CIV, OASD-PA
Subject: (no subject)

Am at a board in Colorado, but plan to be on - Don Shepperd

(b)(6)

From: McCausland, Jeffrey (b)(6)
Sent: Tuesday, September 05, 2006 10:12 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

Sounds like a plan!

Jeff

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tue 9/5/2006 9:55 PM
To: McCausland, Jeffrey
Subject: Re: Conference Call Tomorrow

Overtime?? Blackberry responses don't really count, I've been told! :)

Not sure if the call will be transcribed. However, the press briefing will and I can send you that one with any additional notes from the call. Sound like a winner?? :)

Thx

(b)(6)

-----Original Message-----

From: McCausland, Jeffrey
To: (b)(6) CIV, OASD-PA
Sent: Tue Sep 05 21:27:33 2006
Subject: RE: Conference Call Tomorrow

I will have access to email. White House promised to send me the speech. What I wanted was a transcript from the conference call.

Why are you working so late? Make sure and put in for overtime.....)

Jeff

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tue 9/5/2006 9:25 PM
To: McCausland, Jeffrey
Subject: Re: Conference Call Tomorrow

Sir, I can certainly ask for the white house to provide a transcript. My gut tells me it is not likely... Never hurts to ask.

I should be sending out the "make these travel arrangements" email tomorrow! When do you land?? Would you like me to call your cell or will you have access to email?

Thx,

(b)(6)

-----Original Message-----

From: McCausland, Jeffrey

To: (b)(6) CIV, OASD-PA
Sent: Tue Sep 05 21:20:59 2006
Subject: RE: Conference Call Tomorrow

I think I am going to be on an airplane. By the way I got a call from the White House and invited to a session tomorrow but I have to fly to Colorado. Can you send a transcript once this is completed. Any word on our trip? It is getting close and we need to make some plane reservations.

jeff

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tue 9/5/2006 5:44 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow

Gentlemen,
Please note, there was a mistake on the time for the conference call on the invitation. The call will take place from 12:30-1:00 p.m. In addition, DASD Stimson's updated biography has been attached.
Thank you,

(b)(6)

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From: Dallas Lawrence
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Please R.S.V.P. to (b)(6) at (b)(6) <mailto:(b)(6)> or call her at (b)(2)

We hope you are able to participate.

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(6)

(b)(6)

From: (b)(6)
Sent: Tuesday, September 05, 2006 6:55 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow

Yup!

Ken

(b)(6)

From: Gordon Cucullu (b)(6)
Sent: Tuesday, September 05, 2006 6:51 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference call

I'll join, (b)(6) many thanks, Gordon

(b)(6)

From: Nardotti, Michael (b)(6)
Sent: Tuesday, September 05, 2006 6:20 PM
To: (b)(6), CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

(b)(6)

Thanks for the invitation. I will participate.

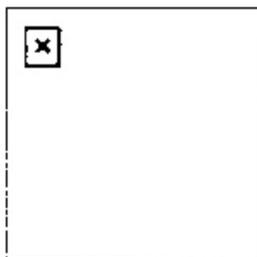
MJN

Michael J. Nardotti, Jr.
Major General, US Army, Retired
Patton Boggs LLP
2550 M Street, NW
Washington, DC 20037-1350
(b)(6) (direct)
202-457-6315 (facsimile)
(b)(6)
www.pattonboggs.com

From: (b)(6), CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6), CIV, OASD-PA
Subject: Conference Call Tomorrow

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(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

DISCLAIMER:

This e-mail message contains confidential, privileged information intended solely for the addressee. Please do not read, copy, or disseminate it unless you are the addressee. If you have received it in error, please call us (collect) at (202) 457-6000 and ask to speak with the message sender. Also, we would appreciate your forwarding the message back to us and deleting it from your system. Thank you.

This e-mail and all other electronic (including voice) communications from the sender's firm are for informational purposes only. No such communication is intended by the sender to constitute either an electronic record or an electronic signature, or to constitute any agreement by the sender to conduct a transaction by electronic means. Any such intention or agreement is hereby expressly disclaimed unless otherwise specifically indicated. To learn more about our firm, please visit our website at <http://www.pattonboggs.com>.

12/3/2007

NY TIMES

1270

(b)(6)

From: (b)(6)
Sent: Tuesday, September 05, 2006 6:19 PM
To: (b)(6) CIV, OASD-PA
Subject: RSVP for Conference Call

Hello (b)(6)
I will be listening in on tomorrow's 12:30-1:00pm conference call on behalf of James Carafano.
Best,
(b)(6)

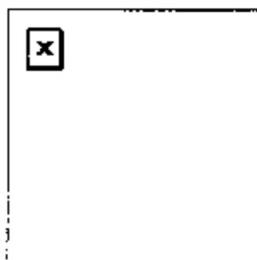
(b)(6)
Homeland Security Research Assistant

The Heritage Foundation
214 Massachusetts Ave NE
Washington, D.C. 20002

(b)(6)
phone (b)(6)
fax 202.675.1758

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(b)(6)



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12/3/2007

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(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

(b)(6)

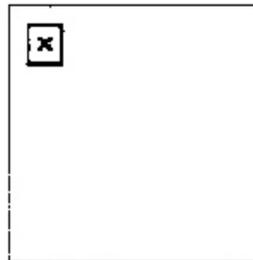
From: Chuck Nash (b)(6)
Sent: Tuesday, September 05, 2006 6:15 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow

(b)(6)

Will try to join the call.... got the slipped time..... 12:30.
All the best,
CHuck

(b)(6)

CIV, OASD-PA wrote:



MEMORANDUM

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12/3/2007

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(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1274

(b)(6)

From: Paul Valley (b)(6)
Sent: Tuesday, September 05, 2006 6:03 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

Thanks. I will be on it!

Osprey Media
Paul E Vallely
Military Analyst/Radio Host "Stand Up America"

(b)(6)
tel: 406 249 1091
fax: 406 837 0996
www.ospreymedia.us

-----Original Message-----

From: (b)(6), CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 3:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow

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(b)(6)

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(b)(6)

OSD Public Affairs
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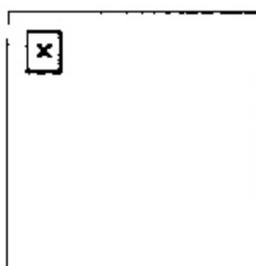
(b)(2)

(b)(6)

From: Steven J. Greer CSM (Ret) (b)(6)
Sent: Tuesday, September 05, 2006 5:47 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

I'm in. Then I'll be at the WH for the man's GWOT presentations... lucky me!

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 5:17 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow



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12/3/2007

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1278

(b)(6)

From: (b)(6)
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow

Perry smith will be in the air at that time off to my next speech. Thanks for asking. Perry

Perry M. Smith, Ph.D.
President
Visionary Leadership, Ltd.
P.O. Box 15666
Augusta, GA 30919-1666

(b)(6)

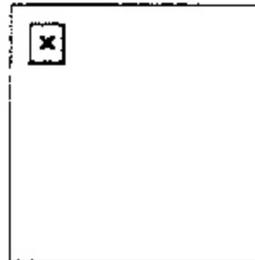
(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:45 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow
Attachments: GandyBio.doc; BIO - STIMSON (SEP 06) Updated.doc

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Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

12/3/2007

NY TIMES

1280

(b)(6)

OSD Public Affairs

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1281

(b)(6)

From: Bing West (b)(6)
Sent: Tuesday, September 05, 2006 5:39 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow

accept Bing West
On Sep 5, 2006, at 5:17 PM, (b)(6) CIV, OASD-PA wrote:
[<attebbe7.gif>](#)

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(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon

12/3/2007

Washington, D.C. 20301

(b)(2)

<attebbe7.gif>

<DASD_STIMSON_Bio (Feb 06).doc>

<GandyBio.doc>

12/3/2007

NY TIMES

1283

(b)(6)

From: (b)(6)
Sent: Tuesday, September 05, 2006 5:32 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call Tomorrow

(b)(6) Thanks. Count me in. Best, Jed.

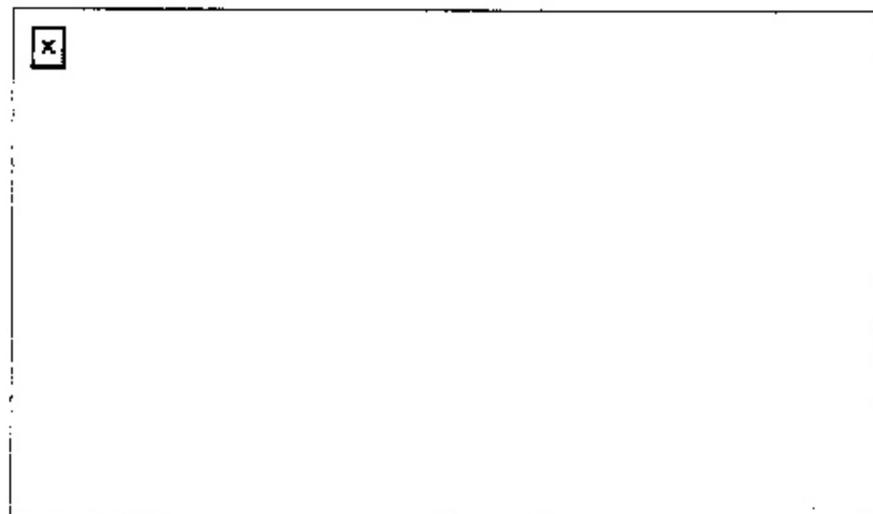
Jed Babbitt

(b)(6) (Home office)
(b)(6) (Mobile)

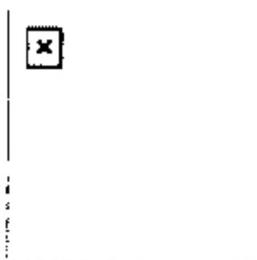
(b)(6)

From: Rick Francona (b)(6)
Sent: Tuesday, September 05, 2006 5:27 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow

Thanks - I will participate.



From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 2:17 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: September 5, 2006
Re: **Conference Call with Senior DoD Officials**

We invite you to participate in a conference call, **WEDNESDAY, September 6, 2006, from 11:30-12:00p.m.**

The topic of the conference call will be the release of DOD and Army directives for detainee programs.

12/3/2007

Deputy Assistant Secretary of Defense for Detainee Affairs Charles (Cully) Stimson and Mr. Thomas Gandy, Director for Human Intelligence, Foreign Disclosure and Security in the Office of the Army's Deputy Chief of Staff for Intelligence will brief you. (Their biographies are attached for your review.) This call will be On-the-Record.

To participate in this conference call, please dial (b)(2) and ask the operator to connect you to the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1286

(b)(6)

From: Tim Eads (b)(6)
Sent: Tuesday, September 05, 2006 5:20 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow
Signed By: Verifying the signature. Click the icon for details.

(b)(6)

I will attend.

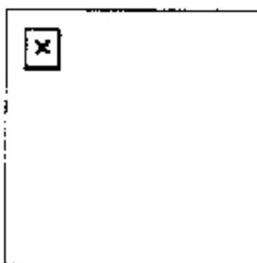
Thanks

Tim

Timur J. Eads
Blackbird Technologies Inc.
13900 Lincoln Park Dr.
Suite 400
Herndon, Va. 20171
Office: 703-480-1215
Cell: (b)(6)
Fax: 703-464-9381

(b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 5:17 PM
To: (b)(6) CIV, OASD-PA
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(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

12/3/2007

NY TIMES

1288

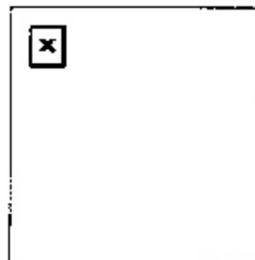
(b)(6)

From: (b)(6) CIV, OSD-POLICY
Sent: Tuesday, September 05, 2006 5:19 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call Tomorrow
Attachments: BIO - STIMSON (SEP 06) Updated.doc

(b)(6) -sorry! I just saw you don't have the updated bio from Cully...
See attached!

-----Original Message-----

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:17 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow



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(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

BIOGRAPHY

CHARLES D. (Cully) STIMSON
Deputy Assistant Secretary of Defense
Office of Detainee Affairs
Office of the Secretary of Defense



Mr. Stimson was named Deputy Assistant Secretary of Defense for Detainee Affairs on January 23, 2006. Mr. Stimson is the primary policy advisor to the Secretary of Defense on detention policy and strategy and is the focal point for detainee matters within the Department.

An experienced career prosecutor, Mr. Stimson was an Assistant United States Attorney in the United States Attorney's Office for the District of Columbia from 2002 until his appointment. He served in the Appellate, Domestic Violence, Felony Trial, and the Major Crimes sections. In 2004, he received a Department of Justice Special Achievement Award for Meritorious work in the Felony Trial Section. He has also served as a prosecutor in Maryland and California, and is an adjunct law professor at the George Mason University School of Law.

Mr. Stimson served three tours on active duty in the United States Navy as an officer in the Judge Advocate General's Corps (JAG), including San Diego, London, England, and Jacksonville. On active duty, he was a prosecutor and defense counsel. He is a Commander in the Reserve Component of the U.S. Navy. As a reservist, he has served in Washington D.C., San Diego, and Hawaii, and he continues to serve as an instructor at the Naval Justice School in Newport, Rhode Island. Mr. Stimson was the Joint Special Operations Task Force JAG as part of JTFX 2001 for Commander Naval Special Warfare Group Two, and has also deployed to Kenya, Africa as part of exercise Natural Fire 2000.

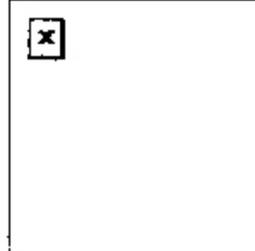
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Mr. Stimson earned his Bachelor of Arts in English from Kenyon College in 1986. He has studied at Harvard and at Exeter University in England. In 1992, he earned his Juris Doctorate from the George Mason University School of Law. Mr. Stimson is married and has two children.

(September 2006)

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 5:17 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call Tomorrow
Attachments: DASD_STIMSON_Bio (Feb 06).doc; GandyBio.doc



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Date: September 5, 2006

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We hope you are able to participate.

(b)(6)

OSD Public Affairs

12/3/2007

NY TIMES

1292

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1293



CHARLES D. (Cully) STIMSON
Deputy Assistant Secretary of Defense
Office of Detainee Affairs
Office of the Secretary of Defense

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THOMAS A. GANDY
DIRECTOR
COUNTERINTELLIGENCE, HUMINT, FOREIGN DISCLOSURE
AND SECURITY DIRECTORATE

Mr. Gandy assumed duties as Director, Human Intelligence (HUMINT), Counterintelligence, Foreign Disclosure and Security on May 3rd, 2004.

Mr. Gandy graduated from the United States Military Academy at West Point with a Bachelor of Science degree in 1974, and earned a Masters of Science degree in Operations Research from the Naval Postgraduate School in 1984. His military training includes the Army Command and General Staff College and the National War College (School of Information Warfare and Strategy).

Mr. Gandy served 23 years in the U.S. Army. He served three years in Armor before transferring to Military Intelligence. As a Military Intelligence officer, Mr. Gandy has served in a variety of tactical and operational assignments in CONUS, Germany, and Central America. Mr. Gandy also served as a Program Manager at the Defense Advanced Research Projects Agency (DARPA) and at the Defense Intelligence Agency. Mr. Gandy's prior civilian assignments include Chief Technology Officer of the Counterintelligence Field Activity (CIFA).

Mr. Gandy's positions in industry have focused upon advanced technology management and development to include development of collaboration and biometric technologies and systems.

(b)(6)

From: (b)(6) Maj, OCPA
Sent: Tuesday, September 05, 2006 4:53 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Confirmation of 1230-1300 Military Analyst Call (UNCLASSIFIED)
Attachments: GandyBio.doc

Classification: **UNCLASSIFIED**

Caveats: NONE

(b)(6)

MAJ, GS
 Public Affairs Staff Officer
 Department of the Army, OCPA
 Pentagon, Washington, DC
 Phone: (b)(2)
 Fax: (b)(2)
 Email: (b)(6)
 Email:

From: (b)(6) CIV OASD-PA
Sent: Tuesday, September 05, 2006 4:36 PM
To: (b)(6) Capt OSD PA
Cc: (b)(6) MAJ OCPA; (b)(6) CIV OSD-POLICY; (b)(6) CIV OSD-POLICY; Vician, Todd
 Maj OASD-PA; (b)(6) CIV OASD-PA; (b)(6) LCDR OASD-PA
Subject: RE: Confirmation of 1230-1300 Military Analyst Call

hi. thanks. (b)(2) is confirmed for 1230-1300. i will have agendas and rsvp lists printed out for everyone.
 any progress on retrieving mr. gandy's bio? i'd like to get the invite out asap.
 thanks

(b)(6)

From: (b)(6) Capt OSD PA
Sent: Tuesday, September 05, 2006 2:39 PM
To: (b)(6) CIV, OASD-PA
Cc: (b)(6) Maj, OCPA; (b)(6) CIV, OSD-POLICY; (b)(6) CIV, OSD-POLICY; Vician,
 Todd M LtCol OSD PA; (b)(6) CIV, OASD-PA; (b)(6) LCDR OSD PA
Subject: Confirmation of 1230-1300 Military Analyst Call

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I have the proposed room number as (b)(2) please let me know if that room changes.

12/3/2007

NY TIMES

1296

At the attachment, please find Mr. Stimson's bio. Mr. Gandy's is forthcoming

The interview will be on the record, since it's a follow-up to the press conference however, both interviewees still maintain the right to respond to any of the questions on background.

Thanks for your help.

(b)(6)

Captain, U.S. Marine Corps
OSD Press Operations

(b)(2) (C)
(fax)

(b)(6)

Classification: UNCLASSIFIED

Caveats: NONE

12/3/2007

NY TIMES

1297

THOMAS A. GANDY
DIRECTOR
COUNTERINTELLIGENCE, HUMINT, FOREIGN DISCLOSURE
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(b)(6)

From: Lawrence, Dallas Mr OSD PA
Sent: Tuesday, September 05, 2006 3:58 PM
To: (b)(6) CIV, OASD-PA
Cc: (b)(6) CIV, OASD-PA
Subject: RE: Confirmation of 1230-1300 Military Analyst Call

Good to go.

Dallas B. Lawrence
Director, Office of Community Relations & Public Liaison
United States Department of Defense

(b)(2)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 3:58 PM
To: Lawrence, Dallas Mr OSD PA
Cc: (b)(6) CIV, OASD-PA
Subject: FW: Confirmation of 1230-1300 Military Analyst Call

hi. just wanted to let you know that they are moving forward with this. i did let her know this morning that i had to run it up my chain, but she's been moving out and has now confirmed the principals...

let me know how you'd like me to proceed.
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From: (b)(6) Capt OSD PA
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Cc: (b)(6) Maj, OCPA; (b)(6) CIV, OSD-POLICY; (b)(6) CIV, OSD-POLICY; Vician, Todd M LtCol OSD PA; (b)(6) CIV, OASD-PA; (b)(6) LCDR OSD PA
Subject: Confirmation of 1230-1300 Military Analyst Call

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(b)(6)

Captain, U.S. Marine Corps
OSD Press Operations

12/3/2007

(b)(2)

(C)
(fax)

(b)(6)

12/3/2007

NY TIMES

1300

(b)(6)

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Sent: Tuesday, September 05, 2006 3:58 PM
To: Lawrence, Dallas Mr OSD PA
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Attachments: DASD_STIMSON_Bio (Feb 06).doc

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OSD Press Operations

(b)(2)
(C)
(fax)

(b)(6)

12/3/2007

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(b)(2)

(C)
(fax)

(b)(6)



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Office of Detainee Affairs
Office of the Secretary of Defense

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(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Tuesday, September 05, 2006 2:33 PM
To: (b)(6) CIV, OASD-PA
Subject: RE:

(b)(6)

Nothing specific to the article, but here's what I have:

-NATO's operations in the southern region are focused on establishing a safe and secure environment in order to permit the government and international aid organizations to provide reconstruction. Establishing these conditions is the current focus of operations.

-The US is part of NATO. The U.S. and its Coalition partners have made significant progress. NATO/ISAF will build on that progress.

--The strength and capability of the Afghan government is growing rapidly. Coalition forces provide the shield behind which the accomplishments of the past four-and-a-half years can be made permanent.

-The NATO/ISAF transition means greater presence and capability.

--NATO troops have been operating in the southern provinces for some time so. ISAF will build on the good work of the Coalition and will continue to coordinate international efforts with the government to bring in additional development and reconstruction efforts.

-The Coalition and NATO/ISAF are strengthening the government.

--Advancing with security ops, we are conducting operations with the end state of strengthening the government through the establishment of Afghan security presence and assisting with the delivery of reconstruction...all in partnership with the GoA. NATO'S ROLE IN AFGHANISTAN IS EXPANDING

-NATO's International Security Assistance Force assumed command from Coalition forces in southern Afghanistan July 31st, continuing a process that began with the establishment of ISAF in Kabul in August 2003.

--ISAF will bring in the presence of more international military forces and will continue the efforts of the Coalition to provide security as well as reconstruction projects and humanitarian assistance. ISAF expansion is crucial to the southern region's long-term progress.

-ISAF, which assists the government of Afghanistan and the international community in maintaining security in its area of operations, subsequently expanded into the 13 provinces of northern and western Afghanistan, regions in which it also commands the military components of nine provincial reconstruction teams.

-ISAF will increase the overall force presence in the south from two to four battalions, with additional aviation support, effectively doubling the number of troops in the south.

NATO will assume responsibility for operations in the entire country when the conditions are right.

12/3/2007

NY TIMES

1304

When NATO stage 4 is complete, RC East will be predominantly US forces, but under a NATO flag.

THE ENEMY:

Taliban; Al Qaeda; Warlords; Criminals

We expect incidents and casualties to increase this year because several lines are coming together, such as:

- continued pressure of offensive coalition operations
- expansion of the Afghan government into areas where they have not known the rule of law for decades
- expansion of Afghan National Army
- increased counter-narcotics efforts

- NATO's expansion and Taliban's mistaken belief that NATO is more vulnerable than the coalition
Taliban usually operate in pockets of 50-70 fighters, with as many as 100 on occasion. On rare occasion, they have swelled to 200 fighters in one location. This is an increase from last year at the same time.

The institutions of the Afghan state still are relatively weak, which allows the enemy to operate in some areas of the country. Taliban fighters have returned in some strength — groups of 40 to 50 — in some districts, especially southern Afghanistan. The Coalition is on the offensive and will relentlessly pursue Taliban, al-Qaeda and their associated movements.

The Taliban are a tactical problem; they can, on occasion, do damage to people and facilities. But the Afghan people have already voted for freedom and as long as the Afghan people want freedom and we stand as an international community side-by-side with the Afghan government, there's no way the Taliban can become a strategic problem.

Not all violence can be attributed to Taliban, al-Qaeda or associated movements. Some of the violence is due to criminality, tribal strife, land disputes or narco-trafficking.

Security within Afghanistan is uneven. Taliban influences have grown in northern Kandahar, northern Helmand and western Oruzgan provinces, but the NATO expansion into southern Afghanistan will provide additional security and enable increased governance and reconstruction.

The foreign fighter presence that we see is primarily in the areas of training, facilitation, providing technical expertise. We have not seen significant foreign fighter presence in Afghanistan, but rather a sharing of information.

- Number of encounters with insurgents has risen compared to last year.

Lt Col Todd Vician, USAF
Defense Press Officer
Office of Assistant Secretary of Defense (Public Affairs)

(b)(2) [redacted] fax (b)(2) [redacted]

DSN (b)(2) [redacted]

From: (b)(6) [redacted] CIV, OASD-PA
Sent: Tuesday, September 05, 2006 1:25 PM
To: Vician, Todd M LtCol OSD PA
Subject: FW:

12/3/2007

hi todd. hope you had a good weekend. welcome to rainy monday/tuesday! :)

do you have anything that could help him out on this?? i can reach out to my afgh contacts if not...
thanks

(b)(6)

From: (b)(6) [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 1:13 PM
To: (b)(6) CIV, OASD-PA
Subject:

(b)(6)

Any further material to help explain Afghanistan vis-a-vis the report in USA Today, "Deadline to break Taliban: 6 months"?

I have a program at 1700 today.

Thanks.

Bob

--

Robert L. Maginnis

(b)(6)

[\(b\)\(6\)](http://home.comcast.net/(b)(6))

(b)(6)

From: Lawrence, Dallas Mr OSD PA
Sent: Tuesday, September 05, 2006 2:19 PM
To: (b)(6) CIV, OASD-PA; Barber, Allison Ms OSD PA
Cc: (b)(6) CIV, OASD-PA
Subject: RE: Military Analyst Call

Thanks (b)(6) Lets please hold on the invite for the moment. More to follow

Dallas B. Lawrence
Director, Office of Community Relations & Public Liaison
United States Department of Defense

(b)(2)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 1:29 PM
To: Barber, Allison Ms OSD PA
Cc: Lawrence, Dallas Mr OSD PA; (b)(6) CIV, OASD-PA
Subject: FW: Military Analyst Call

hi. wanted to pass this along and make sure you had visibility. they are wanting to do an analyst call tomorrow after the presser re. the detention ops directive release. i will go ahead and set up the call unless i hear otherwise from you?

thanks

(b)(6)

From: (b)(6) Capt OSD PA
Sent: Tuesday, September 05, 2006 1:10 PM
To: (b)(6) CIV, OASD-PA
Cc: Vician, Todd M LtCol OSD PA; (b)(6) LCDR OSD PA; (b)(6) CIV, OSD-POLICY
Subject: Military Analyst Call

(b)(6)

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VR

(b)(6)

Captain, U.S. Marine Corps
OSD Press Operations

(b)(2)

(C)
(fax)

(b)(6)

12/3/2007

NY TIMES

1307

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 1:29 PM
To: Barber, Allison Ms OSD PA
Cc: Lawrence, Dallas Mr OSD PA; (b)(6) CIV, OASD-PA
Subject: FW: Military Analyst Call
Attachments: Communication Plan for Directive FM Release 09 01 06.doc; FM 2-22 3 Key Points 1Sep06.doc

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(b)(6)

Captain, U.S. Marine Corps
 OSD Press Operations

(b)(2)
 (C)
 (fax)

(b)(6)

12/3/2007

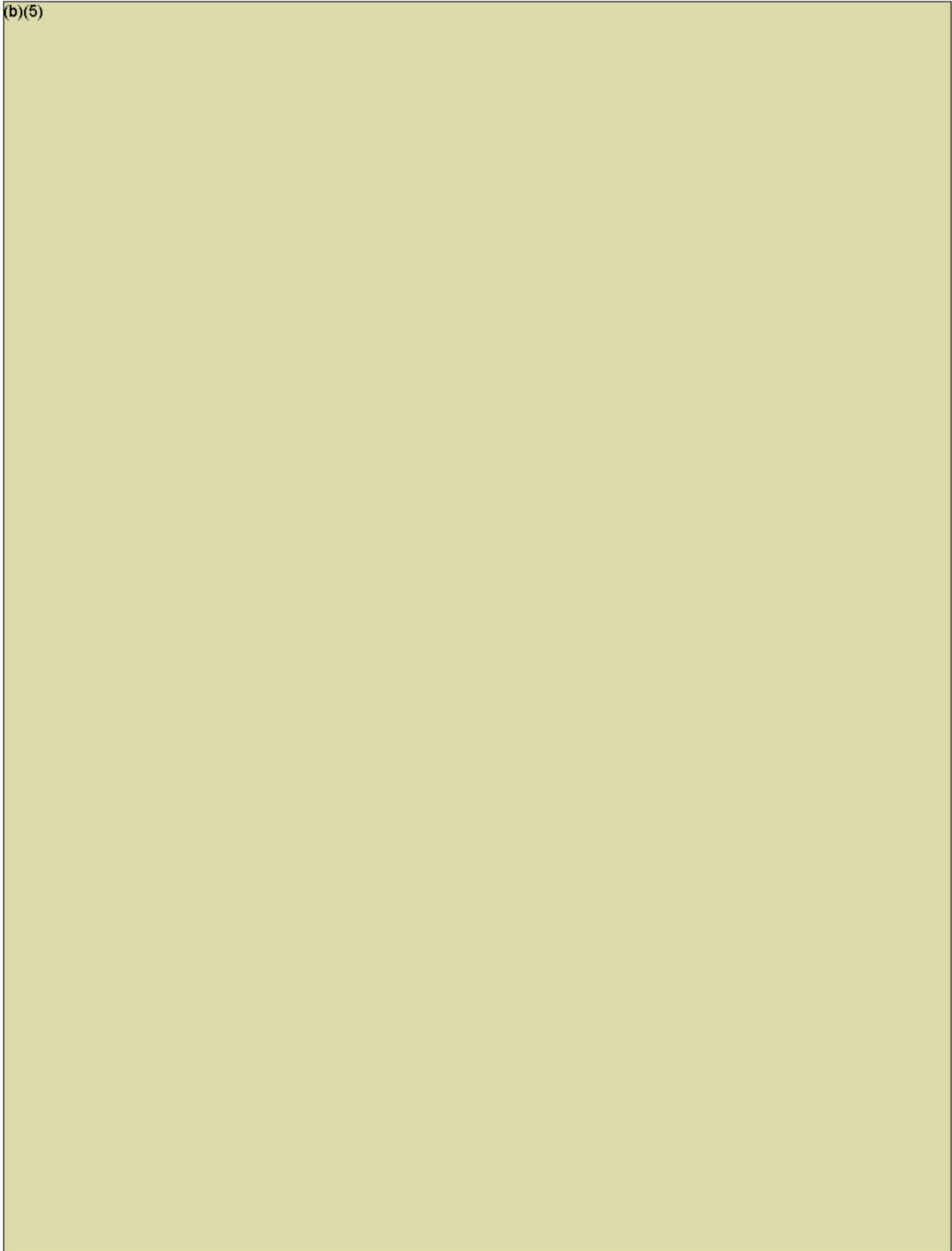
NY TIMES

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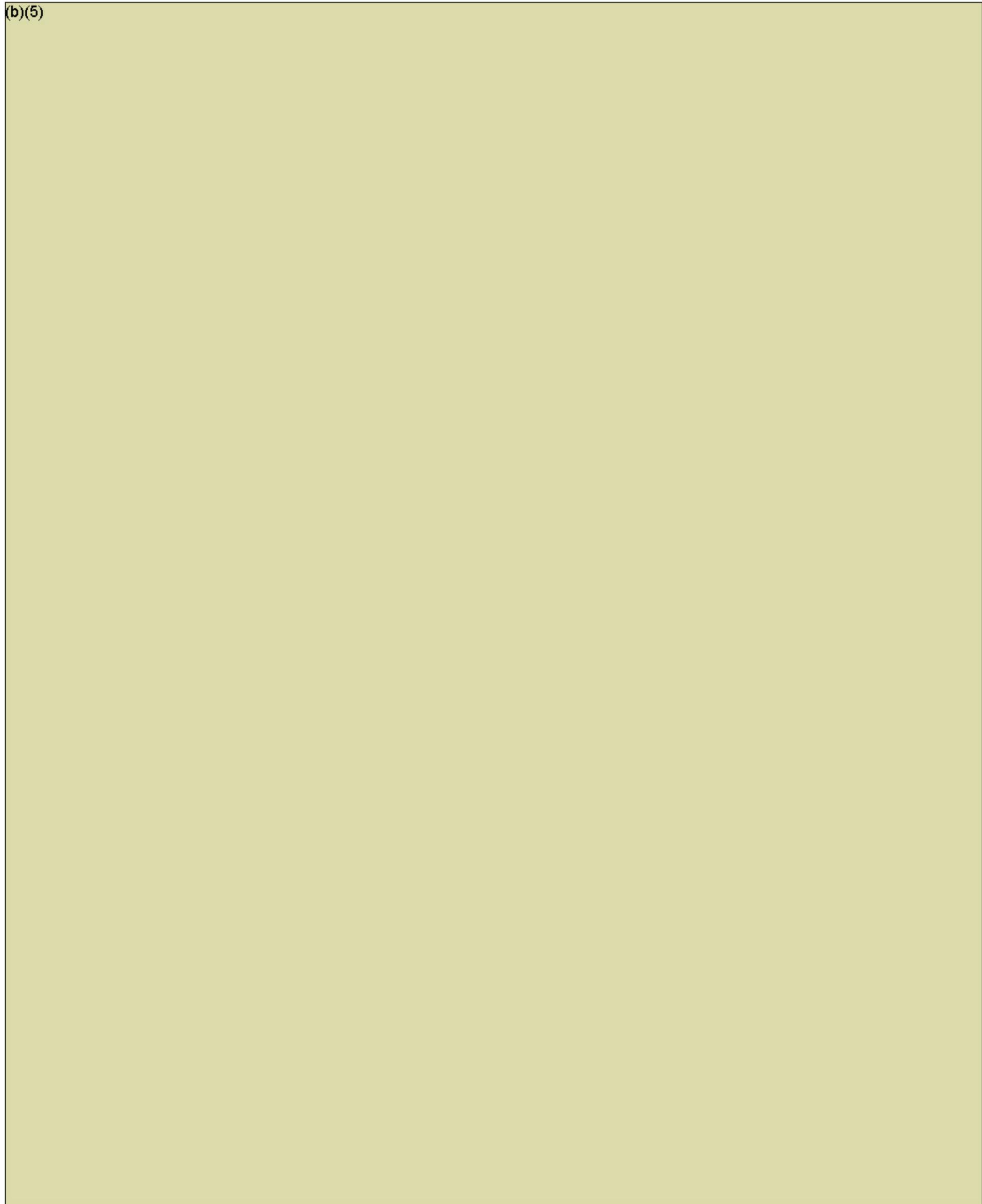
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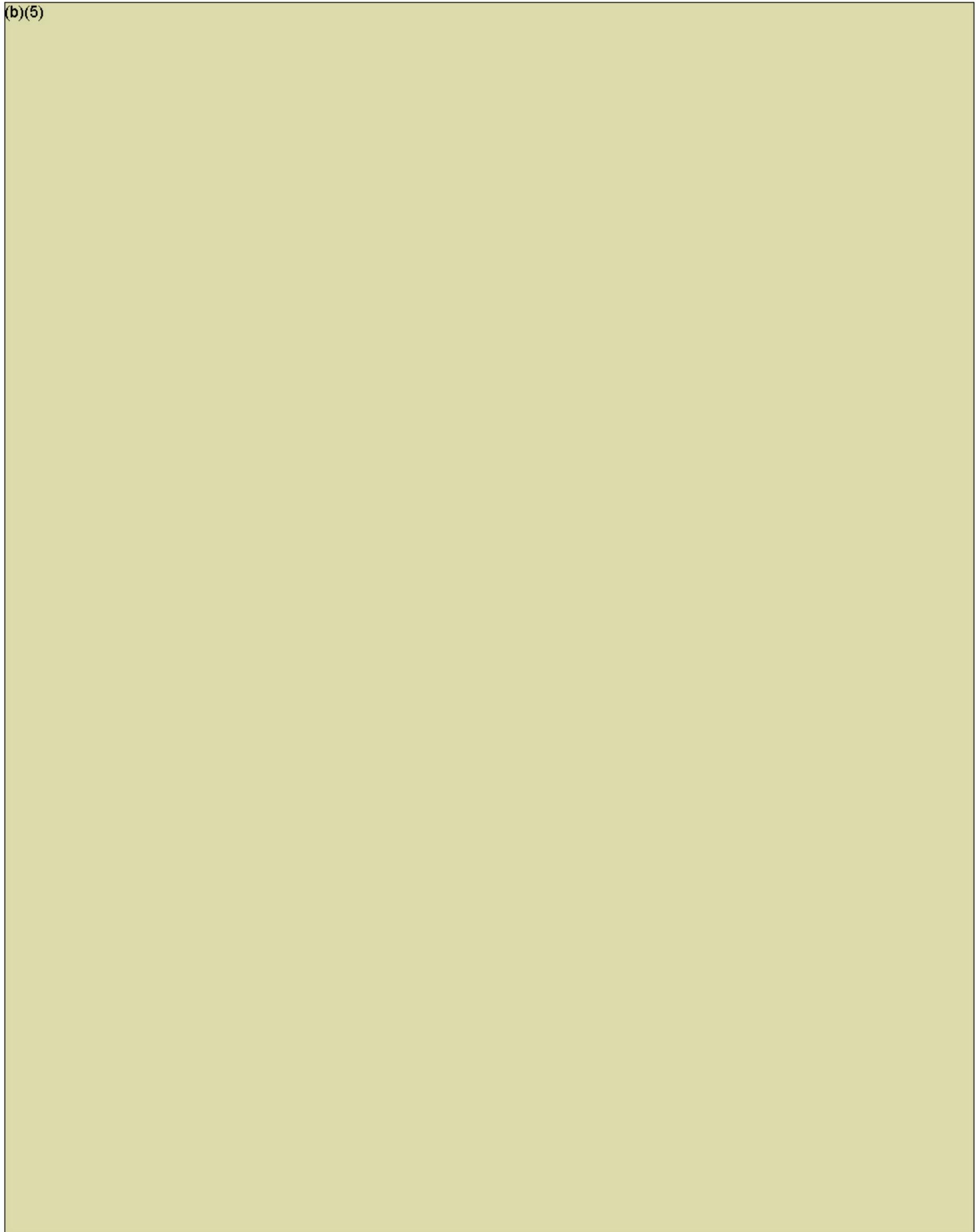


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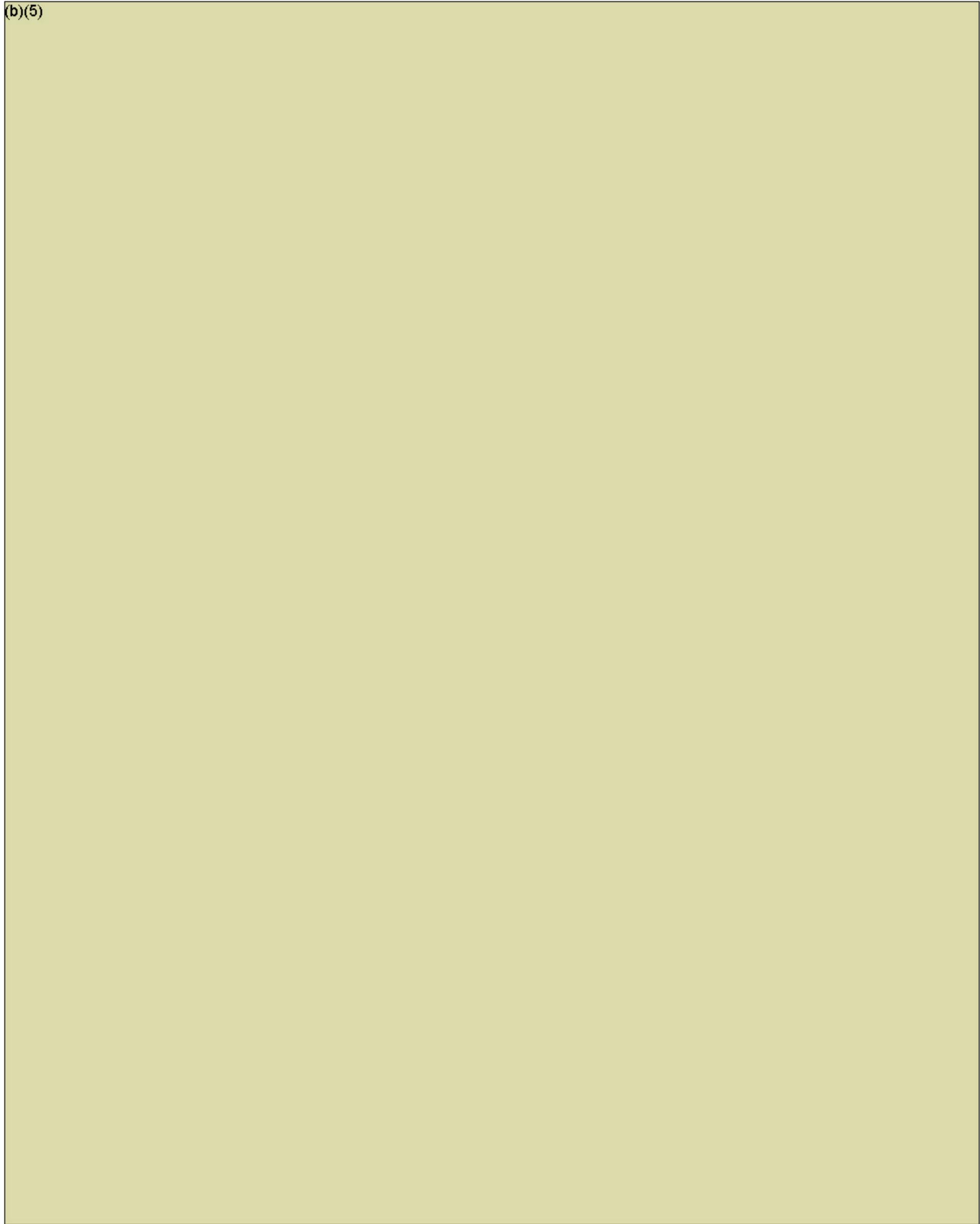
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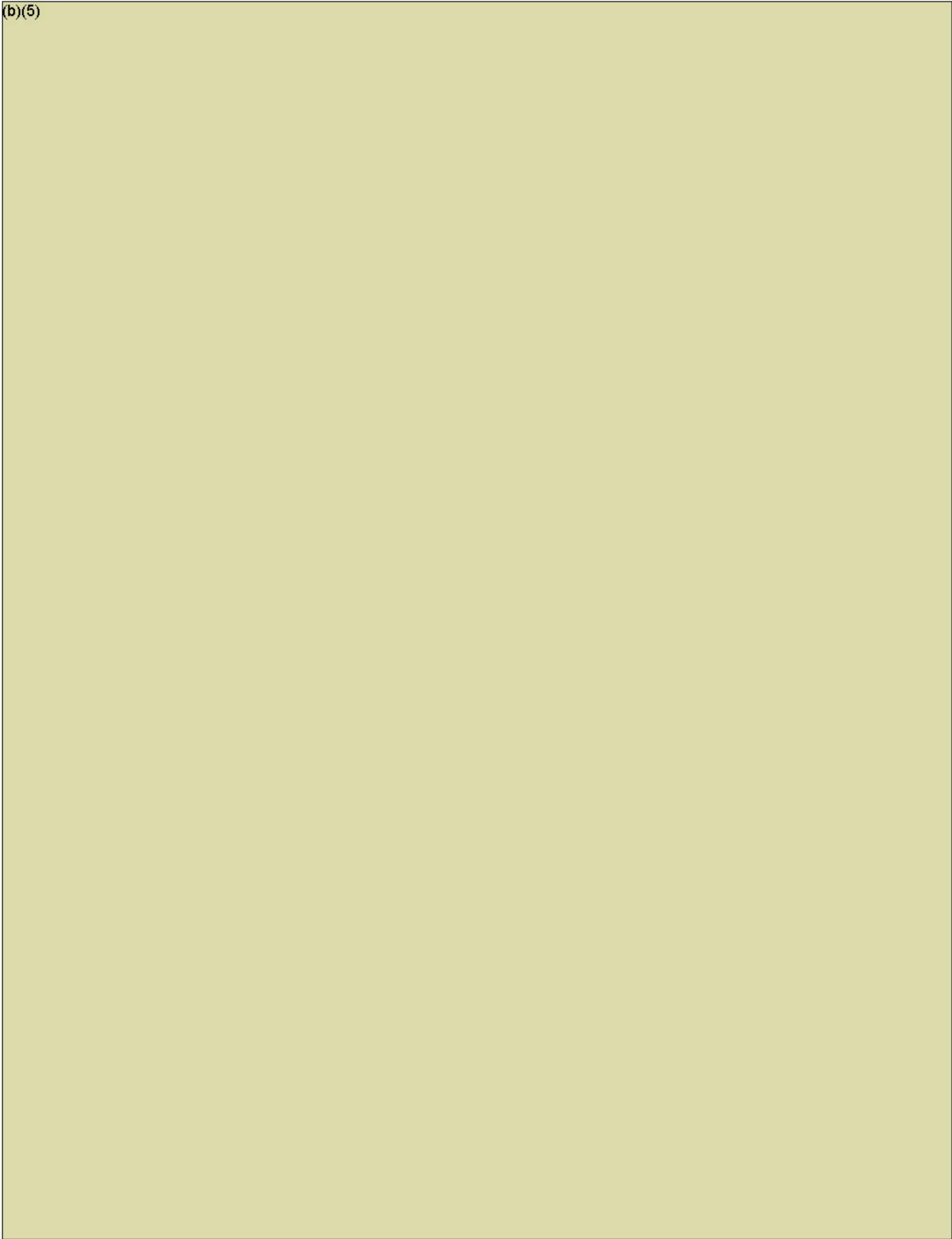
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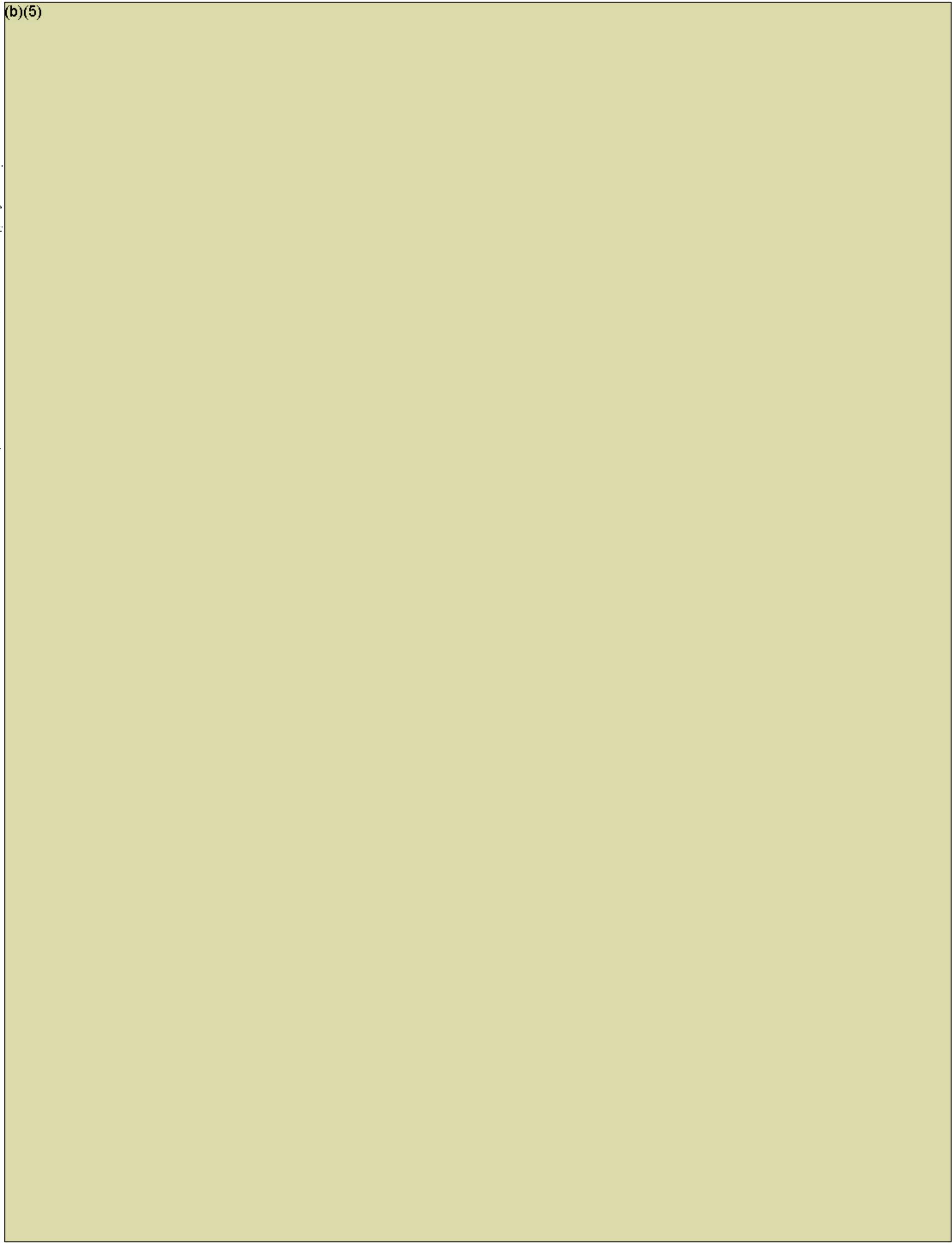
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- **FM 2-22.3, Human Intelligence Collector Operations.**
 - Broader scope than old FM 34-52; covers *Interrogation* in detail
 - In deference to Congressional concerns (McCain, Graham, Levin), the new FM is wholly unclassified; can be shared with Coalition partners
- **Complies with Detainee Treatment Act of 2005; incorporates provisions of Geneva Conventions, to include Common Article 3**
 - Single Humane standard for Detainee treatment regardless of status
 - Explicitly prohibits Torture, Cruel, Inhuman & Degrading treatment
 - Lists prohibited practices (dogs, nakedness/sex acts, beatings/ burns/shocks & infliction of physical pain, heat/cold use, hoods, mock executions, waterboarding, deprivation of food/water/medical).
- **Personally reviewed and approved by every Combatant Cdr, Service Secretaries & Chiefs, JCS & Service General Counsels/JAGs & Dir DIA**
 - FM has been favorably reviewed by ODNI & interagency
 - Synchronized with DoD Policies (2310.1E/Detainee Program; 3115.09/Intel Interrogations, Detainee Debriefings & Tactical Questioning; 2310.08/ Medical Program Support for Detainee Operations)
 - Establishes DoD-wide Interrogation standards
- **FM contains 19 Interrogation approach techniques (No others authorized)**
 - 18 Interrogation techniques authorized for use with all enemy combatants, regardless of status
- **One additional (19th) Restricted Interrogation technique (*Separation*) in Appx M for use only with unlawful enemy combatants**
 - Combatant Cdrs specifically requested that *Separation* be included to meet operational requirements (eg to keep unlawful enemy combatants from communicating & to obtain time-sensitive information)
 - For use by-exception
 - High level of oversight; Combatant Cdrs must approve; 2d General Officer must review/approve Interrogation plans which utilize
 - Special Interrogator training & certification required
 - Mandatory safeguards integrated to ensure Humane application
- **FM clarifies Military Intelligence & Military Police roles and responsibilities**
- **Specifies requirements for Non-DoD access to Detainees under DoD control**
 - JTF or Combatant Cdrs must authorize; Non-DoD must comply with DoD standards, be escorted & observed by DoD personnel
- **Specifies that Commanders are responsible & accountable for compliance with provisions of FM 2-22.3; for ensuring Humane Detainee treatment**
- **All Military personnel responsible and accountable to immediately report suspected Detainee abuse; FM proscribes procedures**

(b)(6)

From: (b)(6) Capt OSD PA
Sent: Tuesday, September 05, 2006 1:10 PM
To: (b)(6) CIV, OASD-PA
Cc: Vician, Todd M LtCol OSD PA, (b)(6) LCDR OSD PA, (b)(6) CIV,
 OSD-POLICY
Subject: Military Analyst Call
Attachments: Communication Plan for Directive FM Release 09 01 06.doc; FM 2-22 3 Key Points 1Sep06.doc

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(b)(6)

Captain, U.S. Marine Corps
OSD Press Operations

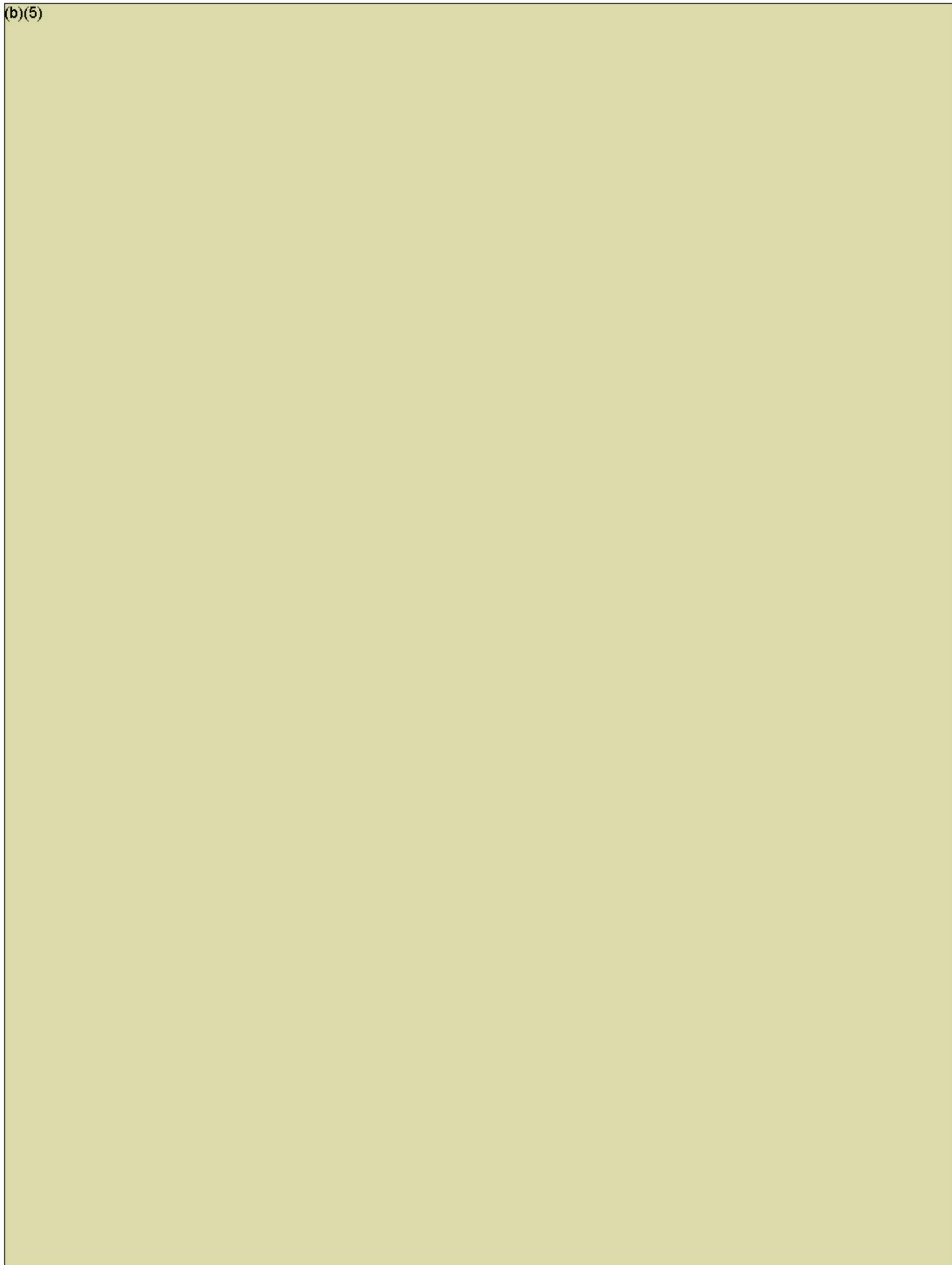
(b)(2)

(C)
(fax)

(b)(6)

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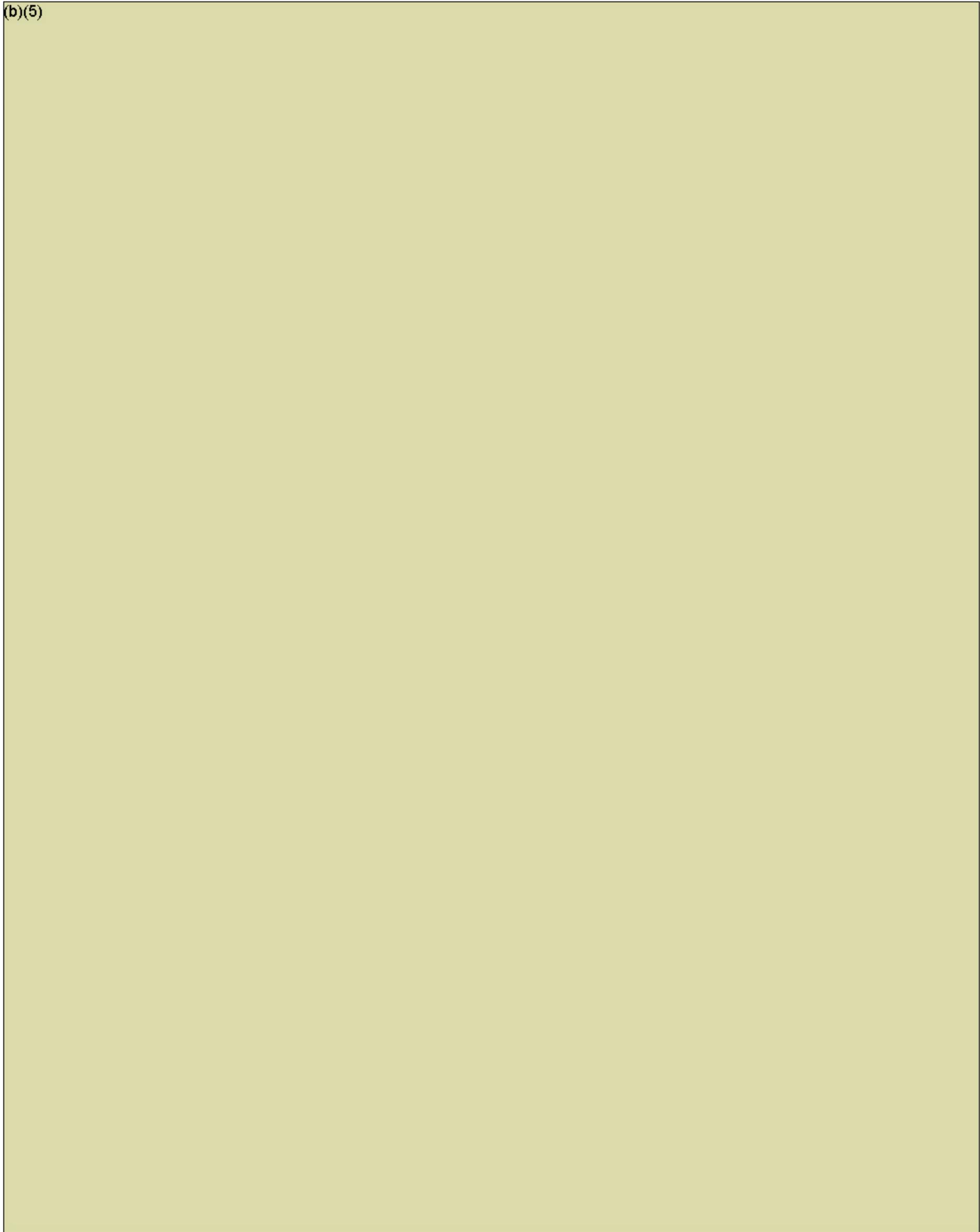


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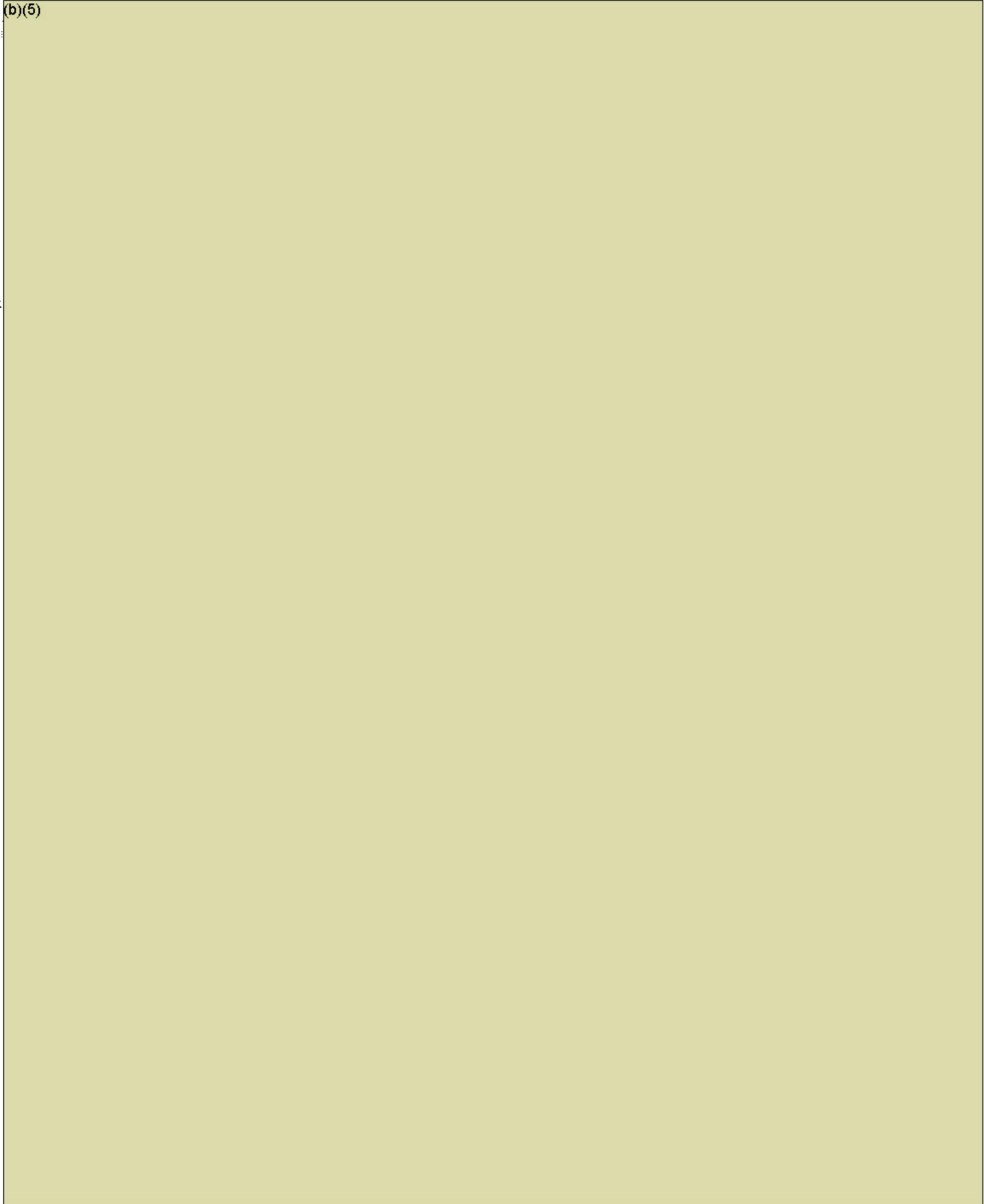
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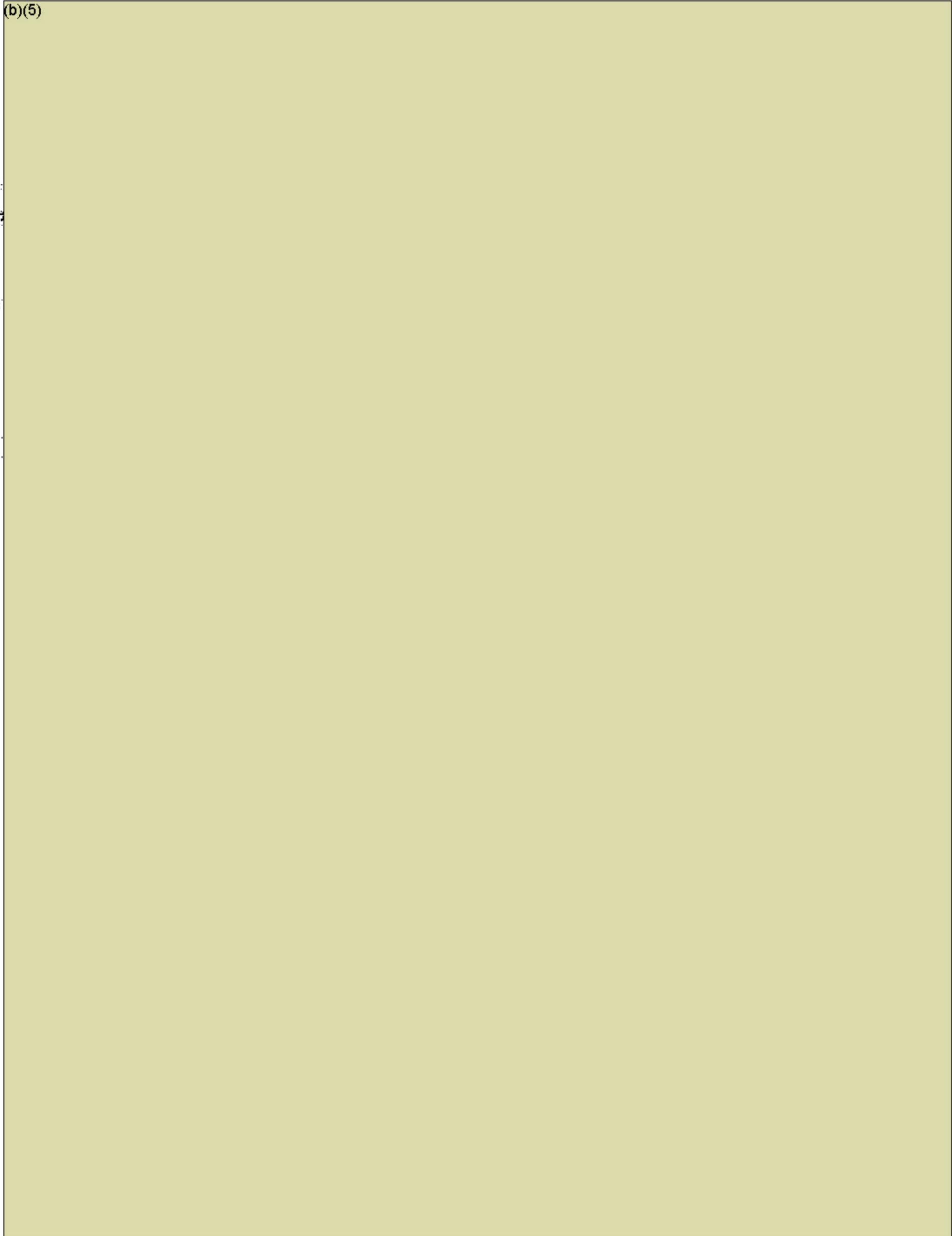


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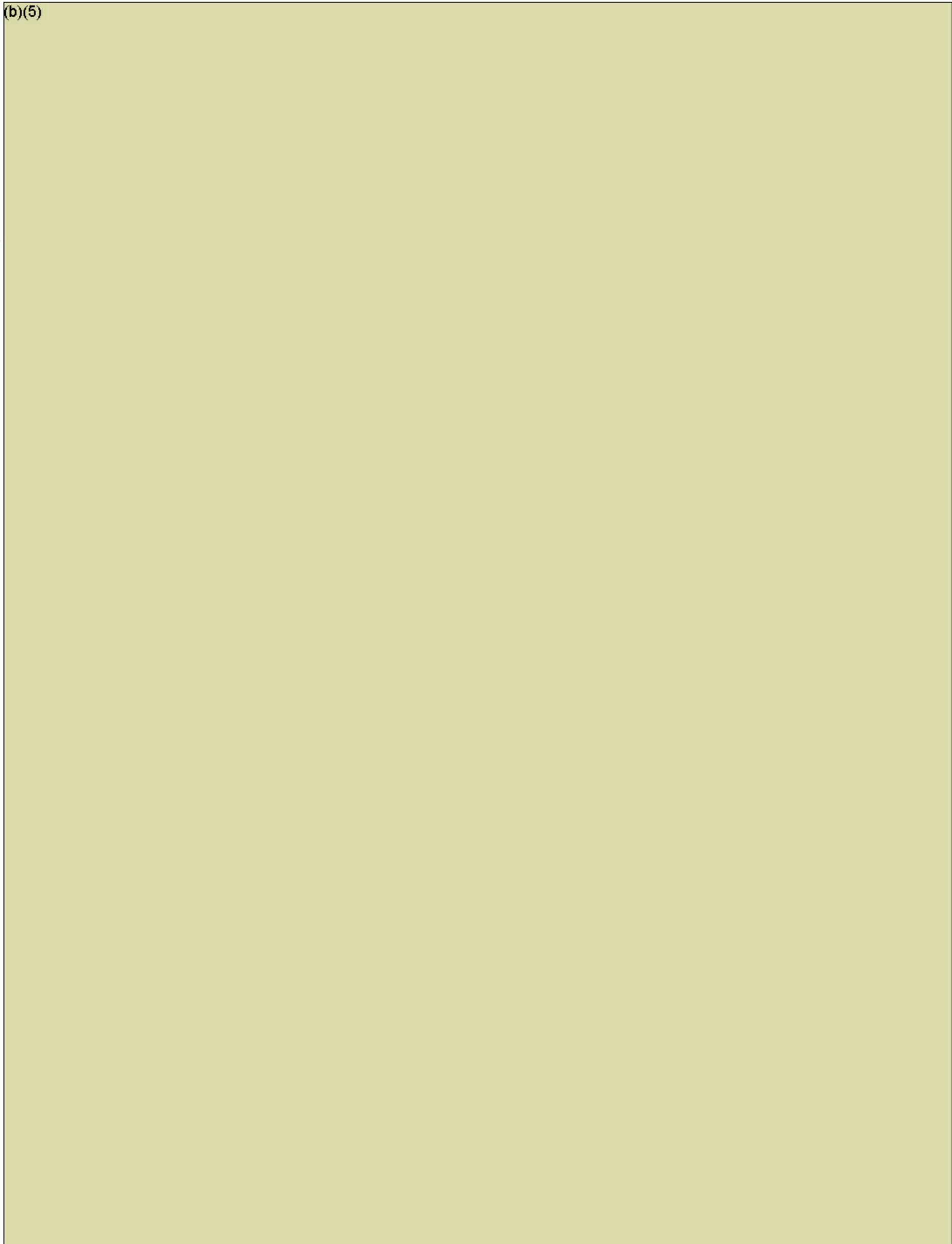
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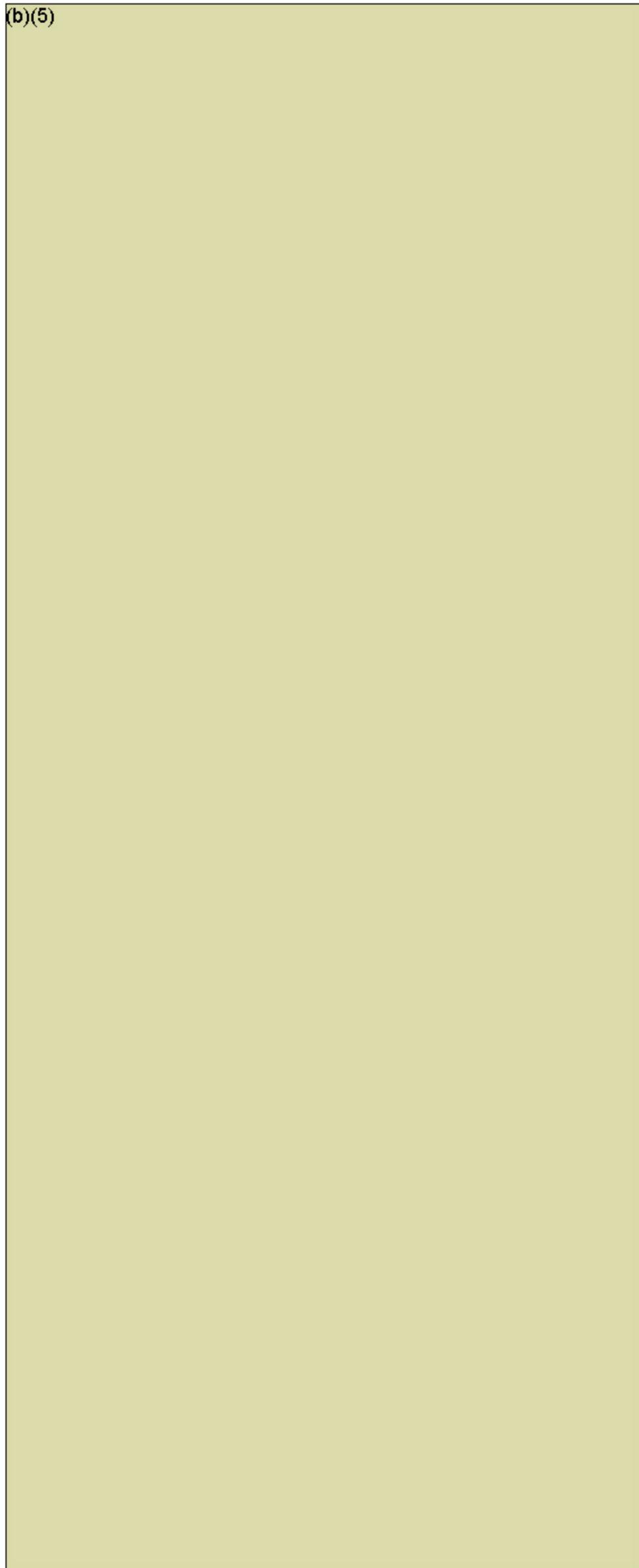
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(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Tuesday, September 05, 2006 12:50 PM
To: (b)(6) CTR, OASD-PA
Subject: ito's
Attachments: list for ito's.doc

hi (b)(6)

here is the list for the ito's for the analysts trip to iraq that i think i mentioned last week?? :) i left all of the info on there b/c i can never remember what you need and don't!

if there is anything that's not on here that you need (which i can't imagine), please let me know. travel dates are: 14 september through 19 september.

thanks!

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1336

MR. JED BABBIN (USAF, JAG, DUSD) AMERICAN SPECTATOR, RCP

SSN: (b)(6)

CLEARANCE: INACTIVE

DOB: (b)(6)

POB: (b)(6)

PASSPORT #: (b)(6)

PASSPORT DATE OF ISSUE: (b)(6)

PLACE OF ISSUE: (b)(6)

PASSPORT DATE OF EXPIRATION: (b)(6)

Address:

(b)(6)

GENERAL WAYNE DOWNING (USA, RETIRED) MSNBC

SSN: (b)(6)

CLEARANCE: TS/SCI

DOB: (b)(6)

POB: (b)(6)

PASSPORT #: (b)(6)

PASSPORT DATE OF ISSUE: (b)(6)

PLACE OF ISSUE: (b)(6)

PASSPORT DATE OF EXPIRATION: (b)(6)

BLOOD TYPE: (b)(6)

Address:

(b)(6)

COLONEL JOHN GARRETT (USMC, RETIRED) FOX NEWS

SSN: (b)(6)

DOB: (b)(6)

POB: (b)(6)

PASSPORT #: (b)(6)

PASSPORT DATE OF ISSUE: (b)(6)

PLACE OF ISSUE: (b)(6)

PASSPORT DATE OF EXPIRATION: (b)(6)

BLOOD TYPE: (b)(6)

JACKET SIZE: XXL

Address:

Patton Boggs, LLP

2550 M Street, NW

Washington, DC 20037

BRIGADIER GENERAL DAVID GRANGE (USA, RETIRED) CNN

SSN: (b)(6)

DOB: (b)(6)
POB: (b)(6)
U.S. PASSPORT #: (b)(6)
DATE OF ISSUE: (b)(6)
DATE OF EXPIRATION: (b)(6)
PLACE OF ISSUE: (b)(6)
BLOOD TYPE: (b)(6)
CLEARANCE: TS
Address:
McCormick Tribune Foundation
435 North Michigan Avenue, Suite 770
Chicago, Illinois 60611

DR. JEFF MCCAUSLAND, COLONEL (USA, RETIRED) CBS
SSN: (b)(6)
DOB: (b)(6)
POB: (b)(6)
U.S. PASSPORT #: (b)(6)
BLOOD TYPE: (b)(6)
JACKET SIZE: X LARGE
Address:
(b)(6)

MR. WAYNE SIMMONS (CIA, RETIRED) FOX NEWS
SSN: (b)(6)
CLEARANCE: INACTIVE
DOB: (b)(6)
POB: (b)(6)
PASSPORT #: (b)(6)
PASSPORT DATE OF ISSUE: (b)(6)
PLACE OF ISSUE: (b)(6)
PASSPORT DATE OF EXPIRATION: (b)(6)
BLOOD TYPE: (b)(6)
Address:
(b)(6)

**HONORABLE BING WEST (USMC, ASD, RETIRED) NATIONAL REVIEW,
ATLANTIC MONTHLY**
SSN: (b)(6)
DOB: (b)(6)
POB: (b)(6)
PASSPORT #: (b)(6)
PASSPORT DATE OF ISSUE: (b)(6)
PLACE OF ISSUE: (b)(6)

DATE OF EXPIRATION: (b)(6)
BLOOD TYPE: (b)(6)
JACKET SIZE: LARGE/EXTRA LARGE (190 LBS)
CLEARANCE LEVEL: SECRET (b)(6)

Address:

(b)(6)

(b)(6)

From: (b)(6) Capt OSD PA
Sent: Tuesday, September 05, 2006 10:15 AM
To: (b)(6) Maj, DCS G-2; (b)(6) Col, DCS G-2
Cc: (b)(6) LTC, OCPA; (b)(6) Maj, OCPA; (b)(6) SIES DCS G-2; (b)(6) DCS G-2; (b)(6) CIV, OASD-PA; Vician, Todd M LtCol OSD PA
Subject: RE: LTG Kimmons press schedule (UNCLASSIFIED)

Ma'am, sir,
 This Military Analyst Call proposed for tomorrow 6 September from 1230-1300, immediately following the Pentagon Press Brief, supersedes another request that LTG Kimmons may (or may not) have visibility on that was proposed for the 7th. This time on the 6th has been accepted by Mr. Stimson's scheduler.

VR
 Capt (b)(6)

(b)(6)

Captain, U.S. Marine Corps
 OSD Press Operations

(b)(2)
 (C)
 (fax)

(b)(6)

From: (b)(6) Maj, DCS G-2
Sent: Tuesday, September 05, 2006 8:47 AM
To: (b)(6) Col, DCS G-2
Cc: (b)(6) Capt OSD PA; (b)(6) LTC, OCPA; (b)(6) Maj, OCPA; (b)(6) DCS G-2; (b)(6) DCS G-2
Subject: RE: LTG Kimmons press schedule (UNCLASSIFIED)

Classification: UNCLASSIFIED

COL (b)(6)

Sir,
 OSD would like to schedule LTG Kimmons for a military analyst roundtable telecon, tomorrow at 1230-1300. Please see email below.

v/r
 (b)(6)

MAJ (b)(6)
 HQDA G2 (DAMI-CD)
 HUMINT Staff Officer
 Comm: (b)(6)

12/3/2007

SIPR: (b)(6)

From: (b)(6) MAJ OCPA [mailto:(b)(6)]
Sent: Tuesday, September 05, 2006 8:42 AM
To: (b)(6) LTC OCPA; (b)(6) MAJ DCS, G-2
Cc: (b)(6) Capt OSD PA
Subject: LTG Kimmons press schedule (UNCLASSIFIED)

Classification: **UNCLASSIFIED**
Caveats: NONE

Folks,

OSD is looking for LTG Kimmons to participate in a military analyst roundtable telecon after tomorrow's 11:30 am press conference. The roundtable teleconference is from 12:30 to 13:00. Who's the right person to schedule this?

(b)(6)

MAJ, GS
Public Affairs Staff Officer
Department of the Army, OCPA
Pentagon, Washington, DC
Phone: (b)(2)
Fax: (b)(2)
Email: (b)(6)
Email:

Classification: **UNCLASSIFIED**
Caveats: NONE

12/3/2007

(b)(6)

From: Paul Vallely (b)(6)
Sent: Saturday, September 02, 2006 7:24 PM
To: (b)(6)
Subject: RE: Stand Up America

To: All Fellow Americans and Patriots,

We are excited to announce the launch of Osprey Radio's new internet radio talk show **STAND UP AMERICA** hosted by Paul Vallely, MG US Army (Ret) and senior military analyst for Fox News Channel. The program is sponsored by Osprey Media of Kalispell, Montana and is featured worldwide by Right Talk Radio (www.righttalk.com). This show is broadcasted live each Thursday at 1:00 PM Eastern and streams on the internet 24/7 on various Right Talk channels.

STAND UP AMERICA is part of the new era of radio broadcasting using the internet to report the news worldwide and discuss the hot topics of world affairs. The first show launched on July 21st from our new interim studios in Montana.

We have completed eight (8) shows and are receiving many favorable worldwide comments on the quality of the show.

The most difficult thing to do is to ask for money. When that happens, the cause must be worthwhile, just and necessary. One day over breakfast in Bigfork, Montana, Andy Miller, Jerry Molen and Paul Vallely were having a discussion regarding current events and the War on Terror. Our concerns were how the media reported factually or non-factually what was happening around the world. Each of us voiced our disdain and frustration over the seemingly biased and unbalanced reporting. It became apparent that we needed a media platform that would deal in facts and present balanced reporting and support that platform with outstanding and knowledgeable guests for each subject matter and topic. We decided to take positive action to set the record straight. Thus, the birth of Osprey Media (www.ospreymedia.us) and our show **STAND UP AMERICA**.

We are looking for your support for this worthwhile endeavor so that we can make a difference in this world. We only want one thing and that is to get the truth out as we discuss, debate and challenge what America faces. **WE ALL NEED TO STAND UP FOR WHAT WE BELIEVE IN AND CHERISH.**

We need your support now! Media is expensive. We are looking for concerned patriots who want to be a part of **STAND UP AMERICA**.

Listed below are the ways and amounts you may contribute and be one of our sponsors: Sponsorship Corporations, Organizations and Individuals may sponsor the show that will have many significant benefits. Sponsors may be anonymous or have your name listed or mentioned on air.

Gold Sponsor Program: Sponsorship contribution will be a minimum of \$5000.00 annually (year by year) and for that amount we will provide one spot that plays 36 times every week (24

12/3/2007

hours the day of the show and then on the weekend replay). In one year this equates to approximately 1876 on air promotions for you or your cause.

O s p r e y R a d i o P r e s e n t s

Silver Sponsor Program: Sponsorship contribution will be a minimum of \$2500.00 annually (year by year) and for that amount we will provide one spot that plays 36 times every other week (24 hours the day of the show and then on the weekend replay). In one year this equates to approximately 938 on air promotions for you or your cause.

Program Sponsor: You may contribute any amount to be a sponsor and be recognized on air and in our newsletter.

This is a great opportunity to support a global radio show that supports America. We will have exciting subjects and topics each week as well as the most knowledgeable and distinguished international guests. Join us now and support our efforts to bring the radio show to a global listening audience that will have great impact on America's future.

To be a sponsor, please make your check payable to Osprey Media LLC and send to PO Box 697, Kalispell, MT 59903. For more detailed information you may contact Andy Miller at 406 270 0985.

Please provide your name (s), mailing address, e-mail address and contact phone number. If you so desire, you may remain anonymous.

**“Support STAND UP AMERICA now
and become a part of the STAND UP AMERICA family”**

Sincerely,
Paul E. Valley Jerry Molen Andy Miller
Host Director, Osprey Media Director, Osprey Media
Osprey Media
P.O. Box 697 Kalispell, MT 59903
radio@ospreymedia.us
www.ospreymedia.us

Fox News Channel
Osprey Media
Paul E Valley
Military Analyst/Radio Host "Stand Up America"

(b)(6)

fax: 406 837 0996
www.ospreymedia.us

Add me to your address book... Want a signature like this?

12/3/2007

NY TIMES

1343

12/3/2007

NY TIMES

1344

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Friday, September 01, 2006 1:23 PM
To: (b)(6) CIV, OASD-PA
Subject: FW: CORRECTED Report on Iraq Security and Stability

Attachments: Aug 06 Security and Stability Report Final Aug 29 r1.pdf; Erratum Page Aug 2006.pdf

Gentlemen,
There was an error on page 53 of the report I previously sent you. Attached is the corrected version, as well as the errata sheet explaining the change. The data remains unchanged; this version, however, correctly labels the bars. We apologize for the confusion.

Thanks

(b)(6)



Aug 06 Security
and Stability R...



Erratum Page Aug
2006.pdf (53 ...

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(6)

Measuring Stability and Security in Iraq

**August 2006
Report to Congress
In accordance with the
Department of Defense Appropriations Act 2006
(Section 9010)**

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This report to Congress on measuring stability and security in Iraq is submitted pursuant to Section 9010 of the Department of Defense Appropriations Act 2006, *Public Law 109-148*. This is the fifth in a series of reports on this subject and the third under Section 9010. The most recent report was submitted in May 2006.

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Executive Summary

This report is divided into three sections. The first section, "Stability and Security in Iraq," describes trends and progress toward meeting goals for political stability, strengthened economic activity, and a stable security environment in Iraq. The second section, "Iraqi Security Forces Training and Performance," describes progress in the training, development, and readiness of the Iraqi Security Forces (ISF), including the forces of the Ministry of Defense (MOD) and the police and paramilitary forces of the Ministry of Interior (MOI). The third section, "Transition," describes the transfer of security responsibility from Coalition forces to the Iraqi government, including prerequisite conditions and criteria for assessing the readiness of provinces to assume responsibility for security.

A classified annex to this report provides data concerning security force training and performance and addresses possible U.S. military force rotations.

The information in this report is made available with the assistance of many departments and agencies of the U.S. Government, the U.S. Embassy in Iraq, Multi-National Force-Iraq (MNF-I), and the Government of Iraq. The report complements other reports and information about Iraq provided to Congress and does not replace them. The intent of this document is to report on the measures of stability and security specified in Section 9010.

Measures of Stability and Security and the National Strategy for Victory in Iraq

The President's National Strategy for Victory in Iraq lays out the goals and general framework to achieve security and stability in Iraq. The goal of the strategy is to help the Iraqi people build a new Iraq with a constitutional

and representative government that respects political and human rights and with sufficient security forces both to maintain domestic order and to prevent Iraq from becoming a safe haven for terrorists. To this end, the United States is pursuing an integrated strategy along three broad tracks:

- **Political:** Helping the Iraqi people forge a broadly supported compact for democratic government
- **Economic:** Assisting the Government of Iraq in establishing the foundations for a sound market economy with the capacity to deliver essential services
- **Security:** Contributing to an environment where Iraqis are capable of defeating terrorists and neutralizing insurgents and illegal armed groups

Each track is integrated with the other two, and success in each affects success in the others. Security depends, in part, on a democratic political process, which in turn depends, in part, on economic opportunity. Economic progress depends on securing the Iraqi infrastructure against sabotage and attack and protecting the Iraqi people from violence that undermines individual participation in economic development and the political process.

Although the National Strategy for Victory in Iraq is not a detailed plan for achieving specific objectives, consistent with the public nature of that document, it delineates measurable trends along each of these tracks to indicate where programs are achieving success and where it is necessary to increase efforts or adjust implementation of the strategy.

Major Milestones Toward a Democratic Iraq

Oct 15, 2005	National Referendum on the Constitution
Dec 15, 2005	National Elections under the New Constitution
Mar 16, 2006	First Session of Council of Representatives
Apr 22, 2006	Election of Presidency Council by Council of Representatives Nomination of Prime Minister by Presidency Council
May 20, 2006	Naming of Cabinet by Prime Minister Designee Vote of Confidence for Prime Minister, His Cabinet, and His Program
Jun 8, 2006	Nomination and Approval of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs
Jul 13, 2006	Transfer of Muthanna to Provincial Iraqi Control
Jul 26, 2006	Prime Minister al-Maliki Addresses Joint Session of U.S. Congress

The President's strategy also identifies eight objectives, or pillars, of the integrated political, economic, and security strategy:

- Defeat the terrorists and neutralize the insurgency
- Transition Iraq to security self-reliance
- Help Iraqis forge a national compact for democratic government
- Help Iraq build government capacity and provide essential services
- Help Iraq strengthen its economy
- Help Iraq strengthen the rule of law and promote civil rights
- Increase international support for Iraq
- Strengthen public understanding of Coalition efforts and public isolation of the insurgents

Key indicators of progress since the last report are discussed below.

Political Progress. This report marks the first 90 days of the first representative government

in Iraq. The appointments of the Ministers of Interior, Defense, and State for National Security Affairs, on June 8, 2006, marked the completion of a national unity government. Within one month of seating this government, Prime Minister Nouri al-Maliki presented a "National Reconciliation and Dialogue Project" to the Iraqi Council of Representatives (CoR). This project is a broad initiative aimed at reconciling past inequities; rallying Iraqis around a principle of equality, devoid of sectarian divisions; firmly establishing the basis of national unity via a democratic political process; and creating the conditions for Iraq to assume a leading role both in the region and internationally. Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the 24 Council Committees have formed and named chairs. The CoR is making some progress on key legislation required to implement the provisions of the Iraqi Constitution.

Economic Activity. The Iraqi economy continues to show progress, but still needs to overcome serious challenges. As the Government of Iraq was formed just 90 days ago, its institutions are still forming or are immature and consequently struggle with many macro-economic issues. The new government has affirmed its commitment to programs supported by the Stand-By Arrangement with the International Monetary Fund (IMF) by taking important and decisive measures, notably price increases for refined petroleum products that meet IMF targets. The Executive Board of the IMF subsequently completed its first and second reviews of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Iraq continues to make progress reducing its Saddam-era debt. As of July 2006, 17 of 18 Paris Club creditors have signed bilateral agreements to forgive 80% of Iraq's sovereign debt. Russia is the only Paris Club creditor that has not yet signed a bilateral agreement with Iraq. It has, however, agreed in principle on debt relief terms and will finalize an agreement shortly. Middle Eastern creditors, which hold the majority of the present debt, have not signed bilateral debt reduction agreements.

Average peak electrical generating output increased 15.8% this quarter to 4,573 megawatts (MW) and continued to increase over the quarter. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter.

Crude oil production for the second quarter improved 18% to 2.2 million barrels per day (mbpd), and exports improved by 20%, to 1.6 mbpd. Also during this quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005. However, oil production and exports still fell short of the Iraqi goals of 2.5 mbpd and 2.0 mbpd,

respectively. Approximately 90% of the Government of Iraq's revenue comes from oil exports, and higher prices for Iraqi oil continue to somewhat offset lower than desired export volumes.

The Security Environment. Setbacks in the levels and nature of violence in Iraq affect all other measures of stability, reconstruction, and transition. Sectarian tensions increased over the past quarter, manifested in an increasing number of execution-style killings, kidnappings, and attacks on civilians, and increasing numbers of internally displaced persons. Sunni and Shi'a extremists, particularly al-Qaeda in Iraq and rogue elements of Jaysh al Mahdi (JAM), are increasingly interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their existing areas of influence. Concern about civil war within the Iraqi civilian population and among some defense analysts has increased in recent months. Conditions that could lead to civil war exist in Iraq. Nevertheless, the current violence is not a civil war, and movement toward civil war can be prevented. Breaking the cycle of violence is the most pressing goal of Coalition and Iraqi operations.

In the current reporting period the average number of weekly attacks increased 15% over the previous reporting period average, and Iraqi casualties increased by 51% compared to the previous quarter. Much of this violence occurred in Baghdad, as terrorists, insurgents, and illegal armed groups recognized and exploited the political and economic significance of conducting operations in the capital city. However, the Coalition and the Government of Iraq continued to make progress this quarter, improving the security environment in Fallujah and some parts of northern Iraq. Although sectarian violence threatens the effectiveness of the Government of Iraq, terrorists have failed to derail Iraq's political

process, or to widen their political support among the Iraqi people. Polling data continue to show the confidence of most segments of the Iraqi people in the Iraqi Army and their rejection of al-Qaeda's vision of Iraq's future.

Iraqi Security Forces. MOD and MOI security forces continue to increase in size and capability and are increasingly assuming the lead combat responsibility from Coalition forces.

Training, equipping, and fielding security forces continues. Approximately 277,600 Iraqi soldiers and police have completed initial training and equipping, an increase of more than 14,000 in the three months since the last report. As of August 2006, approximately 84% of the objective end-strength of MOD forces have been trained and equipped, while more than 92% of authorized Iraqi Army battalions have been generated. Remaining train-and-equip efforts will focus on building combat support and combat service support forces.

More Iraqi units are able to take the lead in combat operations against the insurgency and

to assume security lead in their territory. The number of counter-insurgency operations conducted independently by Iraqi forces as a percentage of total combat operations continues to increase steadily. Approximately one-third of the company-sized operations in Iraq during the reporting period were conducted independently by Iraqi forces. As of August 7, 2006, there were 85 Iraqi Army battalions (5 divisions, 25 brigades) that have assumed the lead for counter-insurgency operations, a 35% increase since the last report. All 27 National Police battalions are currently conducting counter-insurgency operations, and 2 National Police battalions have the security lead for their areas of responsibility.

Transition. Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and the civilian-controlled Iraqi Police Service (IPS). Moreover, since the May report, MNF-I has transferred an additional 10 Forward Operating Bases (FOBs) to the Government of Iraq. Forty-eight of 110 FOBs are now under Iraqi control.

1. Stability and Security in Iraq

1.1 Political Progress

The goal of the political process in Iraq is to help the Iraqi people forge a broadly supported national compact for democratic government, thereby isolating enemy elements from the broader public. The United States is supporting this effort by:

- supporting Iraqi leaders in their efforts to include all Iraqis in the political process, through dialogue and inclusive institutions;
- offering advice and technical support for effective governance;
- helping build national institutions that transcend regional, sectarian, and tribal lines; and
- assisting Iraqis in replacing the corrupt and centralized Ba'athist system with effective government bodies at local, provincial, and national levels.

Measures of political progress and stability include:

- achievement of political goals set forth in the Iraqi Constitution, as well as those in United Nations Security Council Resolution 1546 and the Transitional Administrative Law;
- formation of a national unity government representative of all Iraqi communities;
- participation in the political process by all Iraqi communities and evidence that they view the process as legitimate and effective;
- adherence to rule of law institutions; and
- expansion of international support.

With the seating of its constitutional government, Iraq, with the support of the Coalition, completed all the milestones required under United Nations Security Council Resolution 1546.

The National Strategy for Victory in Iraq lays out a specific three-pronged political plan to assist the Government of Iraq in building a broadly supported national compact for democratic governance. The plan seeks to:

- “✓ *Isolate* enemy elements from those who can be won over to the political process by countering false propaganda and demonstrating to all Iraqis that they have a stake in a democratic Iraq;
- ✓ *Engage* those outside the political process and invite in those willing to turn away from violence through ever-expanding avenues of participation; and
- ✓ *Build* stable, pluralistic, and effective national institutions that can protect the interests of all Iraqis, and facilitate Iraq's full integration into the international community.”

Building a Government of National Unity

After successful national elections in December 2005, Iraqis made the commitment to establish a broad unity government. Rather than allocating all government positions to the majority party or coalition, this unity government sought to provide fair representation in the ministries and other government posts among all major parties that won seats in the CoR. Consistent with this commitment, Prime Minister al-Maliki announced and won CoR approval for his cabinet, which draws minis-

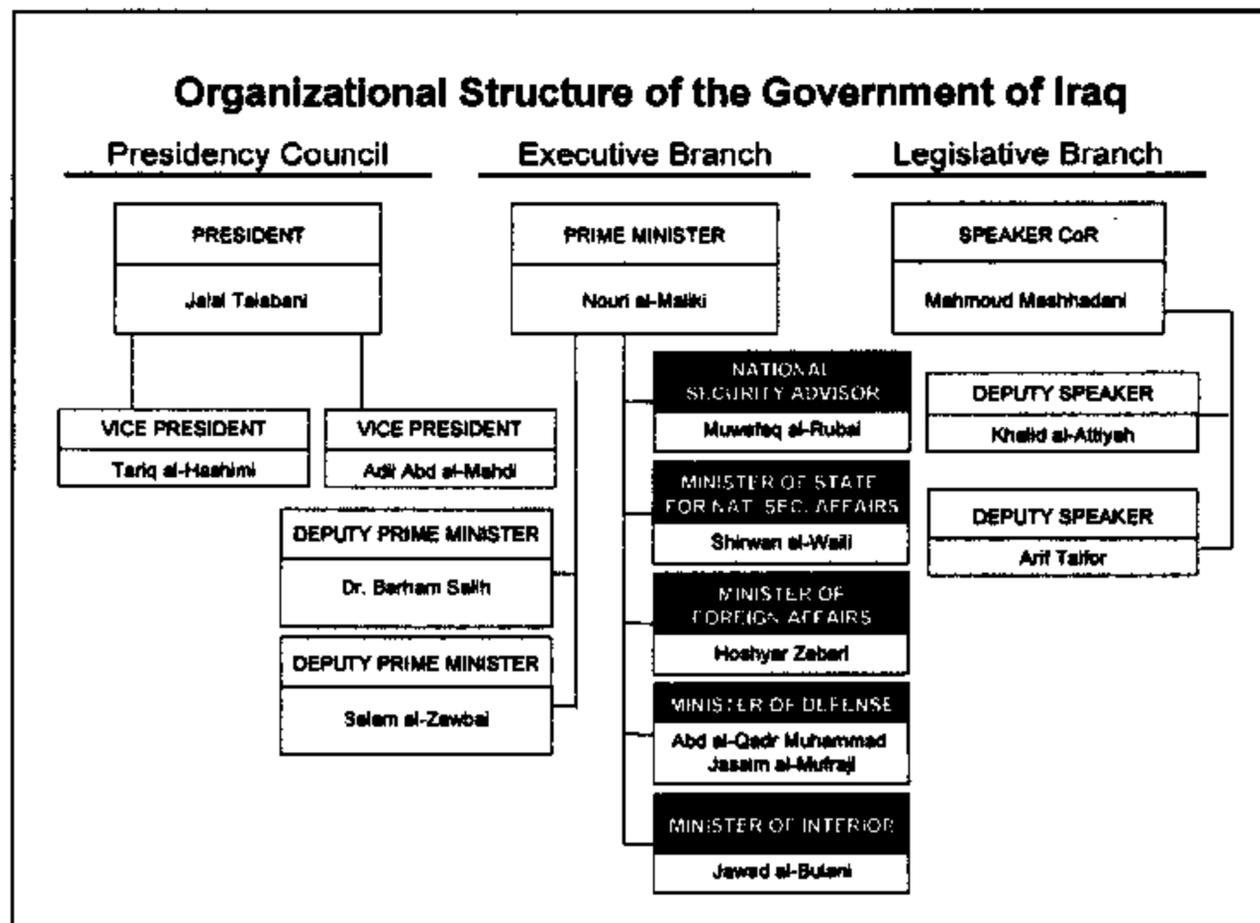
ters and senior officials from parties representing all regions, sects, and ethnic groups. The announcement met the constitutionally mandated deadline, but Prime Minister al-Maliki opted to delay filling the positions of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs to ensure broad support within the CoR for these sensitive positions.

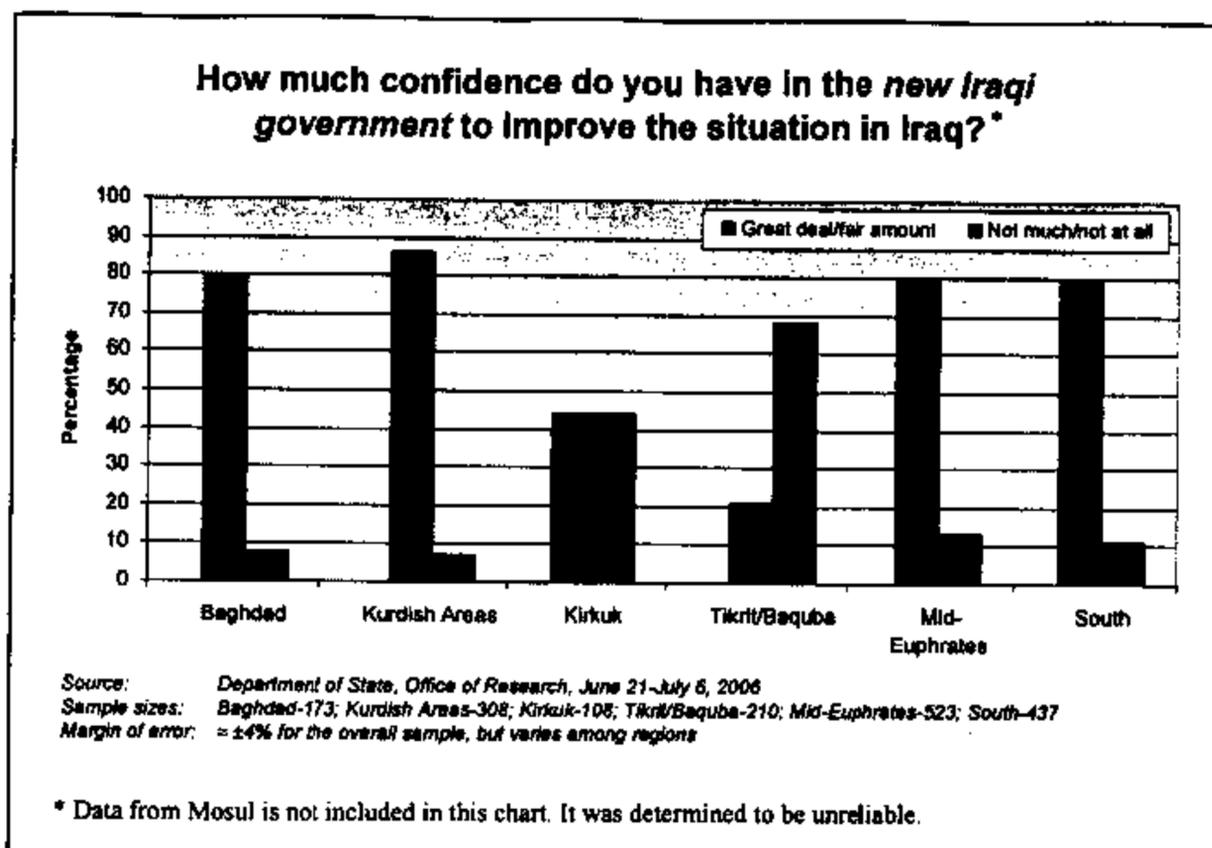
On June 8, 2006, after additional negotiations and compromise, the Prime Minister presented his nominees for the two security ministries. The CoR approved the appointments by a majority, confirming Jawad al-Bulani as Minister of Interior and Abd al-Qadr Muhammad Jassim al-Mufraji as Minister of Defense. The CoR also approved

the appointment of Shirwan al-Waili as Minister of State for National Security Affairs.

The appointment of the Ministers of Interior, Defense, and State for National Security Affairs marked the completion of Iraq's first representative government. The resulting cabinet is remarkably inclusive. The new government reflects the diversity of the Iraqi people and, with a freely elected parliament and a popularly ratified constitution, is a striking contrast to the oppressive, one-man rule of Saddam Hussein just three years ago.

Poll data indicates that the majority of Iraqis have confidence in the new government; notably, however, confidence levels are lowest in mixed and predominantly Sunni areas, such as Kirkuk and Tikrit/Baquba.



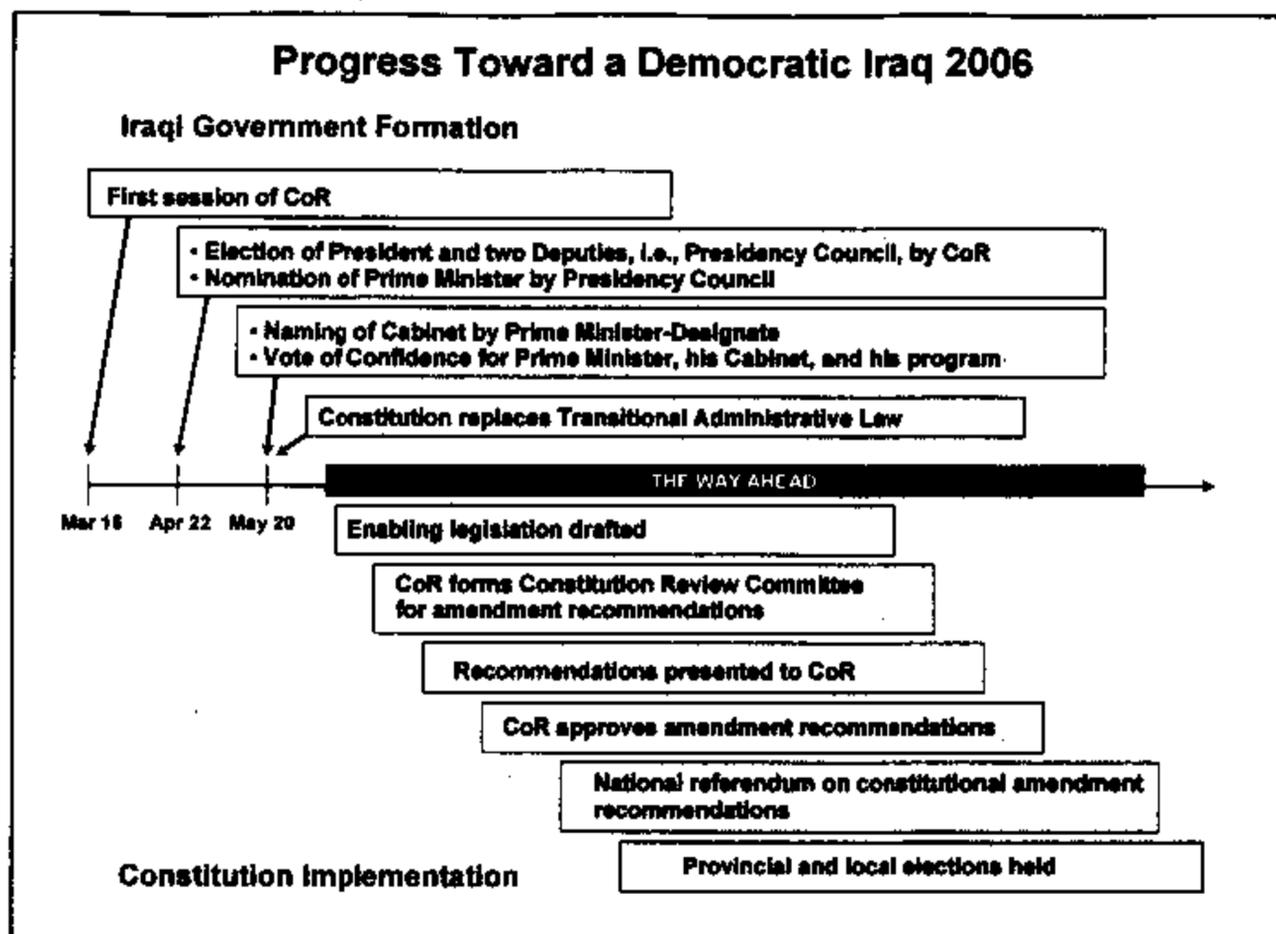


The Iraqi Constitution, adopted by popular referendum on October 15, 2005, requires approximately 55 enabling or implementing acts, in such significant and broad areas as judiciary development and economic reform, to make the Constitution operative. Passing and enforcing this legislation will be a key indicator of progress for the new Government of Iraq.

Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the Council Committees have been

formed and have named chairs. The CoR has made some progress on key legislation, including progress toward new Electoral Commission legislation, the first step on the path to provincial elections. However, little substantive legislation was passed in the session that ended in July.

The two critical political events facing the CoR and the Government of Iraq over the next few months are the constitutional amendment process and provincial elections.



The National Reconciliation Process

On June 25, 2006, Prime Minister al-Maliki presented to the CoR a “National Reconciliation and Dialogue Project,” a 24-point initiative aimed at reconciling past inequities, rallying Iraqis around a principle of equality devoid of sectarian divisions.

The National Reconciliation and Dialogue Project is intended to open dialogue, reduce sectarian tensions and violence in Iraq, and increase commitment to the democratic process and the new national unity government.

The project will operate on three levels. At the national level, the High National Commission of the National Reconciliation and Dialogue Project will be composed of representatives from a diverse cross-section of political, religious, ethnic, tribal, and cultural groups under the leadership of the Minister of State for National Dialogue. The second level will be provincial subcommittees, and the third

level will be field committees, which will focus on key components of national reconciliation and will evaluate progress.

As part of the National Reconciliation and Dialogue Project, a conference of tribal leaders took place on August 26, 2006, in Baghdad that resulted in a statement condemning sectarian violence, and endorsing the reconciliation plan. In the coming months, the government will convene a conference of religious scholars. The government is supposed to convene a conference of political parties to encourage the democratic process and to solidify support for the Government of Iraq.

Government Institutions

To achieve unity, security, and prosperity, Iraq must develop the capacity to deliver government services to its citizens at the national, provincial, and municipal levels. The Government of Iraq must transform the country from

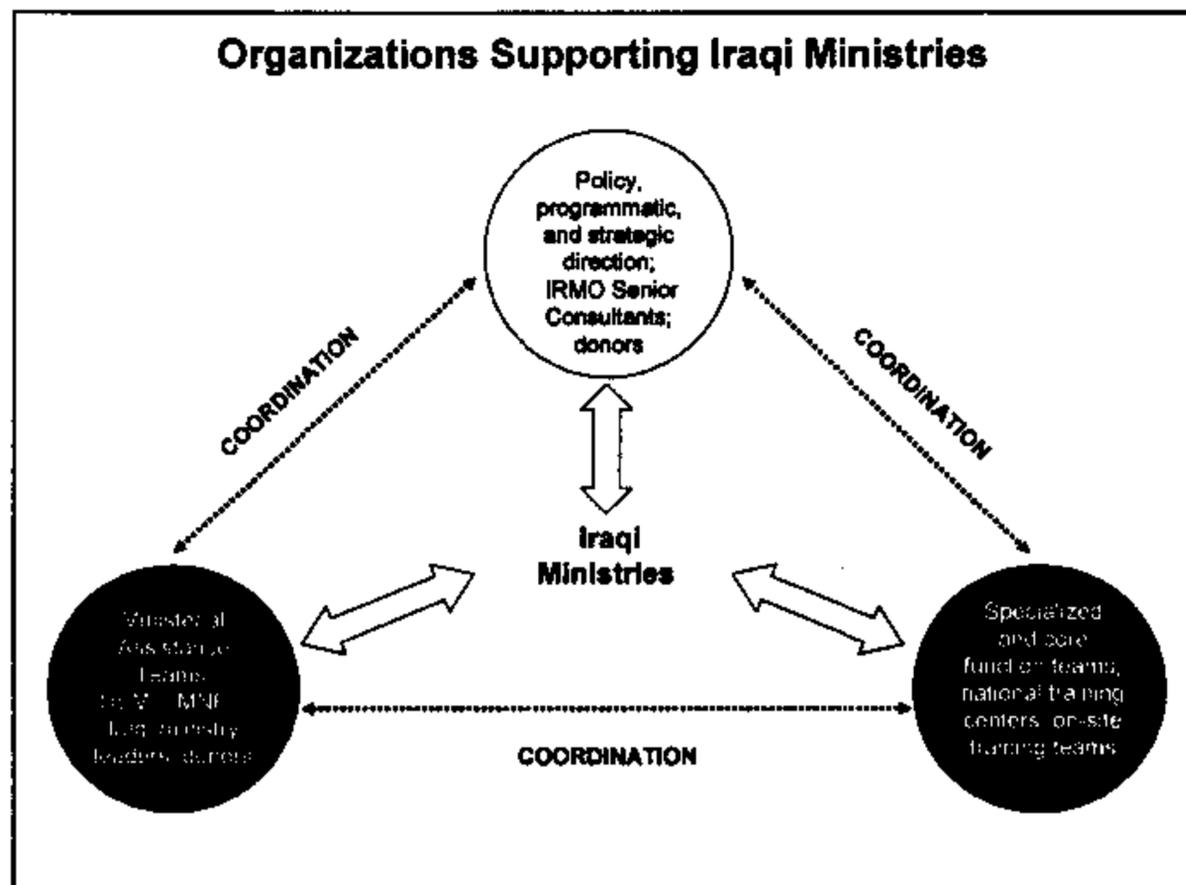
a centralized state, with delivery of essential services traditionally controlled by powerful bureaucrats, to a responsive federal government with decentralized control. This change will take time, consistent mentorship, and an emphasis on both promoting transparency and reducing corruption. The Coalition is supporting these efforts at all levels of the Government of Iraq.

National Institutions

National institutions and forces are essential to displace illegal armed groups and to serve moderate sectarian and local loyalties. The United States supports the development of non-sectarian institutions and the growth of independent media and civil society institutions, while continuing to encourage the Government of Iraq to proceed with the

announced and planned national reconciliation process.

The diagram below shows the organizations currently helping Iraq develop its capacity to govern effectively. Ministerial capacity development is the main focus of the U.S. Embassy's Ministerial Assistance Teams (MATs). These teams, composed of civilian and military experts in governance and organizational development, mentor and train both the Iraqi ministers and their senior staffs in such areas as budget development and execution, inter-ministry coordination, personnel management, and procurement. Iraq Reconstruction Management Office (IRMO) officials provide expertise in key sectors, such as oil, electricity, and health, to Iraqi ministers and other high-level government officials.



Assistance to Provincial Governments

Provincial Reconstruction Teams (PRTs) work with provincial governors and elected councils to improve execution of provincial government responsibilities and to increase citizen participation in governmental decision-making processes. The teams are intended to develop core competencies in public administration, finance, budgeting, planning, and accountability by boosting government capacity and transparency at the provincial level. Four U.S.-led PRTs are fully operational: PRT Tamim (Kirkuk), PRT Ninewah (Mosul), PRT Babil (Hillah), and PRT Baghdad. The security situation in some provinces hampers interaction between the team and provincial leaders.

Promoting the Rule of Law

Political stability in Iraq is predicated on the effective rule of law in the country. (Note: Police and associated institutions are discussed in Section 2 of this report.) Effective rule of law in Iraq, as in any country, requires four conditions to be met: effective laws, police to enforce them, courts to administer them, and prisons to incarcerate offenders. If any one of these institutions fails, or cannot work with the others, the Iraqi regime will be unable to enforce the rule of law. The United States, its Coalition partners, and international agencies are helping Iraq strengthen the rule of law. Although there have been some positive developments, delay in the formation of the Government of Iraq resulted in a loss of momentum; rule of law initiatives slowed, which contributed to the growth of crime, corruption, and illegal armed groups.

Legislation

The Iraqi Constitution sets forth a comprehensive list of rights and freedoms, but additional legislation is needed to implement those guar-

antees. The Constitution maintains the independence of the judicial branch, but vests considerable authority in the CoR to define the functions of the courts, raising the risk of undue influence by political or religious groups. Iraq's criminal legal framework is not presently robust enough to adequately address contemporary criminal activity, such as organized crime, trafficking, and some technology-related crimes. Legal experts from the U.S. Government are assisting Iraqi legal scholars in creating a legal system that can balance the requisites of modern international law with Iraqi cultural and legal traditions. The Coalition continues to provide administrative support as well as technical and legal assistance in drafting legislation.

Judiciary

The Coalition has helped the Government of Iraq improve the judicial system in several areas, including building or renovating courthouses, expanding the Central Criminal Court of Iraq (CCCI), and improving security. The CCCI, for example, now has 12 panels operating throughout Iraq. It processes, on average, 118 insurgency-related cases each month. Due to the limited capacity of the 11 panels outside Baghdad, the Baghdad CCCI is the primary facility for hearing insurgency cases.

Poor security for judges and judicial facilities, an insufficient number of judges, and an inadequate court infrastructure undermine advancements in the rule of law in Iraq. Judges are subject to intimidation and in many areas are afraid to prosecute insurgents. The U.S. Government, through the U.S. Marshals Service, responded by providing secure housing, personal security details, courthouse protection, and personal protection firearms to some members of the Iraqi judiciary. In Baghdad, the Coalition has provided facilities for 22 judges to reside in the

International Zone. Working in conjunction with MNF-I, the U.S. Marshals Service has begun training an Iraqi Marshals Service. The U.S. Department of Justice, along with the U.S. Department of State and the U.S. Department of Defense, is proceeding with plans for the renovation and construction of Iraqi courthouses and other related court facilities, including witness protection buildings. As of July 21, 2006, approximately 20 projects to improve judicial capacity have been completed, and 13 more are under way. Five additional projects are planned.

The U.S. Department of Justice estimates that Iraq needs 1,500 judges, yet only about 740 judges are currently serving. The Iraqi Ministry of Justice's (MOJ) Judicial Training Institute has enrolled a new class of 180 students (40 judges and 140 prosecutors) in a 2-year program to train new judges and prosecutors. When this class graduates in the fall of 2007, there will still be a significant shortfall in judges. To help address this need, the Iraqi Chief Justice recently nominated 200 lawyers to serve as investigative judges. If these judges are confirmed, the number of judges will rise to 940. By the fall of 2007, approximately 980 judges will be serving in Iraq, an increase of 32%, but still well short of the requirement.

Prisons

The MOJ is responsible for imprisoning convicted criminals and insurgents in Iraq. MOJ prisons generally meet international standards, but are already at maximum capacity. As a result, many detainees spend time in MOI or MOD facilities, which generally fall short of internationally accepted standards. To address this issue, the U.S. and Iraqi governments are funding construction of seven new MOJ prison facilities, one each in Basrah, Khan Bani Sa'ad, Nasiriyah, Dahuk, and Baladiyah, and two in Rusafa. Work has

stopped at Khan Bani Sa'ad and Nasiriyah due to problems with the primary contractor. Bridge contracts have been awarded to local Iraqi contractors to provide site security and to perform some continuing construction work. The Gulf Region Division of the U.S. Army Corps of Engineers anticipates that contracts will be issued to a new contractor in September and that both facilities will be completed in April 2007. Construction at the two Rusafa facilities has been delayed due to a title dispute between the Ministers of Justice and Interior. The title dispute is currently in litigation in the Iraqi courts. Dahuk, a 1,200-bed facility in the Kurdish region, is scheduled for completion in February 2007. Construction at Baladiyah was completed and the prison facility there has been activated and is currently in use by the Iraqi Corrections Services. Upon completion in mid-2007, all of these facilities will add a combined 4,800 beds. Even with these additions, however, projections show another 20,000 beds will ultimately be needed. Thus, the Government of Iraq must address insufficient bed space, enactment of custody transfer laws, abuses in MOI and MOD detention facilities, and the need for more guards and trained supervisors. The Government of Iraq also faces the problem of prisoner-detainees awaiting adjudication/resolution of the charges against them. The MOI and MOD are believed to be detaining between approximately 2,000 and 10,000 people in pre-trial status, many in crowded, substandard facilities.

Security Internees

In addition to criminal detainees and convicts held by the Government of Iraq, MNF-I holds security internees (or detainees) under the authority of United Nations Security Council Resolution 1637. As of July 16, 2006, Coalition forces held 12,388 such security internees outside the Iraqi criminal system. Detainees in MNF-I custody are treated in accordance with

Geneva Convention principles. The U.S. Government has initiated a dialogue with the Government of Iraq in an effort to transfer these internees to Iraqi custody. However, Iraq currently lacks the legal authority to hold security internees outside of the judicial system. Therefore, neither MNF-I-held detainees nor MNF-I-run detention facilities can presently be transitioned to MOJ control. The Coalition continues to urge the Government of Iraq to accept transfer of security internees in a way that ensures their humane treatment. Those detainees who do not pose a serious threat to the citizenry are released as promptly as possible. (The detainee release program is described in more detail later in this report.)

Anti-Corruption Institutions and Programs

The Government of Iraq has made a public commitment to eradicate corruption and to empower anti-corruption institutions. Coalition support for this effort is focused largely on the three main anti-corruption institutions in Iraq: the Board of Supreme Audit (BSA), the Commission on Public Integrity (CPI), and the Ministerial Inspectors General (IG). Both the BSA and CPI have new constitutional status, and the CPI has become the lead Iraqi anti-corruption agency. The CPI has investigated 1,158 cases this year.

The CCCI, which has jurisdiction for public corruption cases, does not have the capacity to process all its corruption cases. There are 826 criminal cases pending or under active prosecution. Over the past 20 months, 56 officials in Iraq's ministries were either convicted or subject to arrest warrants. The fact that there is a functioning process for investigating and prosecuting corruption, and that some corrupt officials are being brought to justice, is a positive sign. However, the ability of the government to prosecute corruption cases successfully is hampered by the lack of enabling

legislation, lack of CCCI capacity, and intimidation of investigators and judges.

Obstacles to Political Progress

Since the liberation of Iraq, there have been significant successes in the development of legitimate political institutions and processes. The unfolding of the democratic electoral process over the course of 2005 was a crucial success. Despite these achievements, however, the political process has encountered obstacles.

Violence

The nature of violence in Iraq is multifaceted. Illegally armed groups that reject the political process often do so because of long-standing grievances, extremist beliefs, tribal affiliations, and/or personal vendettas. No one strategy can address every grievance. A vocal minority of Iraqis (e.g., religious extremists) fundamentally opposes the idea of a democratic Iraq. Further, some Iraqis who have joined the political process are condoning or maintaining support for violent means as a source of political leverage.

The continued violence in some areas, especially in Baghdad, hampers the formation of legitimate national institutions. In some towns and neighborhoods, local illegal armed groups are seen as the primary providers of security and basic social and essential services. With the extended delay in formation of the national government and capable ministries, these armed groups have become more entrenched, especially in some primarily Shi'a sections of Eastern Baghdad and certain Sunni neighborhoods in Western Baghdad.

Security issues (e.g., the attempted kidnapping of a deputy minister and threats to ministry personnel who work with Embassy teams) have made some ministers reluctant to have

U.S. personnel visit them. This reluctance hampers coordination between the Coalition and some ministry personnel. Internal politics (e.g., political party affiliation) is also an obstacle to progress in some ministries.

Inexperience

Some Iraqi ministers tend to focus on near-term performance, rather than on long-term capacity building. A lack of effective procedures within the ministries, such as policy development, procurement, and budgeting, was endemic to the Iraqi government under Saddam Hussein, and three years is not enough time to reverse decades of organizational incapacity. This situation should improve with time.

Lack of proper “tools,” such as information technology, finance systems, and planning capabilities, inhibit the governing of complex issues. The result is that Iraqi planning, budgeting, and execution processes are less than fully effective. IRMO is currently procuring and developing these tools, but it will take time—years rather than months—before Government of Iraq staff is able to use these tools fully and to manage the ministries to full effectiveness.

Foreign Interference

Iran and Syria undermine the Government of Iraq by providing both active and passive support to anti-government forces that tend to fuel ethno-sectarian tensions. The Coalition and the Government of Iraq have acted to counter the Iranian and Syrian influence by tightening security at the borders. However, the borders are porous, and eliminating the transfer of illegal material and foreign fighters into Iraq is a formidable challenge.

Corruption

Corruption in the ministries has further hampered their capabilities. Experienced or talented employees are often purged and replaced with party elements/cronies as a result of a spoils system. Many of Iraq’s political factions tend to view government ministries and their associated budgets as sources of power, patronage, and funding for their parties. Ministers without strong party ties often face significant pressure from the political factions, and sometimes have little control over the politically appointed and connected people serving under them. Still entrenched in the culture of the former regime, some ministry personnel are reluctant to exercise independent initiative or to take any bold action to address Iraq’s problems of corruption.

1.2 Economic Activity

The National Strategy for Victory in Iraq underscores three objectives in helping the Iraqis build their economy:

- Building the capacity of Iraqi institutions to maintain infrastructure, rejoin the international economic community, and improve the general welfare of all Iraqis
- Reforming Iraq’s economy, which has been hindered by war, dictatorship, and sanctions, so that it can be self-sustaining in the future
- Restoring Iraq’s neglected infrastructure so that it can meet an increasing demand and the needs of a growing economy

This strategy rounds out the National Development Strategy (2005-2007) of the

Government of Iraq, whose national economic objectives are:

- Strengthening the foundations of economic growth
- Revitalizing the private sector
- Improving the quality of life
- Strengthening good governance and security

Building the Iraqi Economy

The formation of a new government allowed Iraq to refocus on its economic agenda. In the second quarter, the new government affirmed its commitment to the reform program supported by the Stand-By Arrangement and is moving forward with implementation of that program. The new government maintained fiscal discipline, raised domestic fuel prices to the targeted levels in the Stand-By Arrangement, sent a fuel import liberalization law to the CoR, and increased targeted support for the poor. The Executive Board of the IMF subsequently completed its first and second review of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Although the Government of Iraq missed the March 2006 deadline for the state fuel-price increase required by the Stand-By Arrangement for refined petroleum products, on July 1, 2006, the new Government of Iraq increased prices (reducing subsidies) for regular and premium gasoline, benzene, liquefied petroleum gas (LPG), kerosene, and diesel products, thus meeting or exceeding the IMF Stand-By Arrangement-mandated price increases.

Inflation threatens the overall macroeconomic stability that Iraq has maintained since the war ended. Ongoing violence and supply disruptions are pushing prices higher. The Central Bank of Iraq (CBI) must further tighten monetary and exchange rate policy to

prevent high inflation from becoming entrenched.

Iraq continues to make progress reducing its Saddam-era debt. Iraq's debt was estimated at US\$125 billion after the war. This was almost five times the gross domestic product (GDP) in 2004, an unsustainable burden on the Iraqi economy. The historic November 2004 debt relief agreement with the Paris Club members and subsequent agreements with commercial and other official creditors, as well as some non-Paris Club creditors, are helping bring Iraq's debt to sustainable levels.

As of July 2006, all 18 Paris Club creditors except Russia had signed bilateral agreements to forgive 80% of Iraqi sovereign debt owed. Russia is expected to sign an agreement with Iraq soon. In addition, Iraq has completed its program to restructure commercial claims from commercial and other official creditors.

- Paris Club – US\$41.7 billion owed before signed bilaterals; US\$34.2 billion will be forgiven under Paris Club terms, including a future Russian agreement.
- Non-Paris Club sovereign debt – approximately US\$63 billion owed (US\$2.75 billion worth of debt relief agreed to on US\$3.3 billion worth of debt, thus far).
- Commercial and other official creditors – debt relief deals completed on US\$19.7 billion of commercial and other official debt.

As long as Iraq continues its progress on implementing the economic reforms in the IMF Stand-By Arrangement, the country will remain eligible for the final 20% of debt reduction agreed under the Paris Club terms. Sixty percent of the Government of Iraq's debt to Paris Club members has already been forgiven, and continued successful comple-

tion of the Stand-By Arrangement will qualify Iraq for a final tranche of 20% in late 2007 or early 2008. The United States forgave all of Iraq's debt (US\$4.1 billion) and is encouraging other creditors to follow this example. Debt relief from non-Paris Club creditors is expected in accordance with Paris Club terms or better, and Iraq is beginning to approach these creditors to ask for debt forgiveness. The Gulf countries hold the largest amount of Iraq's non-Paris Club debt, estimated to be US\$45 billion.

In addition to loans, Iraq owes nearly US\$32 billion in war reparations (as of May 1, 2006). These reparations are the result of claims against Saddam's regime following the Gulf War in 1991. Every year, 5% of Iraq's oil revenue goes to repayment of war reparations. As of May 2006, Iraq had paid more than US\$20 billion in reparations. The United Nations Compensation Commission, which oversees the payment of reparations, awarded US\$21.5 billion in compensation to oil companies, which lost profits and equipment during the Gulf War. Paying these reparations each year, while simultaneously attempting to rebuild its economy, places a significant strain on Iraq's limited resources.

Building the Capacity of Iraqi Institutions

The economic institutions of the new Iraqi government are still developing. On July 12, Prime Minister al-Maliki outlined his vision for economic reform to build a prosperous Iraq based on private sector activity and investment, economic diversification, and integration into the global economy. The Coalition is working with the Government of Iraq to appoint an Ambassador to the World Trade Organization (WTO) and to complete the necessary documentation to hold its first WTO Working Party. In addition, the United States continues to work with the Ministry of Finance to implement a Financial Manage-

ment Information System (FMIS) that will provide greater transparency and accountability in the government's budget and expenditure processes.

As of July 1, 2006, halfway through Iraq's fiscal year, the Government of Iraq's ministries have spent far below their planned capital budget expenditures. Iraq's new ministries do not have experience executing ministerial budgets, and lack of a modern electronic transfer system, which has hampered transferring funds in locations around the country, compounded by security problems, contributes to an under-expenditure. The Government of Iraq's continued inability to execute its budget places delivery of basic services, as well as future economic expansion, at risk, and demonstrates the need for continued joint U.S.-Iraqi capacity development efforts. IRMO will soon develop contracts to install government-wide budgeting and procurement modules to add to the FMIS, which was installed approximately two years ago; however, the Government of Iraq is just now starting to use this system. These new modules will increase the transparency of the financial system and will improve the effectiveness of in-year and forecasted budgeting. It is proposed that the Minister of Finance require all Government of Iraq financial transactions to use this enhanced FMIS system. Budgets are not effectively delegated from the Ministry of Finance (MOF) to other ministries and provinces. The procedures to enable contracts through the MOF are proving too cumbersome, and officials are not willing to risk applying perceived "incorrect procedures," as several officials have been detained with investigations pending into possible breaches of regulations. Communications between the CBI and the MOF have all but stopped; several employees at the CBI have been intimidated and have therefore failed to show up for work.

Integrating Iraq into the World Economy

The United States is working with the Government of Iraq to engage Iraq's neighbors and the international community on the future of Iraq and the stability of the region. A sustained dialogue with key international partners remains a critical element in assisting Iraq's nascent democracy. In this context, last month Prime Minister al-Maliki traveled to Saudi Arabia, Kuwait, and the United Arab Emirates to promote his national reconciliation plan and to encourage international support for Iraq.

In late July, the Government of Iraq and the UN, with the strong support of the United States, the United Kingdom, and other donor states and international financial institutions, launched an International Compact with Iraq. The International Compact will, over the next five years, bring together the international community and multilateral organizations to help Iraq achieve its national vision. The government's vision is that, five years from now, Iraq will be a united, federal, and democratic country, at peace with its neighbors and itself, well on its way to sustainable economic self-sufficiency and prosperity, and well integrated in its region and the world.

The International Compact will provide assistance to Iraq under a contractual agreement; Iraq will undertake specific economic and political reforms designed to bring it into the global economy. In return, international donors will increase their financial support for Iraq's reconstruction. Meanwhile, the Government of Iraq will continue to enact political and security measures to achieve national reconciliation and to build an economic environment conducive to sustained economic

growth. The UN now occupies its compound in Irbil, and a UN Liaison Detachment has been established in Kirkuk.

The Arab League issued a strong statement following its November 2005 "Preparatory Meeting for the National Accord Conference," calling for all Iraqi parties and Arab states to support Iraq and respect the political will of the Iraqi people. The United States welcomes the planned Arab League-sponsored Iraqi National Accord Conference (to be scheduled) as an opportunity for Iraqis inside and outside of government to discuss the many crucial issues facing their country and to support a process of national reconciliation. Since the November 2005 conference, the Arab League has opened its office in Baghdad and has appointed Mukhtar Lamani as its envoy.

Macroeconomic Indicators

Economic indicators are collected and published regularly, largely through the Iraqi Ministry of Planning and Development Cooperation and international organizations, such as the World Bank, the UN, and the IMF, although gathering accurate statistics on which to base such indicators in the present security situation in Iraq is a challenge. As outlined in the table below, projections from the IMF assume that economic growth over the medium term will remain dependent on the performance of the oil sector, as it accounts for more than two-thirds of Iraq's GDP. The outlook also assumes that the Government of Iraq's investment in the oil sector will generate increased oil production and strong GDP growth over the medium term.

GDP Estimates and Projections, 2004-2008					
	2004	2005 e	2006 p	2007 p	2008 p
Nominal GDP (In USD billion)	25.7	34.5	47.0	61.0	71.0
Government Oil Revenue (In % of GDP)	69.6	69.4	66.9	66.5	67.4
Per Capita GDP (USD)	949.0	1,237.0	1,635.0	2,060.0	2,319.0
Real GDP (% change)	46.5	3.7	4.0	14.4	12.9
Primary Fiscal Balance (In % of GDP)	-40.6	9.8	-8.1	-2.1	-0.8
Consumer Price Inflation (annual %)	32.0	32.0	30.0	17.0	10.0

Source: IMF Estimates (e) and Projections (p), July 7, 2006

Estimates of unemployment in Iraq vary widely. The UN World Food Program's 2005 estimate is 13.4%; other estimates are as high as 50%–60%. As of July 2006, the Government of Iraq Central Organization for Statistics and Information Technology (COSIT) estimated that unemployment was 18% and underemployment was 34%. The COSIT estimates were corroborated by a 2005 United States Agency for International Development (USAID) survey and recent nationwide polling. This year, the Government of Iraq budgeted to increase employment from 1.1 million to 1.9 million civil servants. State-owned enterprises are expected to add another 100,000 people to their rolls. Although this hiring will reduce unemployment, government and state-owned-enterprise employment is not a long-term panacea; for example, most state-owned enterprises are operating under capacity or are closed. The key to long-term, sustained reduction in unemployment can be achieved only through private sector-led growth. The U.S. Government is working with the Government of Iraq to develop the Iraqi private sector by reforming the banking system, providing micro-credit lending and vocational training, and enacting legislation in

such areas as privatization and investment to spur economic growth.

Using data collected in 2004, the UN World Food Program estimates that 15.4% of the surveyed population in Iraq lacks adequate food. Including both severe and moderate forms, about 25.9% of the Iraqi children examined were stunted in their physical growth, a symptom of chronic malnutrition. The lowest rate observed (14.2%) was in Sulamanyah Province, while the highest (36.5%) was in Salah ad Din Province.

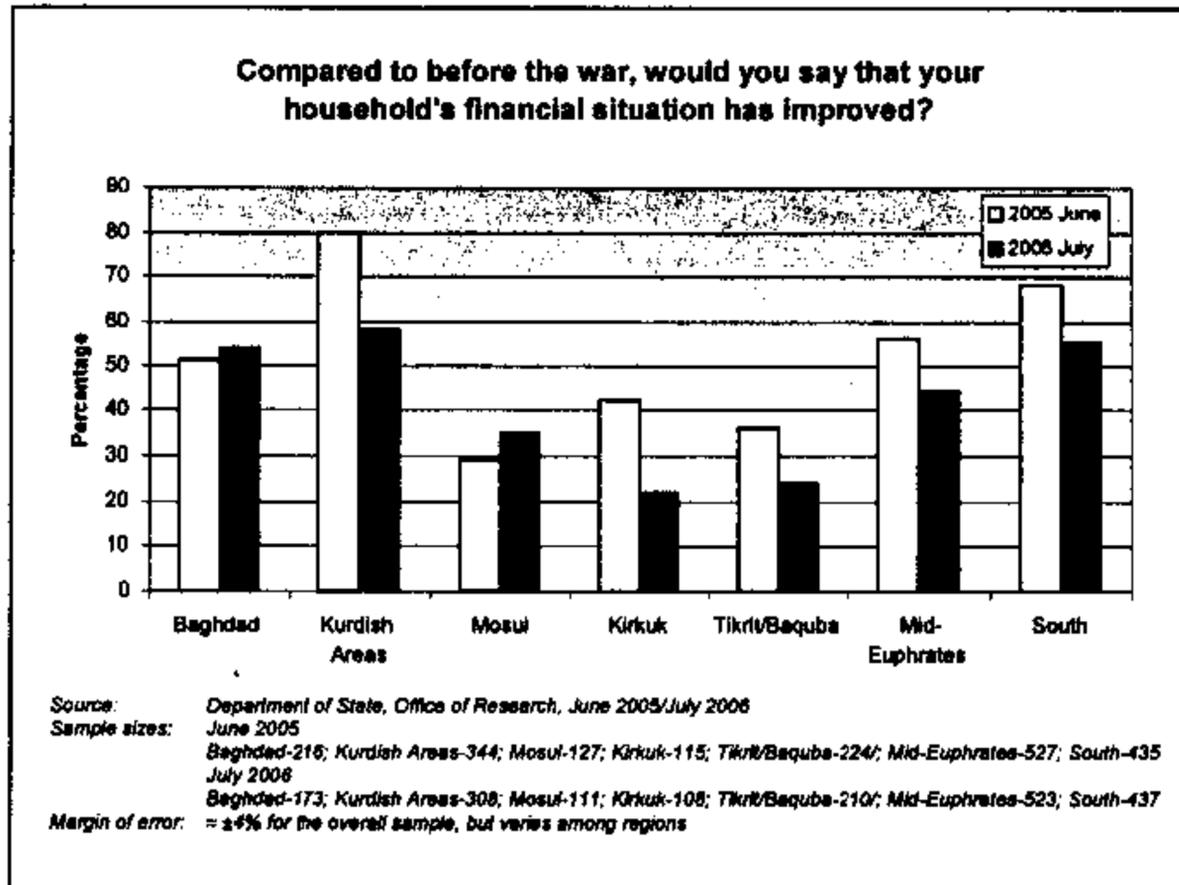
With support from USAID, the Ministries of Finance, Labor, and Social Affairs have developed a more effective social safety net for Iraq's poorest citizens. This initiative helps low-income families manage the effects of subsidy reform, using needs-adjusted cash benefits and services that help families raise themselves above the poverty level. The social safety net program is an essential step in reforming national subsidies as required by the IMF Stand-By Arrangement. The Government of Iraq is still registering eligible households in a continuing effort to reach those Iraqis most in need of help. To date, the

Government of Iraq has enrolled more than 520,000 people in the social safety net program.

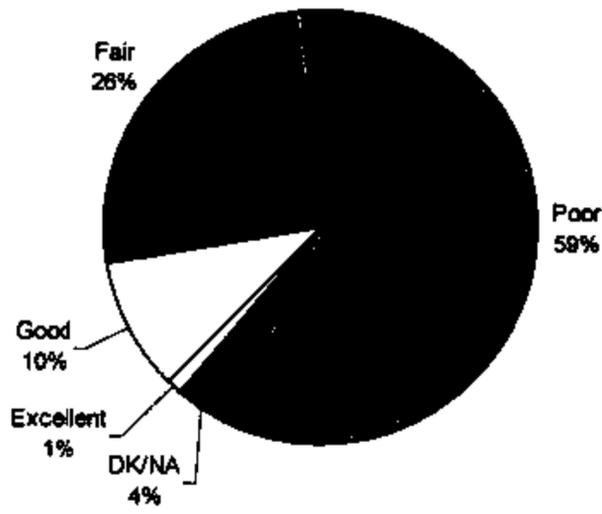
High inflation is threatening Iraq's overall macroeconomic stability. Inflation continues to be volatile, with spikes generally caused by commodity shortages and seasonal variations. The annual inflation rate from June 2005 to June 2006 was 52.5%, according to COSIT. The CBI needs to take steps to control inflation. Polling data indicate that the Iraqi public's perceptions of the household financial situation are mixed, although public

perceptions are generally more pessimistic than they were a year ago.

There is evidence that Iraqi private sector activity continues to expand. The IMF estimates that non-oil GDP growth in 2006 will be 10%. Various U.S. Government agencies are attempting to spur private sector activity with microfinance loans, bank lending to small- and medium-sized enterprises, capital market development, business skills development, vocational training, investment promotion, business center support, and creation of economic zones.

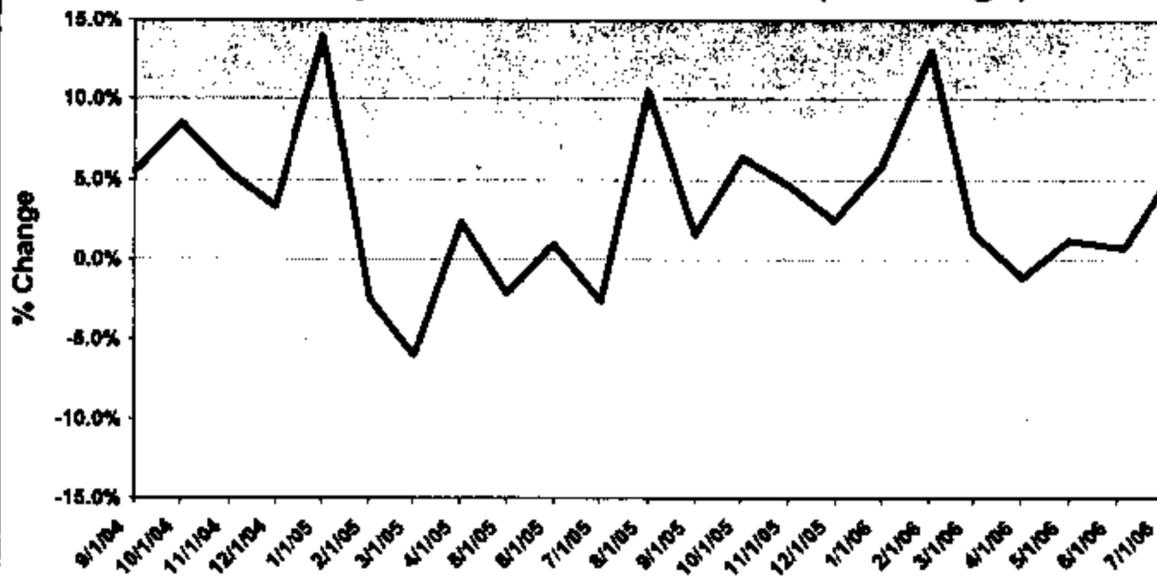


How would you rate economic conditions in Iraq today?

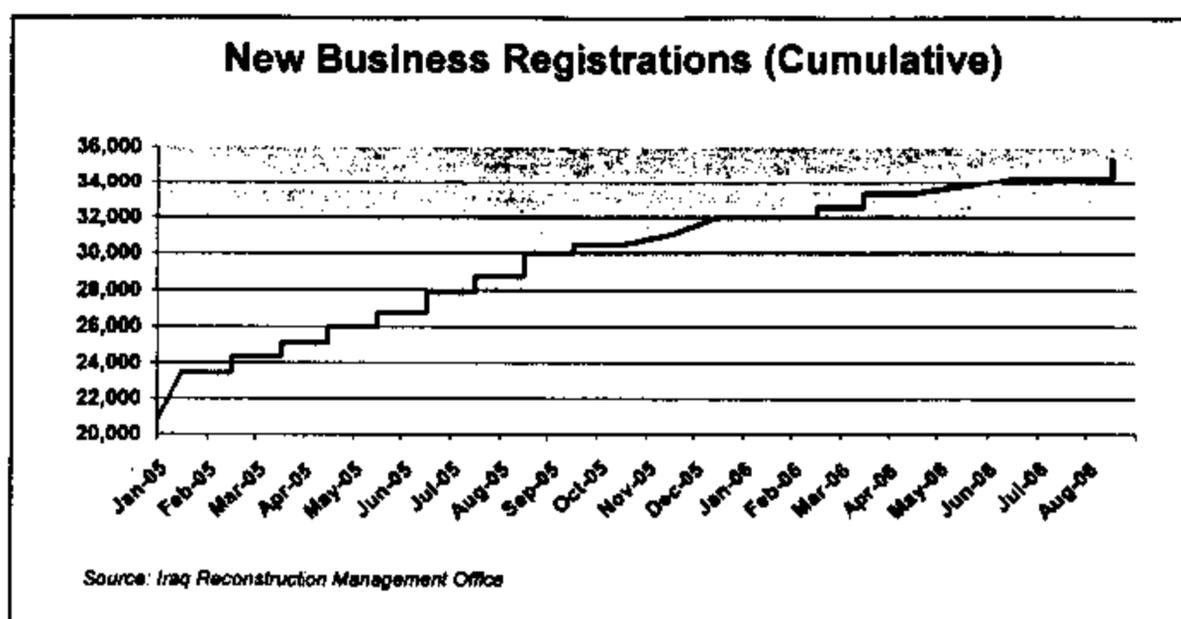


Source: Derived from International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)

Monthly Consumer Price Index (% Change)



Source: U.S. Treasury estimates



Sector Indicators

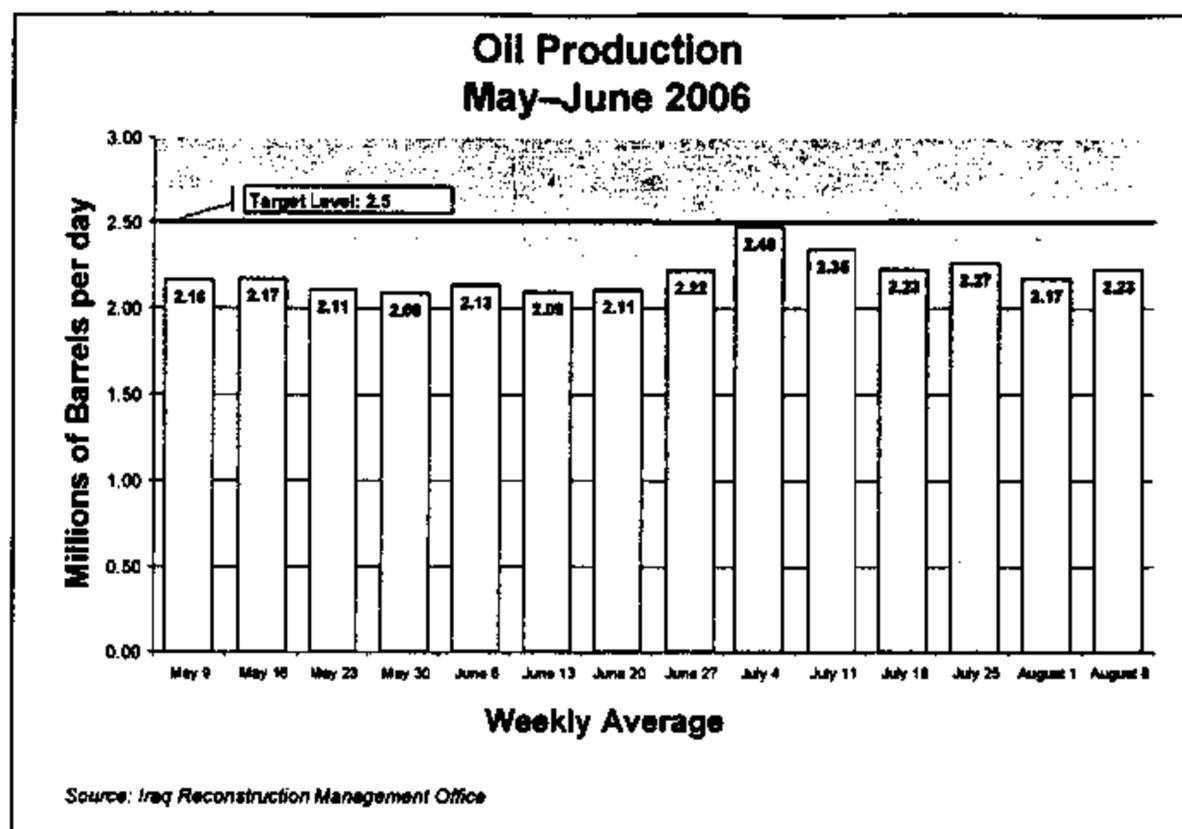
Oil Production, Distribution, and Export

When Coalition forces began Operation Iraqi Freedom, they entered a country whose energy infrastructure had deteriorated over many years. The Coalition set out to help the Government of Iraq restore oil facilities, increase production, improve refining of natural gas production, and maintain pipeline facilities. Poor maintenance, insurgent attacks, slow repair, and corruption have slowed progress. Beyond attacks on various worksites, terrorists have attacked crude export and petroleum product pipelines, impeding exports and the refining and distribution of petroleum products, such as gasoline and diesel.

Despite these challenges, crude oil production for the second quarter improved by 18% to 2.2 mbpd, and exports improved by 20% to 1.6 mbpd. Nevertheless, oil production and exports still fell short of the Government of Iraq's goals (2.5 mbpd and 2.0 mbpd, respectively). Due to a combination of increased exports and higher prices for crude, oil revenues improved in the second quarter, and will reach budgeted targets by August 2006.

During the past quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005, though on a very small scale. Exports are expected to increase once three major crude pipelines from Kirkuk, including a new 40-inch line, are put in service in September 2006.

Demand remains essentially unchecked for state-subsidized refined petroleum products. The Government of Iraq announced reductions in fuel subsidies on June 21, 2006; on July 1, 2006, in accordance with the Stand-By Arrangement, these subsidies started being phased in at government-run stations. In June 2006, the government increased prices for fuel sold through official outlets, in accordance with its commitments under its IMF reform program to decrease fuel subsidies. Regular gasoline (85 octane) in Iraq is currently regulated at about US\$0.55 per gallon, while premium gasoline (92 octane) is regulated at about US\$0.90 per gallon. The premium gasoline price is at the IMF target price. These prices are roughly equivalent to the pump prices in Kuwait and Saudi Arabia, but substantially less than in Turkey, where gasoline is heavily taxed. This disconnect between supply and demand leads to black market activities and corruption. Efforts are



under way to encourage the Government of Iraq to adopt legislation allowing private imports of premium fuels at market prices. This legislation should allow the refined fuel market to clear and help ease the frequent shortages. It should also help reduce the rampant crime and corruption associated with the current fuel production and distribution process.

The Bayji refinery in northern Iraq is a critical element in Iraq's national oil infrastructure. Built in the 1980s, the Bayji refinery is Iraq's largest and newest refinery. This refinery typifies many of the challenges Iraq faces as it attempts to modernize its aging infrastructure and increase its oil exports. Bayji has a nominal production capacity of 310,000 barrels per day. However, since May 2006, the refinery has not produced more than 170,000 barrels per day, and recent production has been as low as 7,500 barrels per day. Four primary factors have limited production at the Bayji refinery: maintenance issues with key components in the refinery, an inefficient refining

process, an unreliable flow of crude oil into the refinery, and security threats to personnel.

Maintaining the refinery's outdated equipment is a challenge. Two of the refinery's three plants have been shut down since May 2006 due to mechanical breakdowns, scheduled maintenance, power outages, and fires. One power outage damaged the refinery's US\$20 million hydrocracker, a critical piece of equipment used to convert heavy fuel oil to usable products.

A second factor limiting production at Bayji is inefficiency in its refining process. For every two barrels of crude oil brought into the refinery, Bayji produces about one barrel of usable product, for an efficiency rate of about 50%; modern refineries can have efficiencies of 90% or higher. The result of the inefficient refining process is a large amount of heavy fuel oil (HFO) byproduct. Bayji does not have adequate facilities to refine further, store, or dispose of this byproduct; the excess HFO thus interferes with production and storage of usable products.

Production at Bayji is also affected by the interrupted flow of crude oil into the refinery from Kirkuk through three key pipelines. The flow has been periodically halted by corrosion, fires, maintenance, and attacks, all of which serve to hamper production of refined products and crude oil for export. Construction of a new 40-inch line is scheduled to be completed in September 2006.

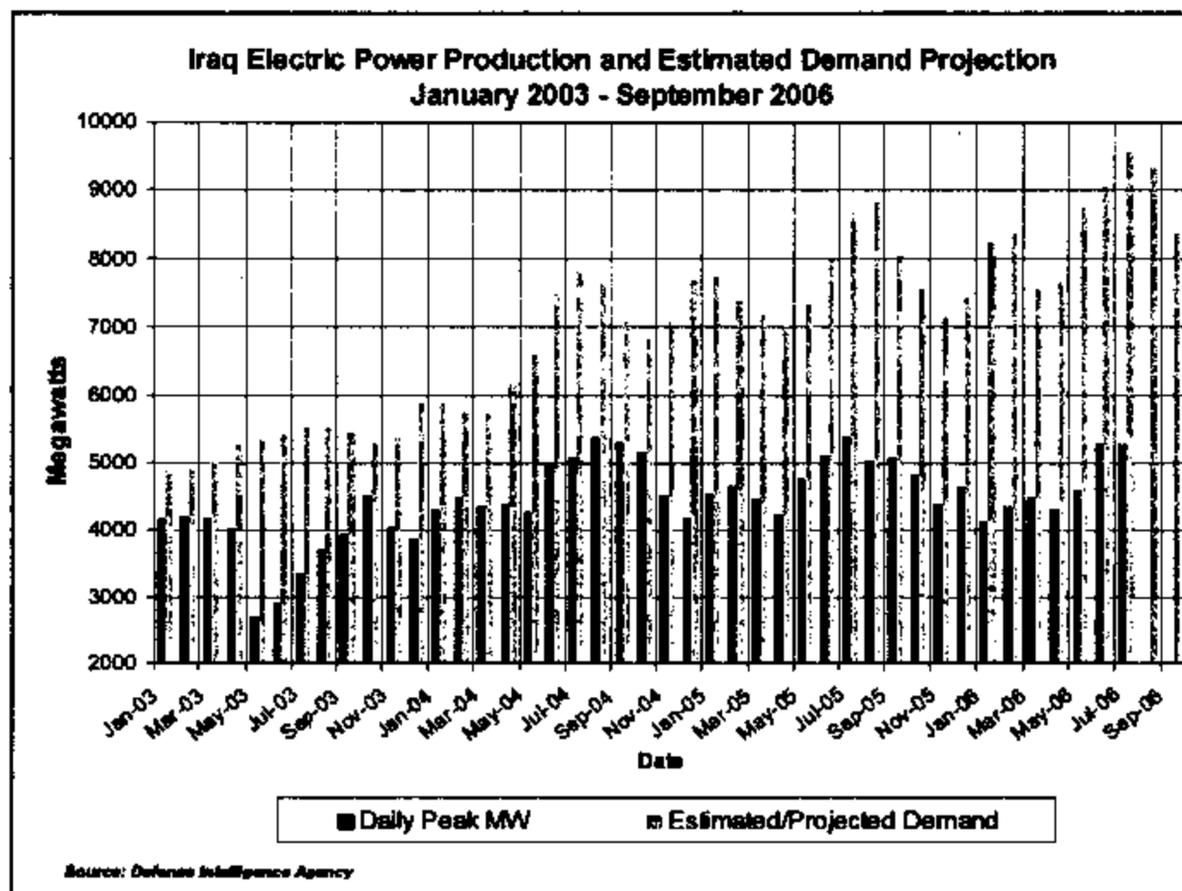
Electricity Production and Distribution

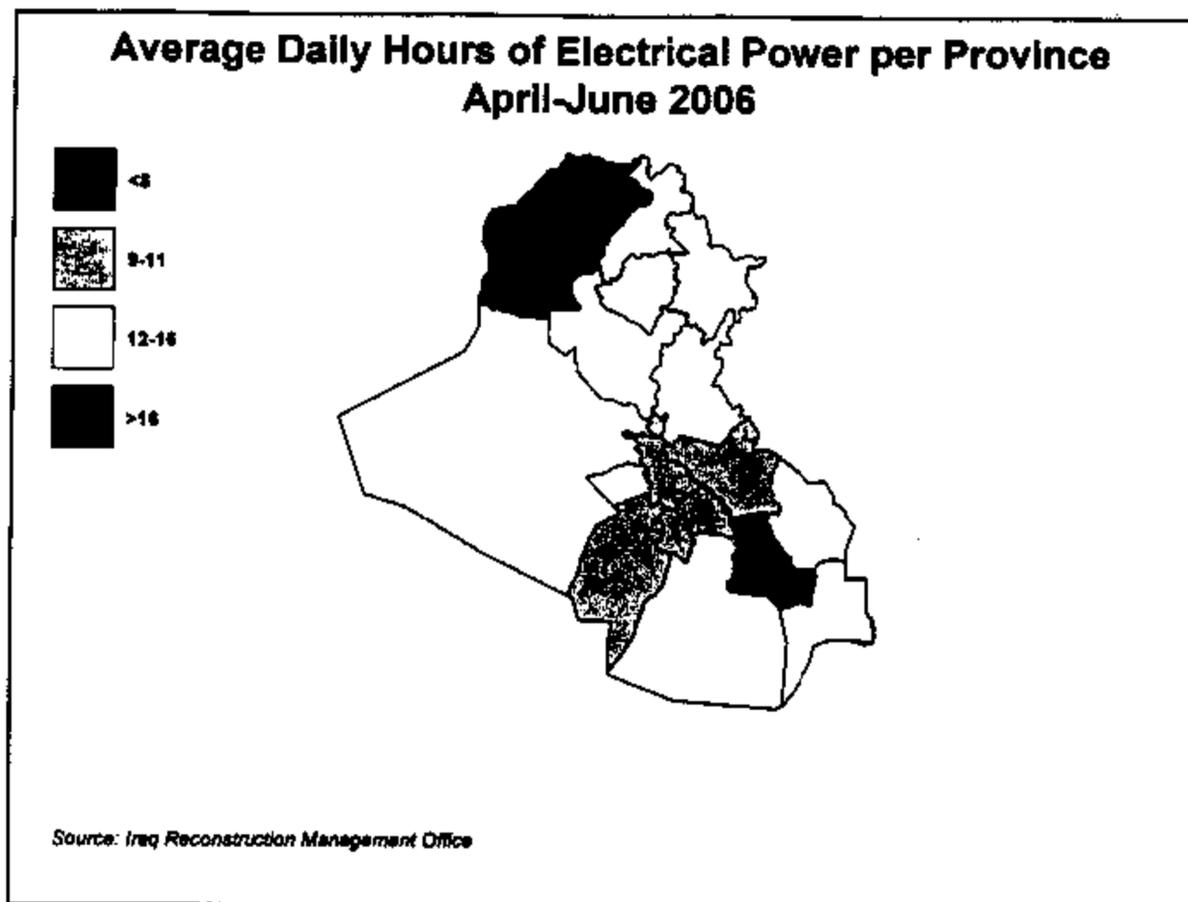
The electrical generation and distribution system in Iraq suffers from unscheduled downtime due to the fragile condition of the electric grid, sabotage, and poor maintenance practices. In addition, shortfalls in petroleum production and distribution lead to occasional fuel shortages for electric generators.

Despite problems, peak capacity and hours of power continue to improve. During this reporting period, peak generating output was 5,283 MW on July 17, 2006, with an average peak generating output of 4,573 MW over the

period. This is an improvement of 15.8% over the previous reporting period. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter. Baghdad averaged 8 hours of power per day, twice what it had averaged six months earlier.

As Iraqis purchase additional electric appliances, demand for electricity continues to increase. Estimated demand over the 30-day period ending July 15, 2006, was 8,928 MW. To date in 2006, the highest daily peak supply was 5,283 MW, 2% below the 2005 peak of 5,389 MW. With all state-owned generators running, theoretical maximum output is 8,551 MW, or 96% of this estimated new demand. However, that level of output has not been achieved, nor could it be sustained if it were achieved. The Government of Iraq's goal for average peak generating output by the end of December 2006 is 6,000 MW per day. During times when state-generated electricity is not available, many Iraqis meet their electricity requirements through private





generators. Electricity usage in Iraq appears to be in accordance with or less than regional norms. Nonetheless, the data support the contention that the current connected capacity is not sufficient to support a growing economy.

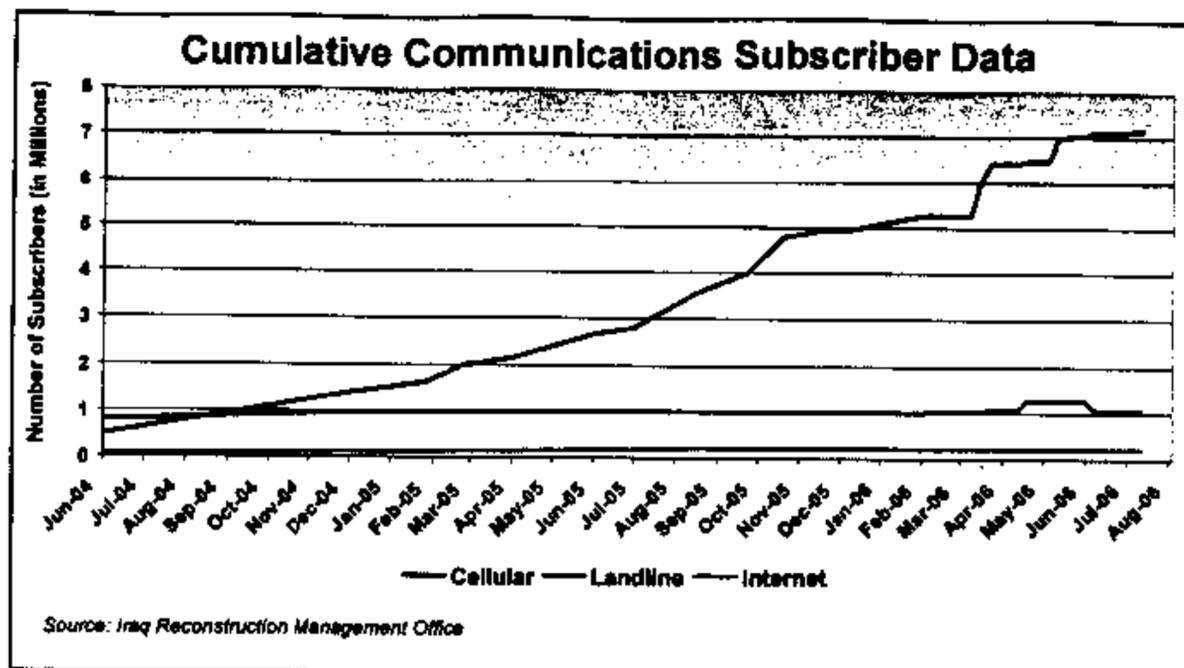
The subsidized state distribution rate affects electricity demand, and current electricity rates are nominal, well below regional averages. In addition, not all Iraqis pay for their state-supplied electricity. About 70% of homes have meters and are billed. Of those, about 70% pay their electric bills. The rate billed is equivalent to US\$.002/kwh. Owners of private neighborhood generators bill their customers at a rate about 40 times higher, around US\$.08/kwh.

Communications

The communications sector continues to expand, although this expansion is slowing down in comparison with its explosive growth immediately after the fall of the previous regime. Whereas the number of landline sub-

scribers is relatively stable, the three major cell phone companies continue to enroll subscribers. IRMO reports that, as of July 25, 2006, there were 7.1 million cellular telephone subscribers and 1 million landline connections. This reflects an increase in cellular subscribers since the last report. The number of cellular telephone subscribers has doubled over the last nine months. The state-owned Internet service provider (ISP) currently serves 197,310 subscribers, a slight decrease since May 2006. This figure excludes private ISPs and public Internet cafes. It is unknown whether expansions of private sector ISPs drew customers from the state-owned service.

U.S. Government projects continue to support improved communications among Iraqi ministries. Thirty-five of 42 government sites in Baghdad, the CBI, and two state-owned banks are now connected via the wireless broadband network. The U.S. Government continues to train Iraqi telecommunications engineers on proper operations and maintenance procedures to maintain and broaden this network.



Water

New projects have “added capacity to provide an estimated 4.2 million people with access to potable water—an increase of 1.2 million people since the May 2006 report—but direct measurement of water actually delivered to Iraqis is not available.”¹ Additional projects currently under way should increase infrastructure capacity to provide access to clean water to as many as 5 million more people.

Obstacles to Progress

There is significant black market activity in Iraq, much of it in oil products. Although crude oil can be sold on the black market, refined product requires less handling, can be sold almost anywhere, and is more difficult to trace, thereby making it more profitable. Much of the black market and corruption activity centers on refined products, such as gasoline, benzene, LPG, and diesel.

Although the increases in the official prices have reduced the economic incentive to smuggle fuel, smuggling fuel for resale inside

and outside the country remains a serious issue. Turkey, where high taxes keep gasoline priced near US\$5 a gallon, is a lucrative target for smugglers. However, a significant portion of illegal trade results in constraining the supply of gasoline in Baghdad, giving motorists few alternatives to purchasing black market fuel at increased prices. Some pipeline interdictions are due to insurgent attacks, while some are botched attempts to steal fuel by tapping into a flowing product line. Other incidents include deliberate acts of sabotage intended to manipulate the fuel supply to spur increased profits for black marketeers and corrupt officials.

Black market prices for fuel vary by refined fuel type: Benzene typically sells for 3–5 times the government established price, while LPG has recently been selling for 10–20 times the official price. This gap between the official price and the black market price provides a strong incentive for corruption. The U.S. Embassy has engaged the Government of Iraq to follow through on their stated commitment to encourage liberalization of the retail fuel market through enactment of the Fuel Import Liberalization Law being considered by the CoR. This reform will allow the private sector to import fuel and sell it at

¹ Special Inspector General Iraq Reconstruction (SIGIR) report, 30 April 06, <http://www.sigir.mil>.

market prices. This step is viewed with controversy in Iraq. Economists predict that private sector retail vendors of petroleum products would undercut the illegal market, thus driving them out of business once the Government of Iraq passes the import liberalization law.

1.3 The Security Environment

Defeating the enemy, breaking the cycle of violence, promoting reconciliation, and transitioning security responsibility to the Government of Iraq remain the top goals in the security track. To achieve these goals, the United States, its Coalition partners, and the Government of Iraq are focused on objectives that include:

- neutralizing enemy effectiveness, influence, and ability to intimidate;
- rapidly reducing sectarian violence and eliminating death squads;
- increasing the capacity of the Government of Iraq and its security structures and forces to provide national security and public order; and
- helping Iraq strengthen rule of law capabilities in the areas of law enforcement, justice, and the corrections system.

Indicators of the security environment include:

- composition, strength, and support for groups that threaten security and stability: anti-government and anti-Coalition forces (the "enemy");
- activity, support, and efforts to disband, disarm, and reintegrate militias;
- attack trends (including the number of attacks and their effectiveness);
- levels of sectarian violence;

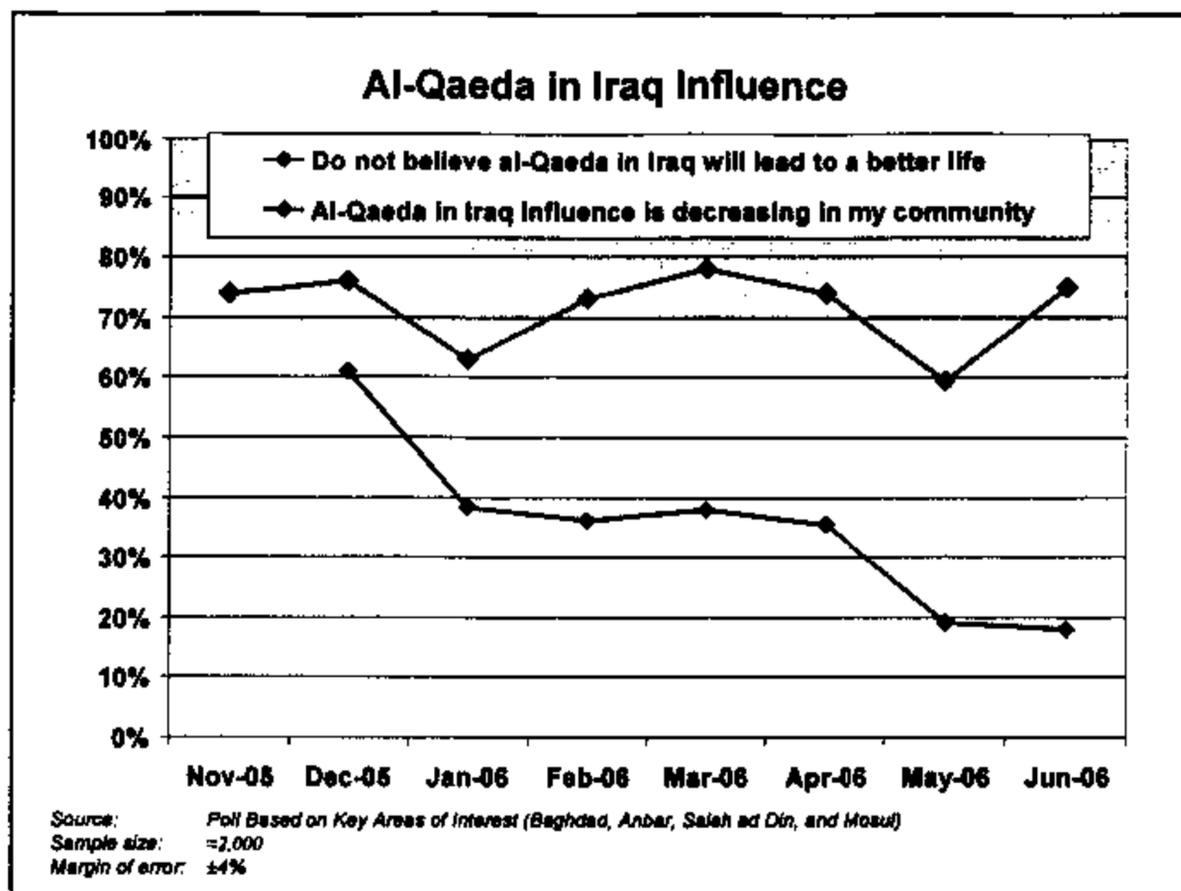
- Iraqi public perceptions of security and security institutions; and
- capabilities of the ISF and Iraqi institutions.

Information about the ISF is presented later in this report.

Overall Assessment of the Security Environment

During this reporting period, attacks and civilian casualties have risen, characterized by ethno-sectarian attacks and reprisals. Violence escalated notably in Baghdad, which, as the political, population, and media center of the country, is a high-value target for terrorists. Violence in Basrah also rose, partly in response to British actions against the JAM. The death of terrorist Abu Musab al-Zarqawi in June was a major success for the Coalition and the Government of Iraq, but al-Qaeda in Iraq remains able to conduct operations due to its resilient, semi-autonomous cellular structure of command and control. Terrorists have failed to advance their primary objectives, which include derailing Iraq's political process and widening their political support among the Iraqi people. The Iraqi Army took the lead in more counter-insurgency operations and assumed security responsibility in more areas since the last report. The Iraqi people continue to express confidence in the Iraqi Army to provide for their security and to reject al-Qaeda in Iraq's vision of Iraq's future, but they are increasingly turning to militias and neighborhood watch groups to provide security from sectarian violence.

Overall attack levels are higher than last quarter. In particular, attacks have increased in southwestern Diyala Province and in the cities of Mosul and Kirkuk. Extremists seeking to stoke ethno-sectarian strife have increasingly focused their efforts on civilians, inciting a cycle of retribution killings and



driving civilian casualties to new highs. Much of this violence is focused on Baghdad, as terrorists, insurgents, and illegal armed groups recognized the political and economic significance of the capital city. As described below, the Government of Iraq and the Coalition are taking significant steps to reverse the upward trend of violence in Baghdad.

Recent Developments in the Security Environment

Rising sectarian strife defines the emerging nature of violence in mid-2006. Since the last report, the core conflict in Iraq changed into a struggle between Sunni and Shi'a extremists seeking to control key areas in Baghdad, create or protect sectarian enclaves, divert economic resources, and impose their own respective political and religious agendas. Death squads and terrorists are locked in mutually reinforcing cycles of sectarian strife, with Sunni and Shi'a extremists each portraying themselves as the defenders of their

respective sectarian groups. However, the Sunni Arab insurgency remains potent and viable, although its visibility has been overshadowed by the increase in sectarian violence.

On June 14, 2006, Iraqi Prime Minister al-Maliki announced the government's plan to provide improved security conditions in Baghdad. Operation Together Forward, or *Amaliya Ma'an ila Al-Amam* in Arabic, consists of increased checkpoints, curfews, and enforced weapons bans to reduce sectarian violence in focused areas within Baghdad. Security forces are also conducting raids against terrorist cells and death squads. As part of this operation, Iraqi police, the Iraqi Army, and National Police, supported by Coalition forces, increased patrols and checkpoints in all areas of Baghdad, while concentrating on areas of the city that have witnessed increases in violence and sectarian killings. Security forces also worked to block terrorist entry into the capital city.

The confluence of high attack levels—many targeting civilians—and the increased sectarian violence, combined with the need to ensure that the Government of Iraq maintains momentum in political progress and counter-insurgency, made Baghdad security a decisive element in the campaign. Given the complexity of the security situation in Baghdad, the Iraqi government planned to execute and complete *Amaliya Ma'an ila Al-Amam* over a period of months, not weeks. After the first month of *Amaliya Ma'an ila Al-Amam*, the operation had arrested but had not reversed the high attack levels seen in May and June. The average of 23.7 attacks per day across Baghdad's 10 districts was virtually unchanged from the 23.8 average daily attacks that occurred the month prior to the operation. Moreover, the rate of sectarian-motivated murders and execution-style killings continued to rise, primarily in and around Baghdad.

In July, during the prime minister's first visit to the United States, Prime Minister al-Maliki and President Bush announced an adjustment to the Baghdad Security Plan. One of the key changes is an increase in security force levels in the city. Elements of the Call Forward Force were brought forward from Kuwait and other Coalition and Iraqi units were repositioned from less active areas of the country. In addition, the Secretary of Defense extended the 172nd Stryker Brigade Combat Team's deployment in Iraq for up to 120 days. Because the 172nd was largely successful in working with the ISF to improve security in northern Iraq, it has been repositioned into Baghdad.

In addition to increasing force levels in Baghdad, the Coalition and the Government of Iraq developed and refined tactics, techniques, and procedures designed to reduce the sectarian killings. A primary focus is eliminating the death squads responsible for the

predominance of the execution-style killings and other murders in the city. The death squads have fomented sectarian violence, as killings prompt further killings of revenge. Coalition forces and the ISF are also targeting the death squads and other illegal armed groups using checkpoints, patrols, driving bans, curfews, weapons-law enforcement, intelligence-driven operations, and other methods. The ISF will rely on their training, experience, and familiarity with Baghdad's milieu to focus on neighborhoods with the highest levels of violence. Coalition forces remain in a supporting role and will be employed as requested by Prime Minister al-Maliki and directed by the MNF-I commanding general.

The two primary objectives of the security operations in Baghdad are rapidly reducing sectarian violence by de-legitimizing the illegally armed groups and establishing the ISF as the dominant security presence. The changes described above represent a concerted, focused effort by the Coalition and the Government of Iraq. By strengthening the capacity of the Government of Iraq and spurring economic growth in Baghdad, the United States will help the Government of Iraq succeed in protecting its population and restoring the confidence of the Iraqi people in their future.

The Nature of the Conflict

Violence in Baghdad is the most prominent feature of the conflict in Iraq in this period, as Sunni and Shi'a extremist death squads pursue their sectarian agendas. The resulting violence overwhelmingly targets civilians, causing segments of the populace to tolerate or even endorse extremist actions on their behalf as an effective means to guarantee their safety, undermining both the Government of Iraq's ability to deliver security and its pursuit of a reconciliation program. Although

Baghdad remains the focus for sectarian and terrorist violence in Iraq, violence tied to the Rejectionist insurgency, terrorist intimidation, political and tribal tensions, and criminality continue in other regions. Sectarian violence is gradually spreading north into Diyala Province and Kirkuk as Sunni, Shi'a, and Kurdish groups compete for provincial influence. Conflict in Anbar Province remains centered on the Sunni insurgency. Although al-Qaeda in Iraq continues its intimidation to coerce passive Sunni support, tribes are pushing back to eject al-Qaeda in Iraq and re-establish their dominant role. In the southern, predominantly Shi'a region of the country, political and tribal rivalries are a growing motive behind violence, particularly in Basrah, with limited anti-Coalition forces attacks likely undertaken by rogue Shi'a militia with Iranian support.

The Enemy

Violence against the Iraqi people and Coalition forces is committed generally by a combination of both Sunni and Shi'a groups, who are overwhelmingly Iraqi but with a small yet significant component of foreign suicide operatives. Sunni groups include Rejectionists—many of whom were members of, or associated with, the former regime—and terrorists groups, including al-Qaeda in Iraq, Ansar al Sunnah (AS), and other smaller groups. Shi'a groups include elements of militias and illegal armed groups, many of whom receive Iranian support. The threat posed by Shi'a illegal armed groups, filling perceived and actual security vacuums, is growing and represents a significant challenge for the Iraqi government. The appearance and activity of death squads is a growing aspect of the violence in Iraq, with both Sunni and Shi'a death squads adding to the violence by targeting civilians and inciting reprisal. Al-Qaeda in Iraq and elements of JAM (nominally under the control of Muqtada

al-Sadr) are among most prominent groups engaging in a continuing pattern of attacks and reprisals against individuals or communities representing the other's sectarian affiliation. Thus, the violence in Iraq cannot be categorized as the result of a single organized or unified opposition or insurgency; the security situation is currently at its most complex state since the initiation of Operation Iraqi Freedom. Similarly, Iraqi or Coalition security strategies must be tailored for the different objectives, methods, and support structures of each particular threat.

Terrorists and Foreign Fighters

Al-Qaeda in Iraq and its affiliates in the Mujahadeen Shura Council consist of both foreigners and Iraqis motivated by an extremist Sunni Islamist ideology, which rejects the West, attacks moderate Islam, and seeks to establish an Islamic Caliphate in Iraq. AS is another significant, mostly indigenous terrorist group that objects to al-Qaeda in Iraq's wanton targeting of Muslim Iraqis. Foreign fighters continue to enter Iraq and constitute the majority of those conducting suicide attacks. Sunni extremists continue their efforts to force Coalition withdrawal, perpetuate sectarian violence, and make Iraq ungovernable as a means of establishing the Caliphate. The death of Abu Musab al-Zarqawi has dealt a significant blow to al-Qaeda in Iraq, though the cellular nature of its robust network allowed decentralized operations to continue. Since then, al-Qaeda in Iraq has fomented sectarian violence through high-profile attacks against Shi'a civilians and is engaged in a cycle of retaliatory violence involving elements of JAM. Al-Qaeda in Iraq recently announced that its "Umar Brigade" that would begin targeting JAM in retaliation for death squad activities in an effort to portray al-Qaeda in Iraq as a protector of the Sunni. Additionally, al-Qaeda in Iraq leadership is increasing convergent with al-Qaeda

senior leaders on goals and strategy following Zarqawi's death. The recent statement from Usama bin Laden on June 30, 2006, in which he addresses the Iraqi "jihadists," frames the conflict in terms of attacking those who support the Government of Iraq. He also warns Shi'a in "southern Iraq" that they are not safe, if they continue to support Coalition operations against Sunni urban centers in Anbar Province. This is a clear attempt to recast al-Qaeda in Iraq as the most effective defender of Sunni interests.

Sunni Rejectionists

Sunni Rejectionists use violence and coercion in an attempt to force withdrawal of Coalition forces, prevent Shi'a economic and territorial dominance, and reverse Sunni political marginalization by regaining a privileged or protected status within a unified Iraq. The 1920s Revolutionary Brigade is the most prominent of these Rejectionist groups. Sunni Rejectionists continue to target Coalition forces at rates higher than Sunni extremist or Shi'a militia groups. The bulk of the Rejectionist insurgency will likely continue to attack Coalition forces while they remain in Iraq. Some elements are indicating an interest in Prime Minister al-Maliki's new reconciliation effort, while still employing violence against the Coalition forces and the ISF from a sense of honor and as a means to force meaningful political accommodation. Moderates say they will accept reconciliation inducements and disarm only after death squads are eliminated; Shi'a militias are disarmed; and key security, amnesty, and political demands are met. Other hard-line elements of Rejectionist groups provide professional military skills to al-Qaeda in Iraq and other extremists to achieve common tactical objectives. Other Rejectionists, including some in Anbar and Baghdad, are weary of al-Qaeda in Iraq's violent intima-

tion tactics and actively oppose al-Qaeda in Iraq, sometimes mounting their own anti-al-Qaeda in Iraq attacks and raids.

Death Squads

Death squads are armed groups that conduct extra-judicial killings. Death squads are formed from terrorists, militias, illegal armed groups, and—in some cases—rogue elements of the ISF. Both Shi'a and Sunni death squads are active in Iraq, and are responsible for the most significant increases in sectarian violence. Death squads predominantly target civilians, and the increase in death squad activity is directly correlated with the increase of civilian casualties. Coalition forces and the ISF are actively targeting elements that participate in death squad activity.

Militias and Other Armed Groups

Militias and small, illegally armed groups operate openly and often with popular support. This is especially true in areas where the Government of Iraq is perceived as unable to provide effective social and security services for the population. Militias—whether legal or illegal—provide an element of protection for select portions of the populace, usually on an ethno-sectarian basis, resulting in, overall, a more dangerous environment for the Iraqi community. Some militias also act as the security arm of organizations devoted to social relief and welfare, lending these armed groups further legitimacy. Whether operating within or outside the law, these armed groups operate separately from formal public safety structures. Their continued existence challenges the legitimacy of the constitutional government and provides a conduit for foreign interference. An effective disarmament, demobilization, and reintegration program is essential to meeting near- and long-term security requirements for Iraq.

Although a number of militias and illegal armed groups have operated in Iraq since before the liberation, the groups that are affecting the current security situation the most are the Badr Organization and JAM.

The Badr Organization is an authorized militia under the Iraqi Transitional Administrative Law that pre-dated the present Constitution, and the organization actively participates in the Iraqi government. The Badr Organization has not engaged in active violence against Coalition forces or the Government of Iraq; it attacks Sunni targets and in the past has also confronted JAM in an effort to prevent its expansion of power and influence among the Shi'a. The Badr Organization receives financial and materiel support from Iran, and individuals from Badr have been implicated in death squads.

JAM is not a legal militia under Iraqi law. However, it is well known and supported popularly in Baghdad and the southern provinces of Iraq, and has achieved a measure of tolerance from elements of the Government of Iraq. JAM is closely associated with the Office of the Martyr Sadr and is nominally responsive to his direction. Most, but not all, JAM elements are following Sadr's order not to engage Coalition forces or the ISF except in self-defense. Still, violence between JAM, the Iraqi Army, and to a lesser extent Coalition forces, is frequent. Rogue JAM elements are among the main perpetrators of sectarian violence, and JAM members frequently participate in death squad activities. As described above, JAM and Badr Organization members have periodically attacked one another in the past and are political rivals, but intra-Shi'a conflict has taken a back seat to the ongoing battle of violence and revenge between al-Qaeda in Iraq and elements of JAM. Like Badr, JAM receives logistical support from Iran.

The *Peshmerga* are, technically, not a militia, but have the status of an authorized armed force. The *Peshmerga* maintain security independently within and along the borders for the Kurdish Regional Government. Some elements are integrated into the IPS. The *Peshmerga* predominantly operate in Kurdish regions, but have also been employed in the private security company role outside of Kurdistan. The *Peshmerga* do not attack or oppose Coalition forces or the ISF. In some cases, *Peshmerga* provide security for Coalition reconstruction efforts. Over the long term, however, the perceived dual allegiance of the *Peshmerga* is potentially inconsistent with effective national security and governance.

Unlike the Kurdish and Shi'a militia groups, Sunni Arabs do not have formally organized militias, but rely on neighborhood watches, Rejectionists, and, increasingly, al-Qaeda in Iraq. The presence of *Peshmerga*, Badr Organization, and JAM individuals in the IPS and the National Police contributes to Sunni concerns about the potential for persecution and partisanship. The rise of sectarian attacks is driving some Sunni and Shi'a civilians in Baghdad and the mixed-ethnic provinces to support militias. Such support is likely to continue in areas where Iraqi institutions and forces are perceived as unable to provide essential services or meet security requirements.

Criminals

Without an apparent political motive, conventional criminal elements are also capitalizing on the instability in Iraq, although it is increasingly difficult to distinguish among activities conducted by criminal, insurgent, and terrorist groups, as all are engaged in kidnappings, extortion, assaults, and other illegal behavior. In some cases, criminal

gangs work with terrorist organizations, with the former abducting hostages and selling them to the latter, which can use their captives for publicity or to obtain ransom. The various groups involved in illicit activity are doing so to generate revenue, expand their influence, and facilitate further criminal, terrorist, or insurgent operations.

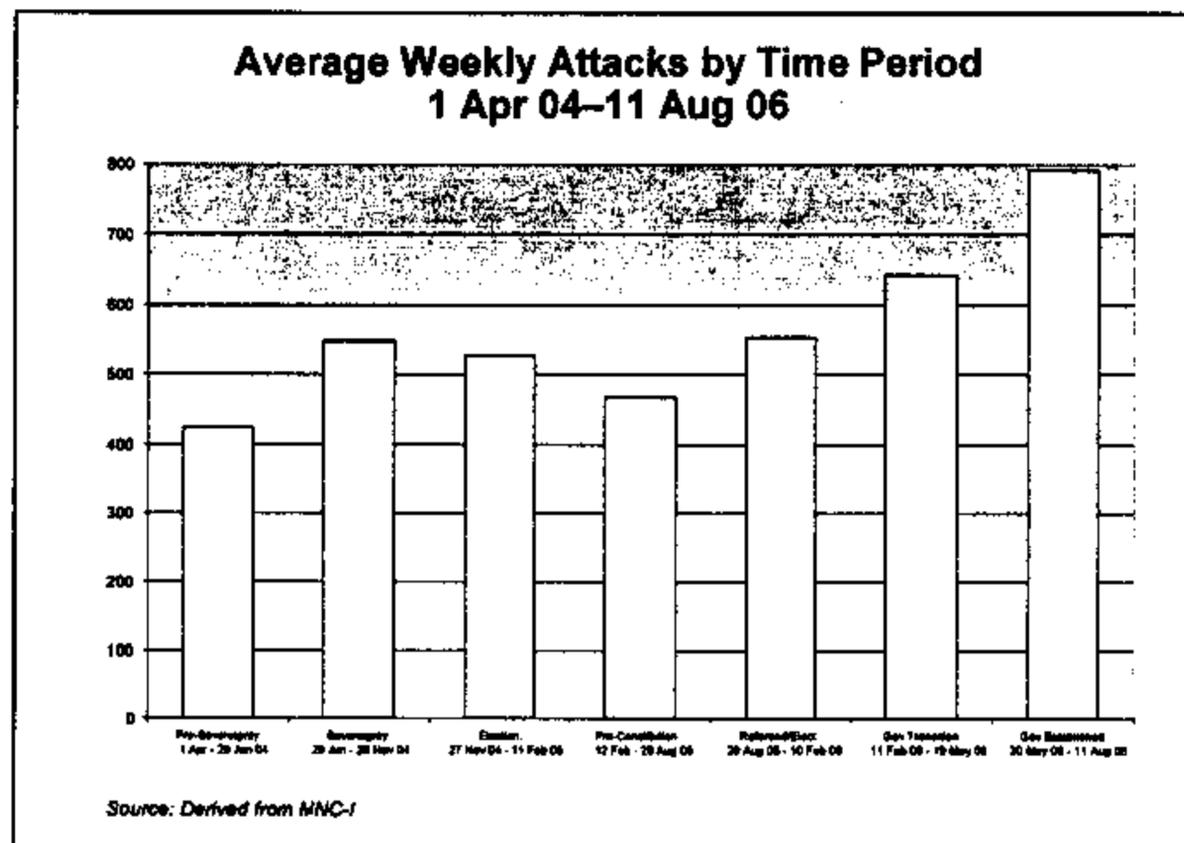
Attack Trends and Violence

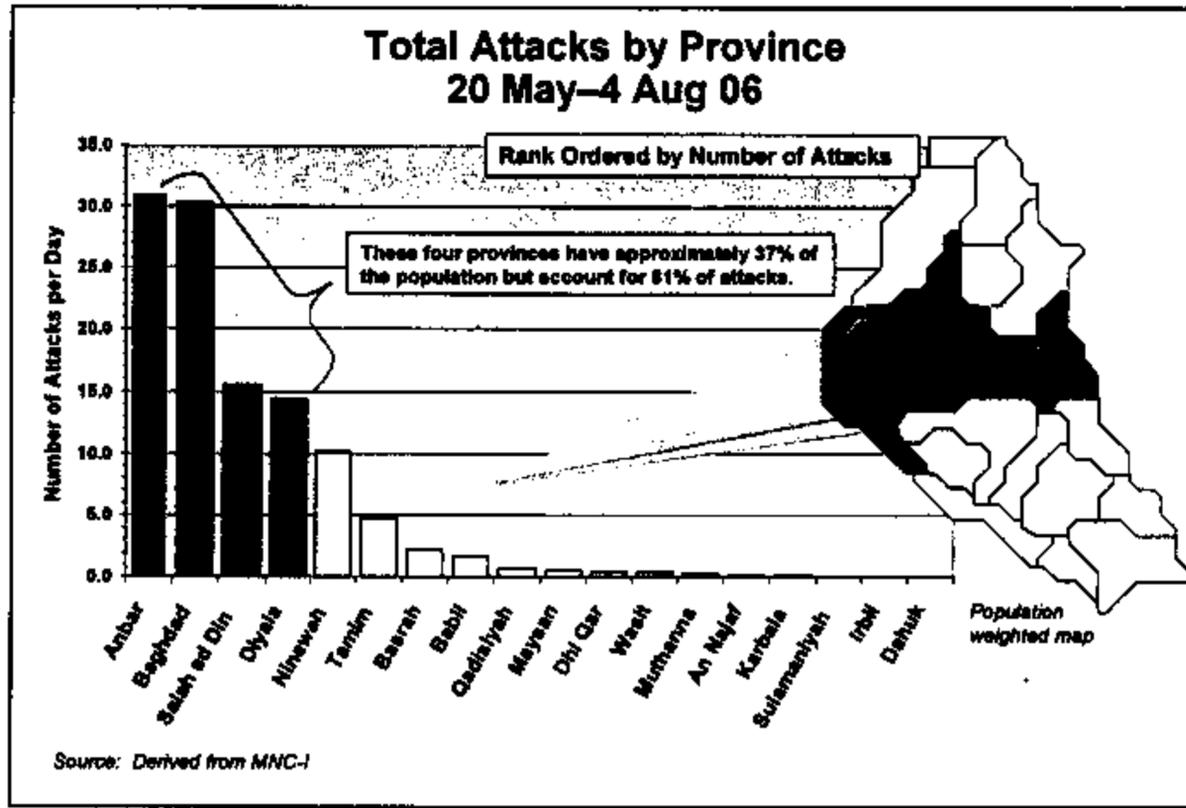
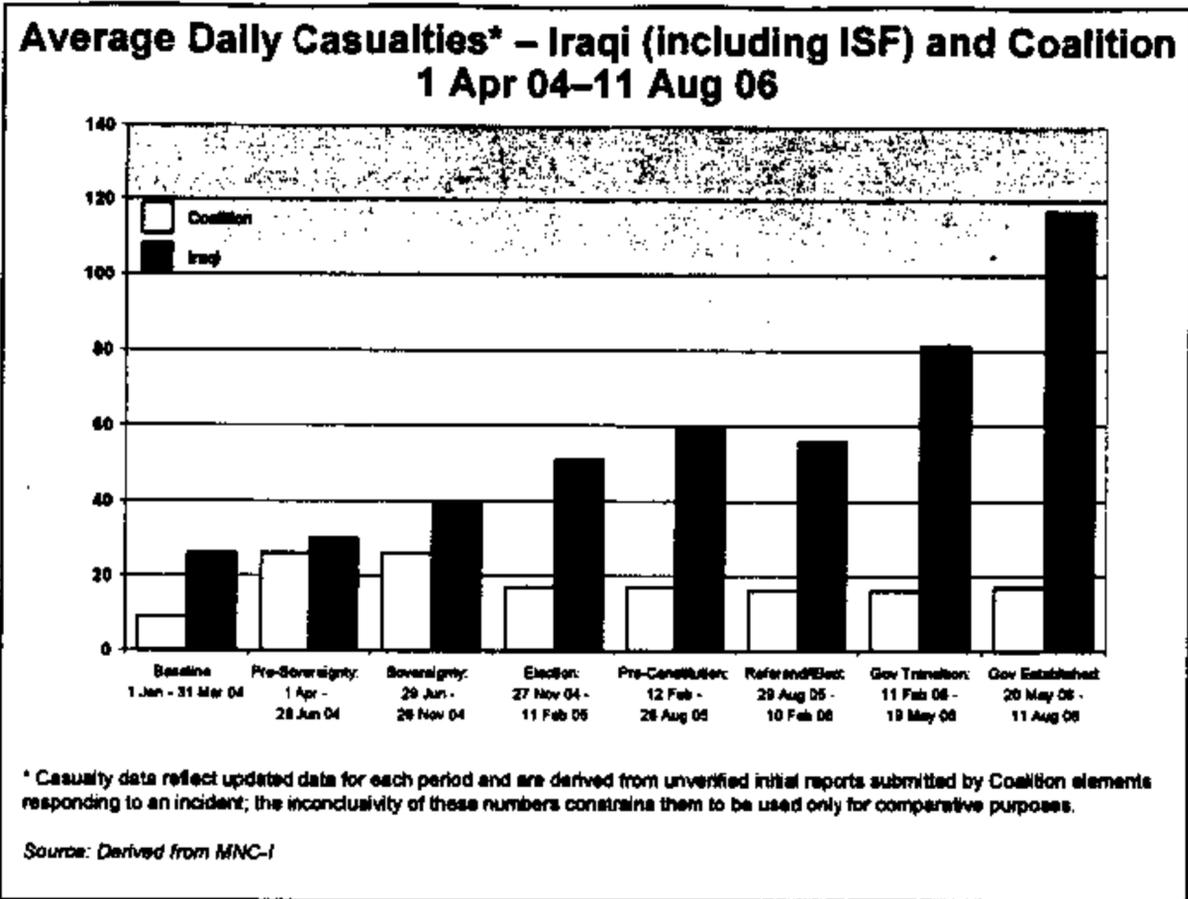
For this report, the term “attacks” refers to specific incidents reported in the Multi-National Corps-Iraq (MNC-I) Significant Activities database. It includes known attacks on Coalition forces, the ISF, the civilian population, and infrastructure.

In the government establishment period beginning May 20, 2006, the average number of weekly attacks increased 15% compared to the previous reporting period. Weekly attack levels in July 2006 were the highest to date. Coalition forces continued to attract the majority (63%) of attacks. However, the ISF and civilians continued to suffer the majority

of casualties. Overall, Iraqi casualties increased by 51% compared to the previous quarter. Most attacks targeting Coalition forces were “stand-off” attacks, not involving close-up confrontations between Coalition forces and insurgents. Such attacks typically consisted of improvised explosive devices (IEDs), small arms fire, and indirect fire weapons. The number of car bombs this quarter increased to levels last seen in the summer of 2005. Over the last quarter, car bombs were largely centered on Baghdad, Mosul, Kirkuk, and the Western Euphrates valley, and primarily targeted civilians or ISF checkpoints.

Although the overall number of attacks increased in all categories, the proportion of those attacks directed against civilians increased substantially. Nationally, in April 2006, civilians were the target of 11% of attacks; this increased to 15% in June 2006. Baghdad showed a more pronounced shift in the targeting of civilians compared to the national trend. In Baghdad, civilian targets comprised 15% of total attacks in April and





22% in June. The increase in attacks over the past two quarters reflects heightened sectarian tension following the Golden Mosque bombing and increased death squad activity.

Four of Iraq's 18 provinces (Anbar, Baghdad, Diyala, and Salah ad Din) continue to experience the majority of attacks. Anbar and Baghdad are the worst affected provinces,

accounting for 55% of all attacks. Further, Ninewah and Tamim have seen significant increases in attacks over the last quarter.

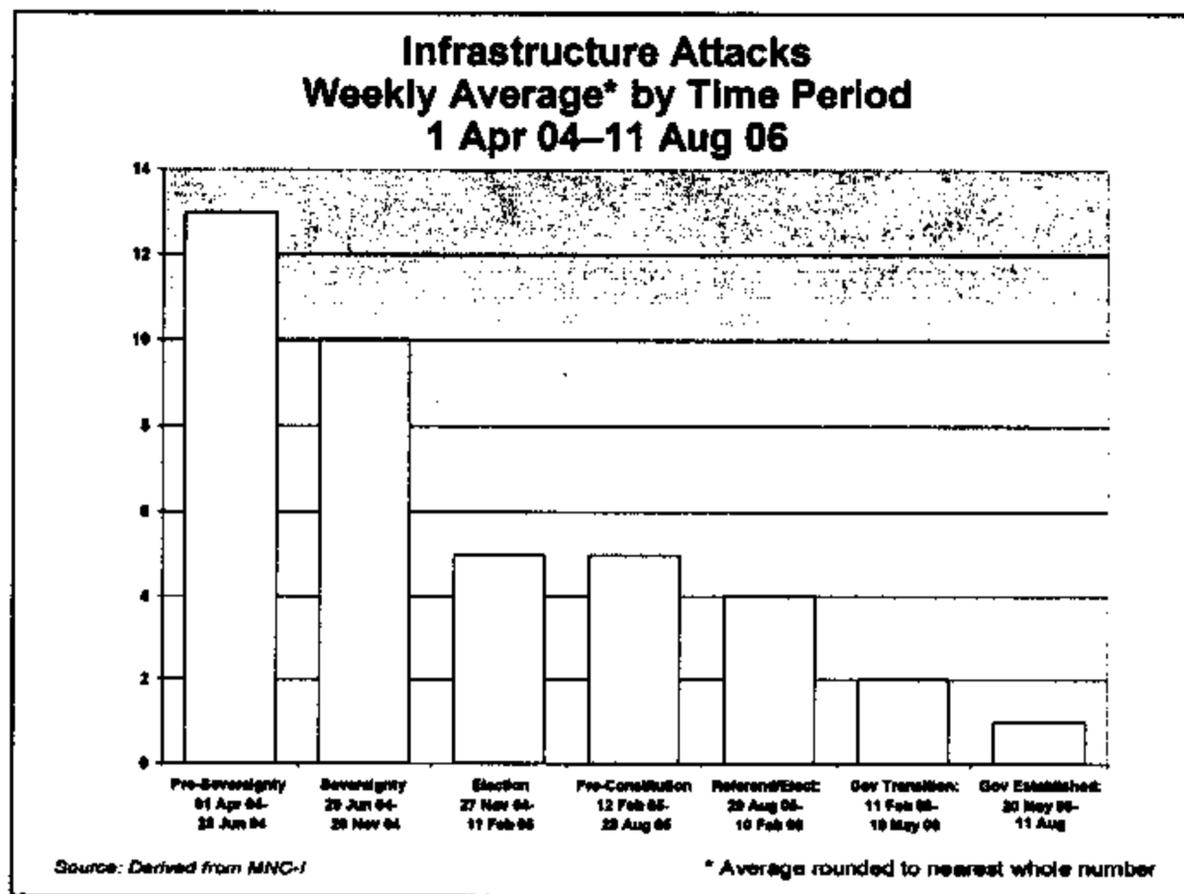
Infrastructure Attacks

The average weekly number of attacks on critical infrastructure providing essential services to the Iraqi people, such as electrical power, water, and fuel, continued to decline over the past quarter, decreasing from an average of five per week to an average of two per week. However, the effect of these attacks has been disproportionate to their numbers for several reasons. Most notable among these is the slow rate of repair to damage from previous attacks. At other times, Iraqi officials may be slow in initiating repairs. Infrastructure repair is often hampered by insurgent or other criminal intimidation of maintenance workers. Not all attacks and intimidation are the result of insurgent or other anti-government activity, as described in the economic section. Criminal activities, such as extortion and black marketeering, also have outlets in

disrupting public essential services. Although the number of attacks is decreasing, the essential services infrastructure will continue to be a high-value target for enemy elements. Successful attacks on the infrastructure adversely affect the legitimacy of government in the minds of the civil population by reducing the supply of essential services.

Concerns of Civil War

Sustained ethno-sectarian violence is the greatest threat to security and stability in Iraq. Breaking this cycle of violence is the most pressing immediate goal of Coalition and Iraqi operations. Conditions that could lead to civil war exist in Iraq, specifically in and around Baghdad, and concern about civil war within the Iraqi civilian population has increased in recent months. Notwithstanding this concern, there is no generally agreed upon definition of civil war among academics or defense analysts. Moreover, the conflict in Iraq does not meet the stringent international legal standards for civil war. However



defined, movement toward civil war can be prevented. The U.S. and Iraqi governments are continuing the military, diplomatic, and political actions needed to prevent a civil war and bring the situation in Baghdad under control. Sectarian violence is largely confined to the communal level. Furthermore, the Iraqi institutions of the center are holding. Iraqi leaders must take advantage of the popular support for democracy, a unified Iraq, and opposition to violence to form institutions that take responsibility for Iraq's security.

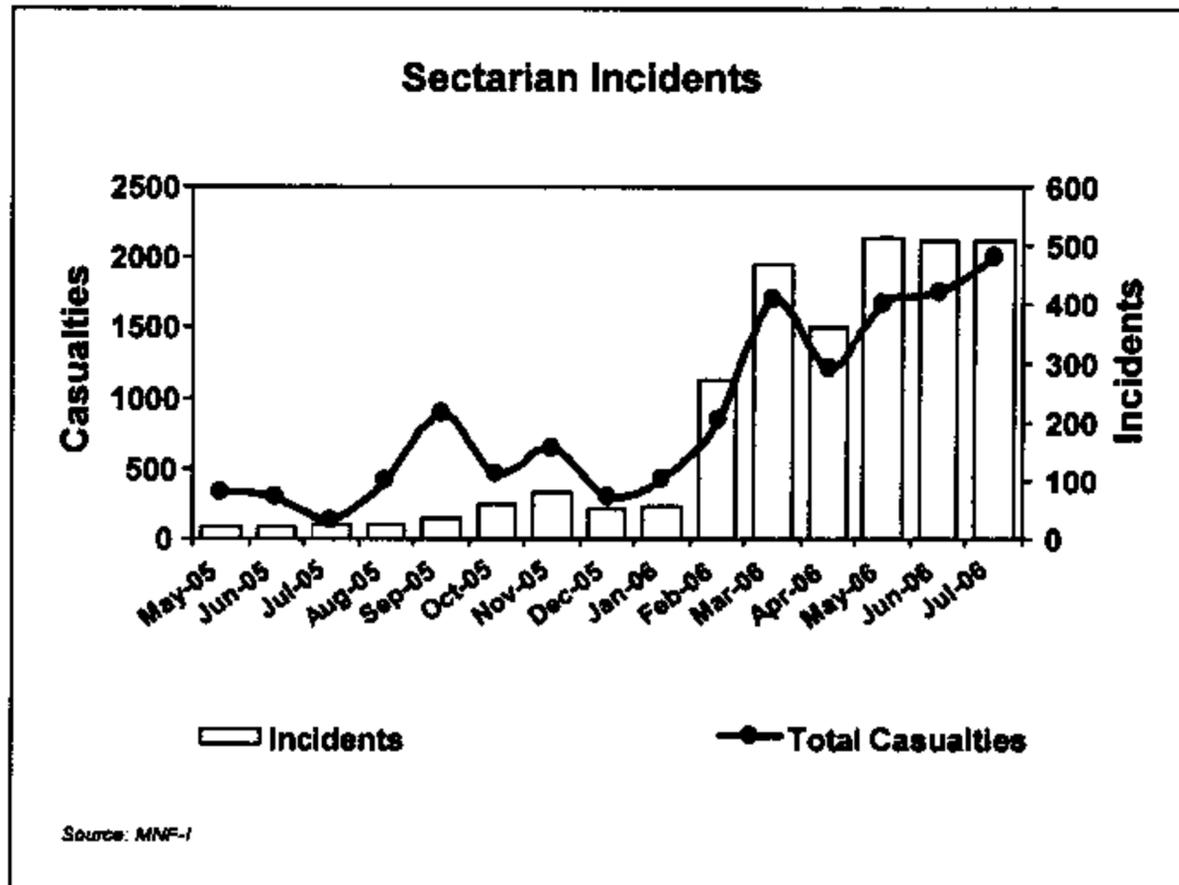
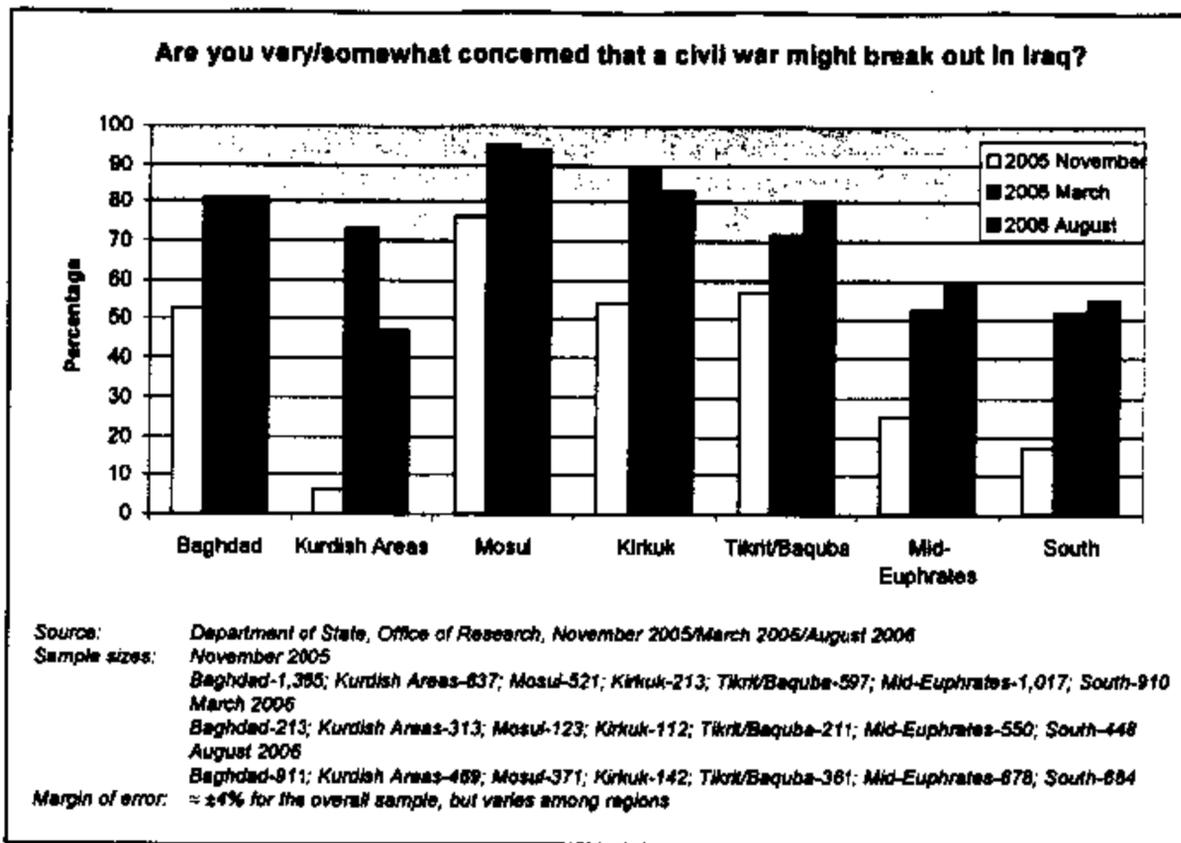
Sectarian tensions increased over the past quarter, demonstrated by the increasing number of executions, kidnappings, attacks on civilians, and internally displaced persons. According to an estimate by the United Nations, 22,977 families—137,862 individuals—have been displaced in Iraq since the February 22, 2006, Samarra Mosque bombing. Sectarian violence is concentrated on the boundaries of mixed and ethnically dominated areas of Baghdad and in southwestern Diyala Province.

According to MNC-I reporting, civilian casualties increased by approximately 1,000 per month since the previous quarter. Executions in particular reached new highs in the month of July. The Baghdad Coroner's Office

reported 1,600 bodies arrived in June and more than 1,800 bodies in July, 90% of which were assessed to be the result of executions. This is due to increased targeting of civilians by al-Qaeda in Iraq and the increase in death squad activity.

Sunni and Shi'a extremists, particularly rogue JAM elements and al-Qaeda in Iraq, are, as noted, interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their areas of influence. Throughout the past quarter, rogue JAM members continued a campaign of overt executions and mass kidnappings of Sunni civilians. At the same time, Sunni extremists continued to respond by carrying out large-scale and mass-casualty bombings of Shi'a gatherings and culturally significant sites.

Attacks on Shi'a by al-Qaeda in Iraq and other Sunni elements are apparently designed to inflame sectarian tension, which in turn generates and results in retaliatory attacks on Sunni civilians by rogue Shi'a elements. These rogue Shi'a actions increasingly appear intent on securing Shi'a enclaves and establishing control of contested areas of Baghdad. Coalition forces and the ISF are responding by increased targeting of both Sunni and Shi'a death squads.



Public Perceptions of Security

Ultimately, stability and security in Iraq depend on the support of the Iraqi people. In general, Iraqis have had an optimistic outlook on their future and the overall security situation. However, as time has passed, their optimism has eroded. The aftermath of the Golden Mosque bombing and the growing sectarian violence continue to shape their perceptions. As sectarian violence increases, the view of the security situation worsens. With the view that Baghdad is the key to Iraq, a similar sentiment toward security exists there.

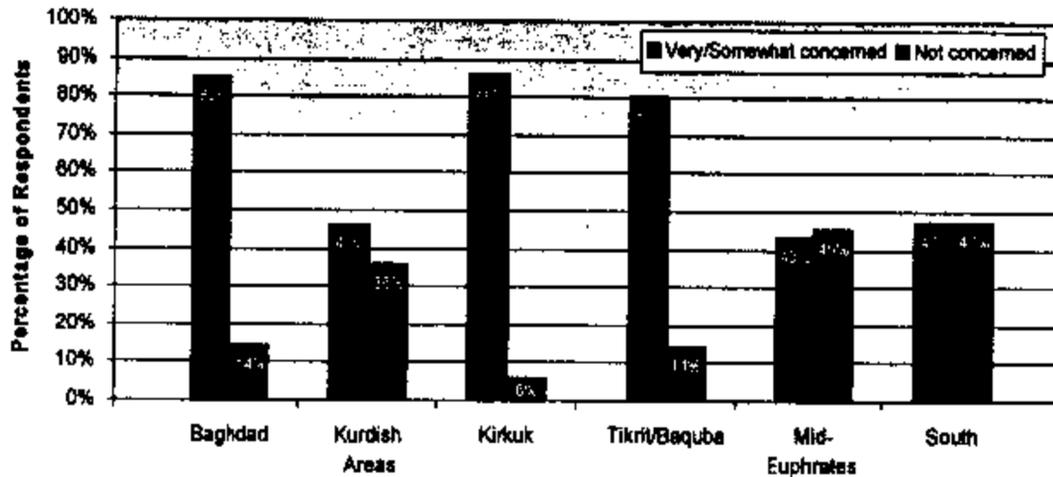
An indication of support for the Government of Iraq within the country is the level of confidence that the Iraqi people expressly place in the ISF Forces, especially when compared against militias or other illegal armed groups. Since the previous report, confidence in the Iraqi Army has remained generally constant, with the notable exception of Baghdad, where public confidence improved. Despite the increase in violence, confidence in the Iraqi Army rose from 69% to 78%. Despite the recent violence in Basrah, polling data that

include the Basrah area indicate increased confidence in both the police and the Iraqi Army over the last reporting period. Confidence in militias is mixed, with a rise in confidence in Baghdad countering an overall downward confidence trend elsewhere.

The perceptions of the Iraqi population will slowly respond to visible, effective actions performed by the IPS. It will take continued diligence on the part of the Iraqi Police to be seen as actively patrolling their areas and arresting individuals for criminal activity, while paying particular care to avoid the appearance of sectarianism.

Another indicator is Iraqi use of the intelligence hotline for providing tips to authorities about suspicious activity. The population has continued to demonstrate its willingness to report such activity and thereby support the government's efforts against terrorism. Since mid-March, the number of tips has increased (see following chart). Continued timely and effective response of the IPS to these tips should increase the confidence of the population.

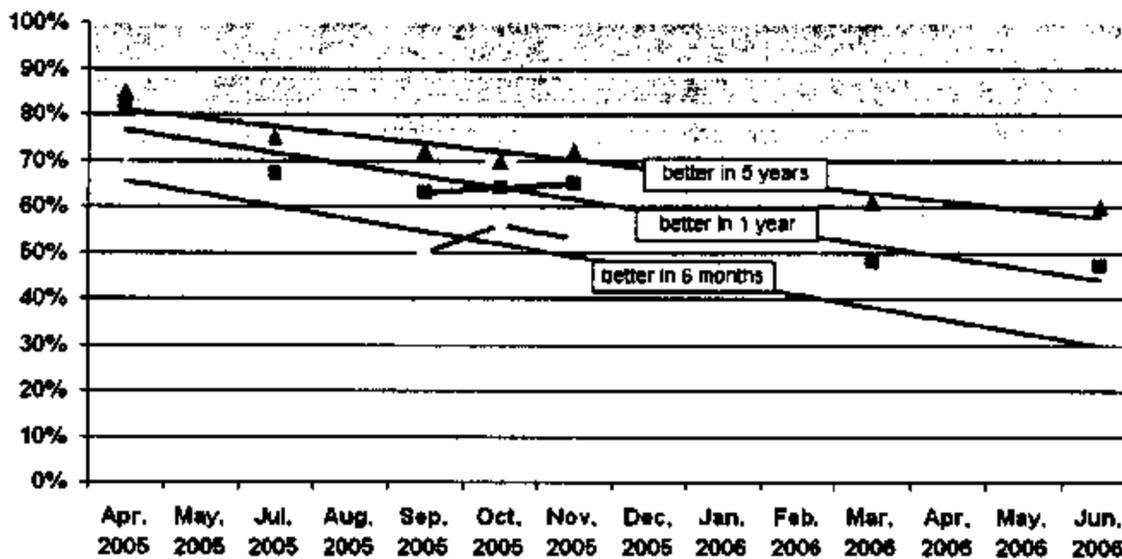
How concerned are you about an increase in sectarian or ethnic violence in Iraq?



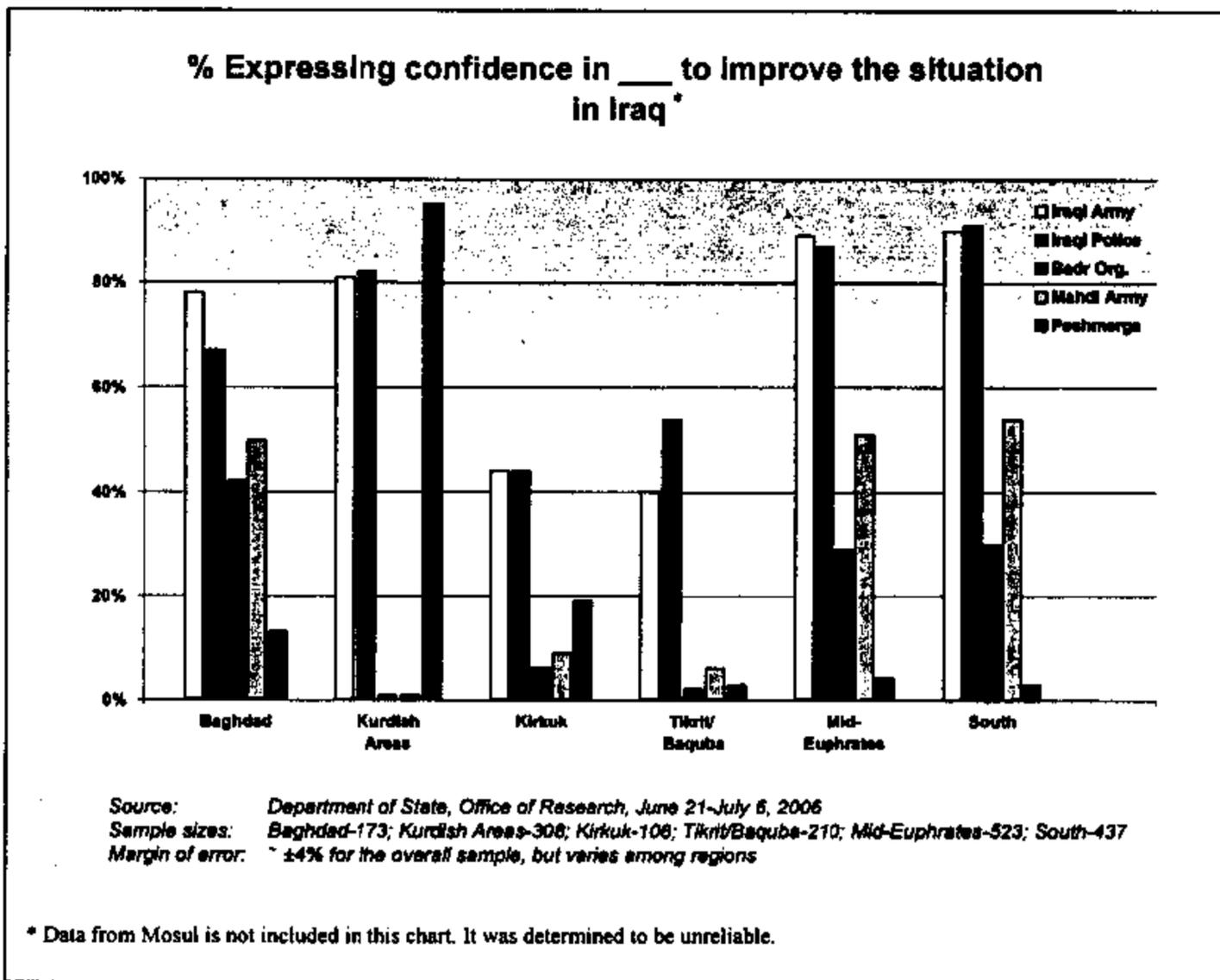
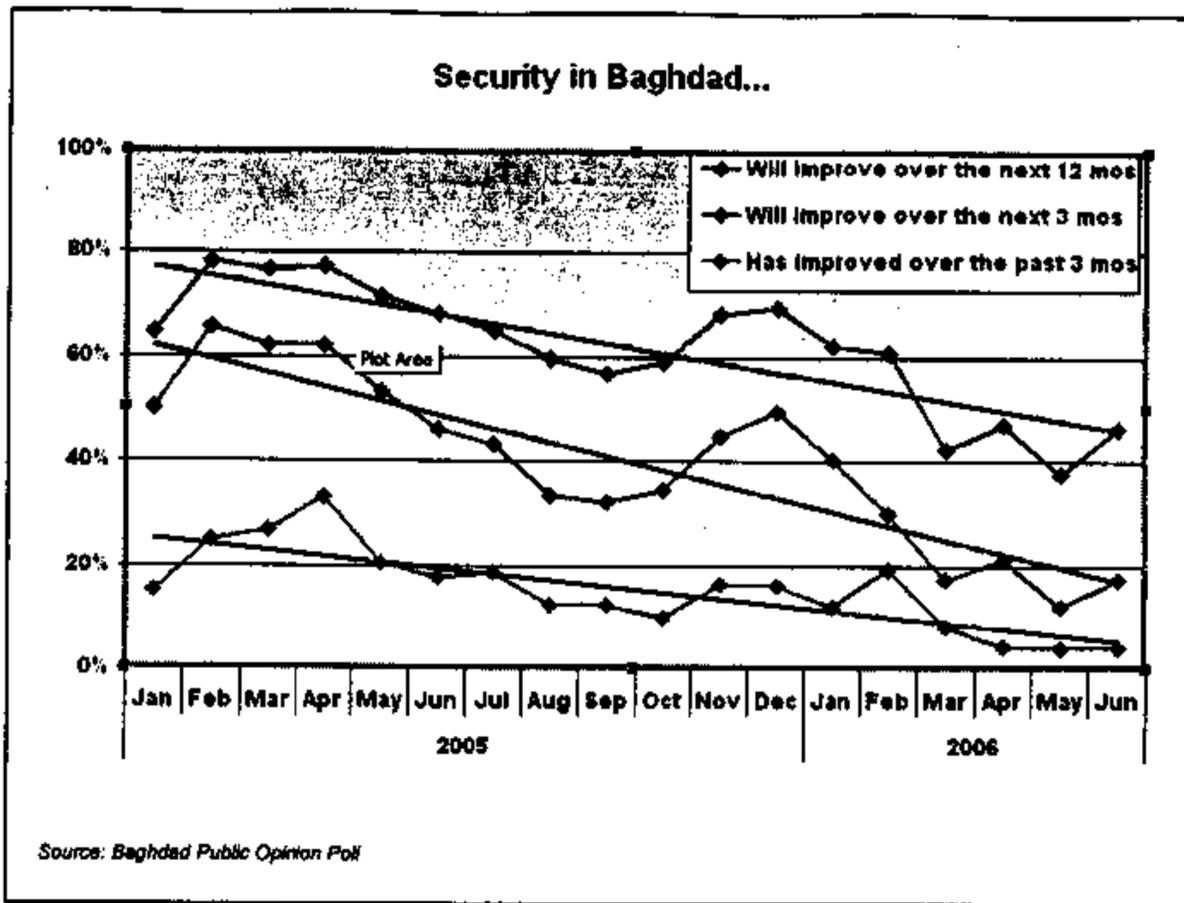
Source: Department of State, Office of Research, June 21-July 6, 2006
 Sample sizes: Baghdad-173; Kurdish Areas-306; Kirkuk-106; Tikrit/Baquba-210; Mid-Euphrates-523; South-437
 Margin of error: ±4% for the overall sample, but varies among regions

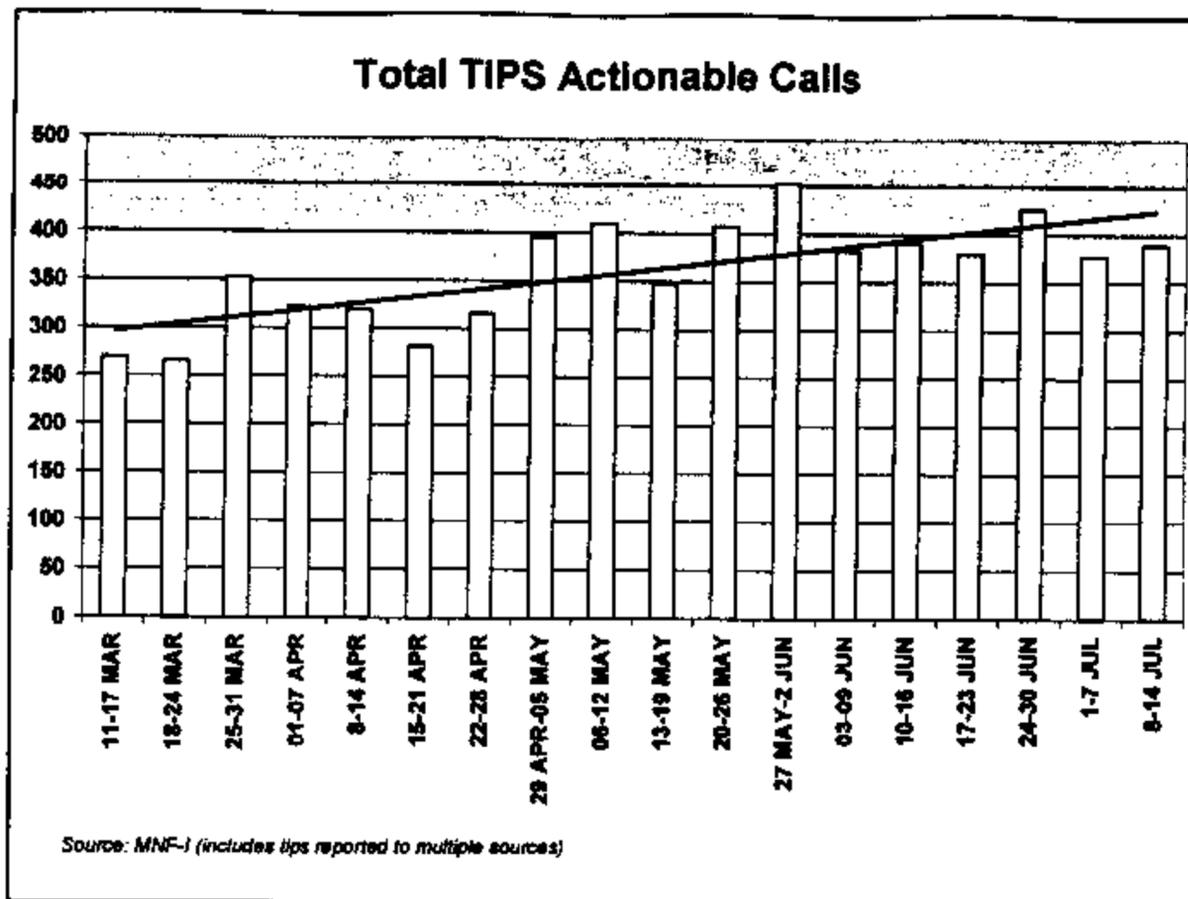
* Data from Mosul is not included in this chart. It was determined to be unreliable.

TREND: Thinking about the future, do you feel that things will be...



Source: International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,649
 Margin of error: ±3% (see IRI website for further methodology)





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2. Iraqi Security Forces Training and Performance

The ISF continue to grow in strength and capability as indicated by:

- progress in the training and equipping of ISF personnel;
- assessed capabilities of operational units; and
- progress in assuming responsibility for security of areas within Iraq.

Institutional capability within the MOD and the MOI is an increasingly important indicator of the transition to Iraqi security self-reliance. As the MOD and the MOI continue to staff, train, and equip forces, increased emphasis is placed on the development of institutional capacity to direct, support, and sustain the ISF.

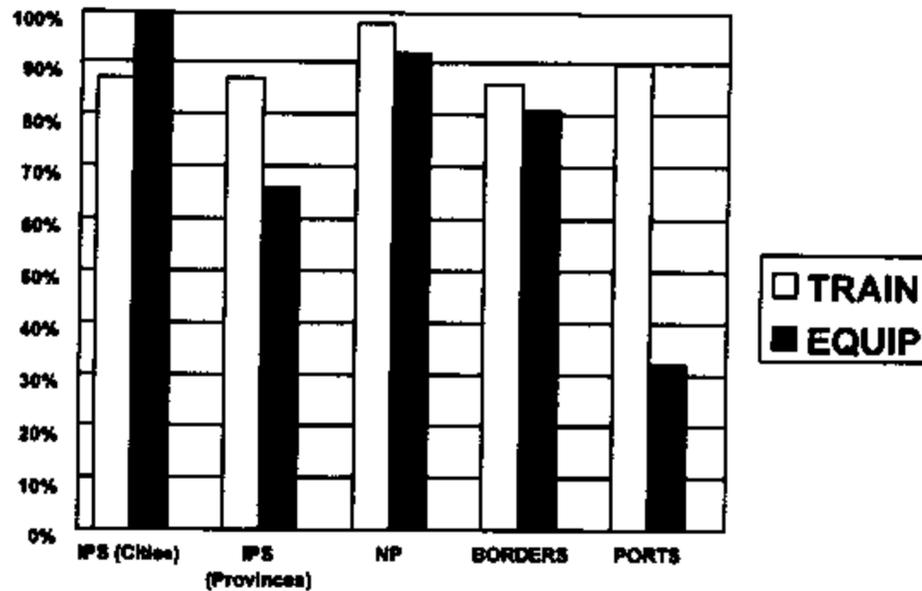
2.1 Progress in Training and Equipping the Iraqi Security Forces

Force generation continues on schedule this quarter. More than 14,000 additional Iraqi soldiers and police have completed initial training and equipping since May 2006, bringing the total number of ISF trained and equipped to 277,600.

More than 92% of authorized Iraqi Army battalions are assembled. Train-and-equip efforts remain focused on building combat support and combat service support forces providing key enablers to Iraqi combat forces. When fully established, these units will provide critical combat enablers, such as logistics and transportation support, intelligence, surveillance, and reconnaissance. More than 65% of authorized personnel in the Iraqi Army support forces have been trained and equipped. Logistics units and overall logistics capability continues to improve.

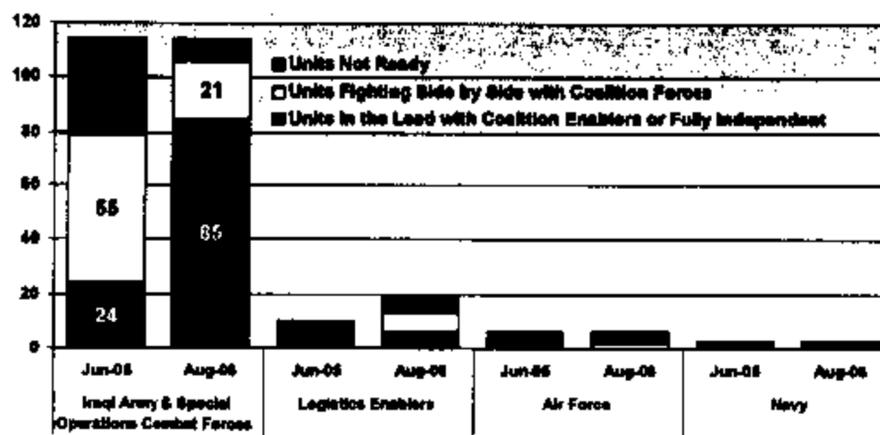
Current Status of Trained and Equipped Iraqi Security Forces			
Ministry of Defense Forces		Ministry of Interior Forces	
COMPONENT	OPERATIONAL	COMPONENT	TRAINED & EQUIPPED
ARMY*	~113,200	POLICE**	~113,800
AIR FORCE	~700	OTHER MOI FORCES	~48,800
NAVY	~1100	TOTAL	~162,600
TOTAL	~115000	OBJECTIVE	188,000
OBJECTIVE	137,500		
Total Trained & Equipped ISF:			
~277,600			
<small>* MNDTC-I expanded the train and equip mission from 4 to 11 Strategic Infrastructure Battalions (SIBs) on 29 Mar 06. This change is reflected in the adjusted Iraqi Army authorization. ** The Ministry of Interior dissolved the National Highway Patrol into the regular Police on 17 Mar 06. This change is reflected in the adjusted Iraqi Police trained and equipped numbers.</small>			
<small>Data as of 7 August 06</small>			

MOI security forces are overall 84% trained and equipped. Baghdad, the other 10 critical cities, and the National Police are at 90% trained and equipped and are expected to reach 100% next quarter. Progress continues to support achieving Objective Civil Security Force goals by December 2006.



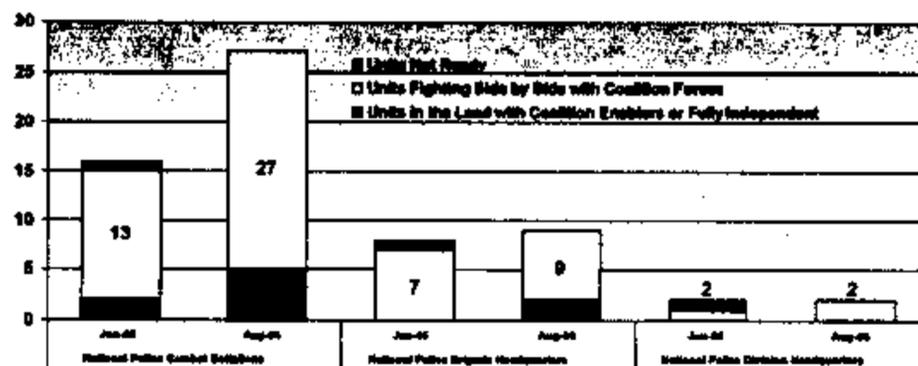
Data as of 15 July 2006

MOD Forces' Assessed Capabilities



Data as of 7 August 2006

MOI National Police Forces' Assessed Capabilities



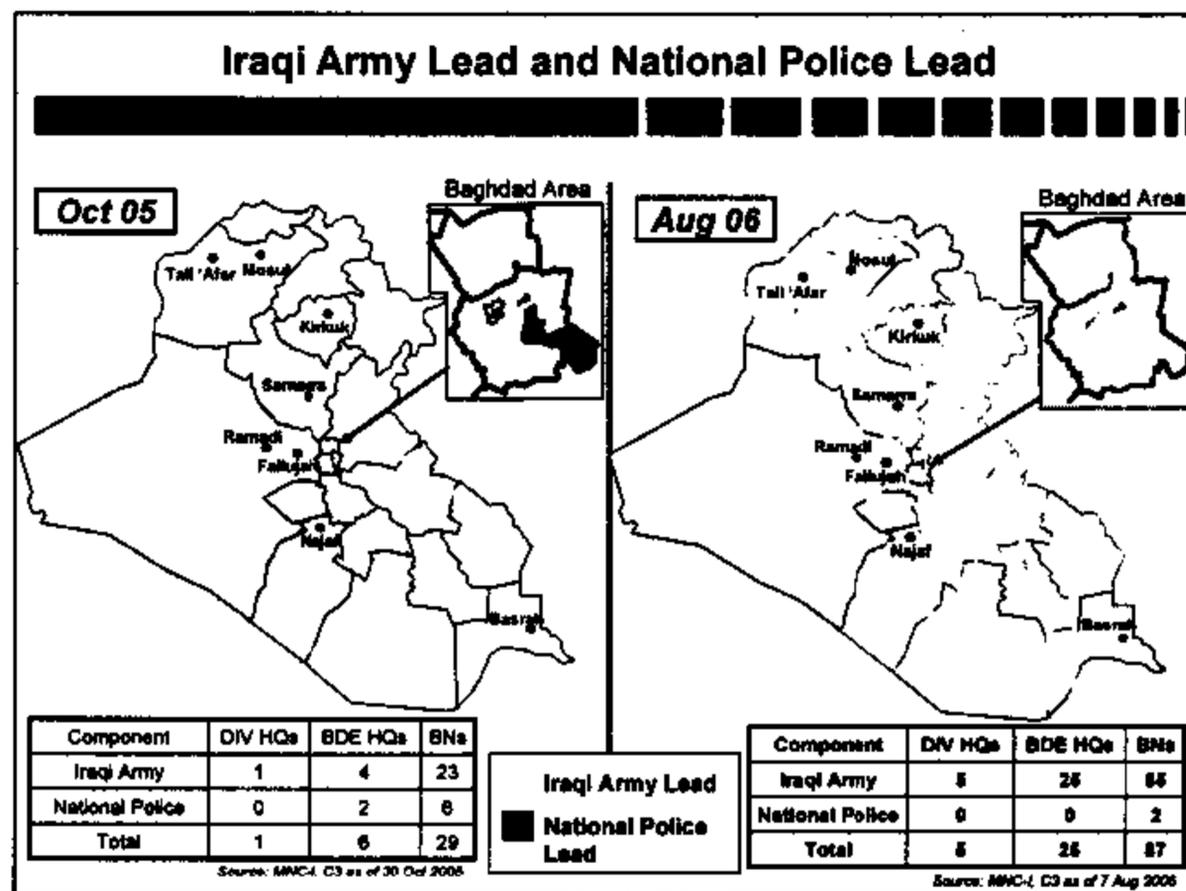
Data as of 7 August 2006

2.2 Progress in Assuming Leadership in Counter-Insurgency

The ISF are increasingly taking the lead in operations and assuming primary responsibility for the security of their nation, as Iraqi army and police forces demonstrate an increased capability to plan and execute counter-insurgency operations. The following charts depict this progress. As of August 7, 2006, 5 Iraqi Army divisions, 25 brigades, and 85 battalions, and 2 National Police battalions assumed lead responsibility for security in their areas of operation.

In total, there are 106 Iraqi Army combat battalions and 8 Strategic Infrastructure Battalions (SIBs) conducting operations at varying levels of assessed capability. Another three combat battalions are in the process of forming. In addition, 27 National Police battalions are now operational and active. The green shaded areas on the maps above depict areas where Iraqi Army units have assumed the lead for security responsibility. A unit can

assume the lead once it has been thoroughly assessed and has demonstrated that it is capable of planning and executing combat operations. Although these units lead security operations, most still require support from Coalition forces because their logistics, sustainment, and command and control capabilities are not fully developed. The Coalition's primary force development objective to date has been to produce trained, equipped, and capable combat units; there has been less emphasis placed on enablers, including logistics and command and control. Now that more than two-thirds of the Iraqi Army combat units are in the lead, the Coalition's focus will shift more toward helping the Iraqis develop these enablers. MNF-I will also continue to help improve the capacity of the MOD to organize, train, equip, sustain, and modernize its forces, with the goal of eventually eliminating the Iraqi Army's reliance on Coalition support.



2.3 Ministry of Interior

The objective for the MOI, in partnership with the Ministry of Interior Transition Team (MOI-TT), is to become a forward-looking ministry that is effective, efficient, accountable, representative, appropriately structured to deal with the prevailing security conditions, and staffed by people who are committed to upholding the rule of law. The MOI forces consist of the IPS, the National Police, the border forces, and the Center for Dignitary Protection.

The MNF-I initiative to develop professional civil security forces able to assume the lead for the security of the Iraqi people has been dubbed the "Year of the Police." The focus is on creating a force loyal to the people of Iraq and its Constitution, and committed to guaranteeing human rights and the rule of law. This was designated as one of MNC-I's main efforts in 2006.

Mentoring of civil security forces is conducted by Police Transition Teams (PTTs), National Police Transition Teams (NPTTs), Border Transition Teams (BTTs), and Customs and Border Protection Teams (CBPTs). More than 160 PTTs are assisting the development of the IPS. Because of the large number of police stations dispersed throughout Iraq, the PTT program has initially focused on provincial headquarters, district headquarters, and Iraqi police stations in key strategic cities, but will spread to other stations throughout the country as more stations achieve a higher level of readiness. To conduct their mission, the PTTs travel to their assigned stations to train, teach, and coach the Iraqi police and to conduct joint patrols with their Iraqi counterparts.

The integration of International Police Liaison Officers (IPLOs) into the PTTs significantly increased the Coalition force's ability to

develop the IPS. The IPLOs provide the civilian police with expertise in all technical aspects of criminal investigation and police station management. The deployment of five additional Military Police companies in July 2006 added extra PTTs, enabling the expansion of the program to assess and assist in the development of the IPS.

Twenty-seven BTTs mentor and enable development of border forces. Additionally, Department of Homeland Security Customs and Border Patrol Teams (CBPTs) provide critical mentorship at ports of entry, while 38 National Police Transition Teams (NPTTs) continue to support the development of the National Police units. These transition teams are intended to improve the readiness and capability of their MOI partner units.

The Coalition Police Assistance Training Team (CPATT) is on track to meet the goal of recruiting and training the authorized number of MOI forces by the end of December 2006. The force generation of the Department of Border Enforcement (DBE) and the IPS will occur in November 2006 and December 2006, respectively. Specialized police units, such as the Criminal Investigative Division (CID) and the National Information and Investigative Agency (NIIA), will be trained by the end of 2006.

Iraqi Police Service

The IPS is composed of patrol, traffic, station, and highway police assigned throughout Iraq's 18 provinces. Its mission is to enforce the law, safeguard the public, and provide internal security at the local level.

CPATT has trained and equipped approximately 113,800 IPS personnel, an increase of 12,600 since the May 2006 report. CPATT projects that it will have trained and equipped 135,000 IPS by December 2006. Although the

force will be manned in the aggregate by the end of the year, proper distribution is a challenge. Certain areas have a shortage of trained officers while additional hiring in other areas has resulted in an overage in the force.

As of July 24, 2006, 71,324 police recruits have received training in the 10-week basic course. Police officers with prior experience attend a 3-week course, the Transitional Integration Program (TIP), instead of attending the full 10-week basic course. Originally intended only for police trained during the Saddam regime, the TIP was expanded in July to include serving police officers who have not been trained but who have served on the force for at least one year. The TIP includes training on human rights, crime defensive tactics, democratic policing, first aid, patrol procedures, firearms (9mm and AK-47), and anti-terrorism. The Officer Transitional Integration Program (OTIP) course curriculum includes democratic policing, human rights, first aid, police ethics, supervision and leadership, use of force, firearms (9mm and AK-47), communications and problem-solving skills, anti-terrorism, patrol procedures, critical for officers, and police investigations. Some 41,051 police officers have graduated from the TIP and OTIP programs.

IPS Operations

The IPS constitutes the majority of MOI forces in the country. Each month, PTTs assess the operational readiness of a portion of the police forces, using the Transition Readiness Assessments (TRA) process. The TRA evaluates the police on the core functions required for effective law enforcement and community policing. Shortages of PTTs has limited observation of the IPS in Anbar, Babil, Basrah, Tamim, Wasit, Karbala, Maysan, Ninewah, Qadisiyah, Salah ad Din, Irbil, Dahuk, and Sulamaniya provinces.

However, the recent arrival of five additional Military Police companies will greatly increase the ability to assess the IPS.

IPS Recruiting and Vetting

More than 230,000 MOI employees have been screened by the Iraqi Police Screening Service, which checks fingerprints against Ba'ath Party records and Saddam-era criminal records. Of these, 5,300 were reported as possible derogatory matches, and 74 have been dismissed. There is currently no screening process to ascertain militia allegiance. More than 54,000 police candidates have been screened for literacy by Morris & McDaniel, 73% of whom passed and were allowed to enter basic training. Currently, no method exists to track the success rates of these or other police officers.

IPS Equipment

The IPS is equipped with AK-47s, PKC light machine guns, Glock pistols, individual body armor, high frequency radios, small and medium pick-up trucks, and mid-sized SUVs. The IPS in Baghdad and the nine other key cities had been provided with 99% of their authorized equipment at the end of June 2006. They will have received 100% by mid-August 2006. The IPS in all 18 provinces have been provided with 66% of their authorized equipment and will receive 100% of their authorized equipment by the end of December 2006.

IPS Leadership

Leadership in the IPS is the cornerstone for success. The IPS currently has three leadership courses to develop high-quality leaders. The First Line Supervisor Course is designed for company grade officers. The Intermediate-Level Course is designed for field grade officers, and the Senior-Level Course is designed for General Officers. Each course is

two weeks long. Program topics are designed for the target audience and include human rights, discrimination, right to life, code of conduct, democratic policing, modern policing, the role of the supervisor, communication and the supervisor, delegation, change management, ethics, police corruption, problem employees, community policing, field training police leadership, history of management, modern supervision in today's law enforcement organizations, crime scene management, civil disorder, records management, budgeting, logistics, equipment and facilities management, group problem solving, mission values, six-step problem-solving models, overview of law enforcement planning, strategic planning, motivational theory, and analyzing employee performance problems. A plan is in place to develop a more extensive Intermediate-Level Officers course, slated to begin in the fall of 2006.

The Officer Education System has been successful in developing junior leaders loyal to the Iraqi people. However, certain senior leaders are products of the former regime and continue to view leadership as an entitlement, not a responsibility. As these officers are identified, they are removed.

National Police

Organized into a National Police Headquarters, two National Police Divisions, the 1st National Police Mechanized Brigade, and the Emergency Response Unit (ERU), the National Police are charged with maintaining law and order while an effective community police force is developed.

The National Police Headquarters provides command and control, staffing, equipping, training, and sustainment for these National Police Forces. It also commands the two training and professional development academies at Camp Solidarity and Camp Dublin.

The 1st and 2nd National Police Divisions reached 99% of equipping and authorized manning by July 2006 and will continue to progress through TRA levels, with the completion of force generation by December 2006.

Unprofessional and, at times, criminal behavior has been attributed to certain units in the National Police. This behavior and the decrease in public confidence in these forces has been the impetus for a National Police reform program. Each unit and its leaders will be assessed by a joint (Coalition and Iraqi) committee. Substandard leaders at all levels will be removed and units will undergo re-training.

National Police Training and Personnel

There are currently approximately 24,300 trained and equipped National Police, an increase of approximately 1,600 since the last report. They are trained in Iraqi law, human rights, the rule of law, and democratic policing techniques at the National Police Academy.

New recruits undergo six intense weeks of training at the academy in northern Baghdad. Training includes weapons qualification, urban patrolling techniques, unarmed combat apprehension, use of force, human rights and ethics in policing, introduction to Iraqi law, vehicle checkpoints, and IED characteristics and recognition.

National Police Operations

All National Police battalions are currently conducting counter-insurgency operations, with two battalions having security lead for their areas of responsibility. NPTTs are embedded at all levels of the National Police units, down to the battalion level. All National Police units work in Combined Operations

Areas (COAs) and partner with Coalition forces who provide support and advice.

National Police Recruiting and Vetting

The MOI recruits and vets the National Police force. Coalition forces provide advisors for the recruiting process, but neither actively recruit nor provide lists of names of recruits to the MOI. A National Police officer is recruited and provided an academy start date; upon arrival at the National Police academy, the candidate is interviewed by a senior staff officer (either a Colonel or Brigadier General). If he or she passes the interview, the officer is admitted to the academy. The individual's personnel file is then forwarded to the MOI, where a vetting team reviews it. If the officer is certified by the vetting process, he or she will be retained and allowed to complete the academy. If the candidate is disapproved, the officer is immediately removed from the academy.

National Police Equipment

The National Police have received 92% of their authorized equipment and will have received 96% of their authorized equipment by the end of November, missing its goal of 100% by a small margin. They will have received 100% of their authorized equipment by the end of December. The police are equipped with small arms, medium machine guns, and RPGs, and they patrol in light trucks. The mechanized battalions are equipped with Armored Security Vehicles and REVAs, a South African wheeled APC.

Department of Border Enforcement and Department of Ports of Entry

The DBE and the Department of Ports of Entry (POE) are collectively charged with controlling and protecting Iraq's borders.

DBE Training and Personnel

The DBE has 23,900 trained and equipped personnel, an increase of 1,800 since the previous report. The DBE is organized into 5 regions, 12 brigades, and 38 battalions, and includes the forces that staff 258 border forts.

Three academies, each with a capacity of approximately 800, train border patrol forces. The Iraqi Border Patrol Basic Training Course focuses on an introduction to law enforcement, human relations, human rights, weapons qualification, combat life saving, vehicle searches, Iraqi border law, arrest and detainee procedures, and small unit patrolling.

DBE and POE Operations

The DBE is supported by 27 Coalition Border Transition Teams (BTTs). The 11-man BTTs mentor and support the development of the border units. The BTT members are trained in various specialties, including logistics and communications, and provide critical assistance to the border force commanders in the areas of personnel management, intelligence, operations, budgeting, equipment accountability, and maintenance. Additional BTTs deployed in early June to support the development of the POE at critical high-threat border crossings. In February 2006, MNF-I supported the accelerated development of the POE through the deployment of a combined Border Support Team (BST), consisting of customs border protection agents and BTTs. In March 2006, most DBE units reached TRA Level 3, but remained short of equipment and key personnel. The DBE and POE are a higher priority for allocation of critical equipment; and cross-leveling of personnel has occurred to raise units to TRA Level 2. By November 2006, the DBE and POE are expected to have 28,360 trained and equipped personnel.

There are 14 land POEs, of which 13 are functional. Efforts continue to improve POE security. Progress in designation of POE standard organizations, delineation of responsibilities, and development of detailed policies and procedures has continued. The U.S. Department of Homeland Security, in coordination with Multi-National Security Transition Command-Iraq (MNSTC-I), has continued its rotation of Customs and Border Patrol Teams. These border security experts have had an important impact on the POEs, particularly along the Syrian border. The increased emphasis on BTTs and the Customs and Border Patrol Teams has improved DBE readiness levels, as the Coalition's expertise and mentorship affects the Iraqi border forces.

DBE and POE Equipment

Organizational equipment includes small and medium pick-up trucks, mid-size SUVs, generators, and radios. Personal equipment, including AK-47s, medium machine guns, and individual body armor, complete the outfitting of the border forces. The DBE currently has received 81% of its authorized equipment. They will have received 97% of their authorized equipment by the end of August, just short of the 100% goal for that date. They will reach the 100% goal one month later. Iraqi POEs will have received 100% of their equipment by the end December 2006.

Center for Dignitary Protection

Training and equipping of the Center of Dignitary Protection (CDP) is complete. The force of approximately 600 people has been prepared to serve as the Protective Security Details (PSDs) for Iraq's new government leaders. It is unknown how many of these personnel remain employed by MOI. An Iraqi training team assumed responsibility for training future PSD personnel in June 2006.

Facility Protection Service

In addition to the regular MOI forces, there are an estimated 145,000 Facility Protection Service (FPS) personnel who work directly for each of the 27 ministries. These forces act as security guards at government buildings and allow the IPS to police the communities. They are minimally trained and equipped, generally without Coalition oversight, and lack centralized control. FPS personnel have not always proven reliable, and some have been responsible for violent crimes and other illegal activity. Unfortunately, the FPS uniform looks similar to the police uniform, which causes many Iraqis to confuse the FPS with the better-trained IPS, undermining the reputation and credibility of the IPS. The Coalition and the Government of Iraq are establishing a program of reform to better regulate the FPS.

MOI Capacity Development

The MOI overall TRA remains at TRA 3-Partly Effective. The MOI Transition Team is working daily in the MOI, stressing planning and programming resources. The new Minister of Interior, Jawa al-Bulani, is embracing the need to reform the ministry. Logistics is the only essential system still assessed as ineffective. Improvement of the logistics system is a focal point for the next 90 days. All other major functional areas and systems are considered partly effective. Over the next 90 days, emphasis will also be placed on building a solid framework of plans, policies, and processes to ensure that the MOI can manage personnel efficiently, conduct policing operations effectively, and maintain and sustain capability.

MOI Logistics

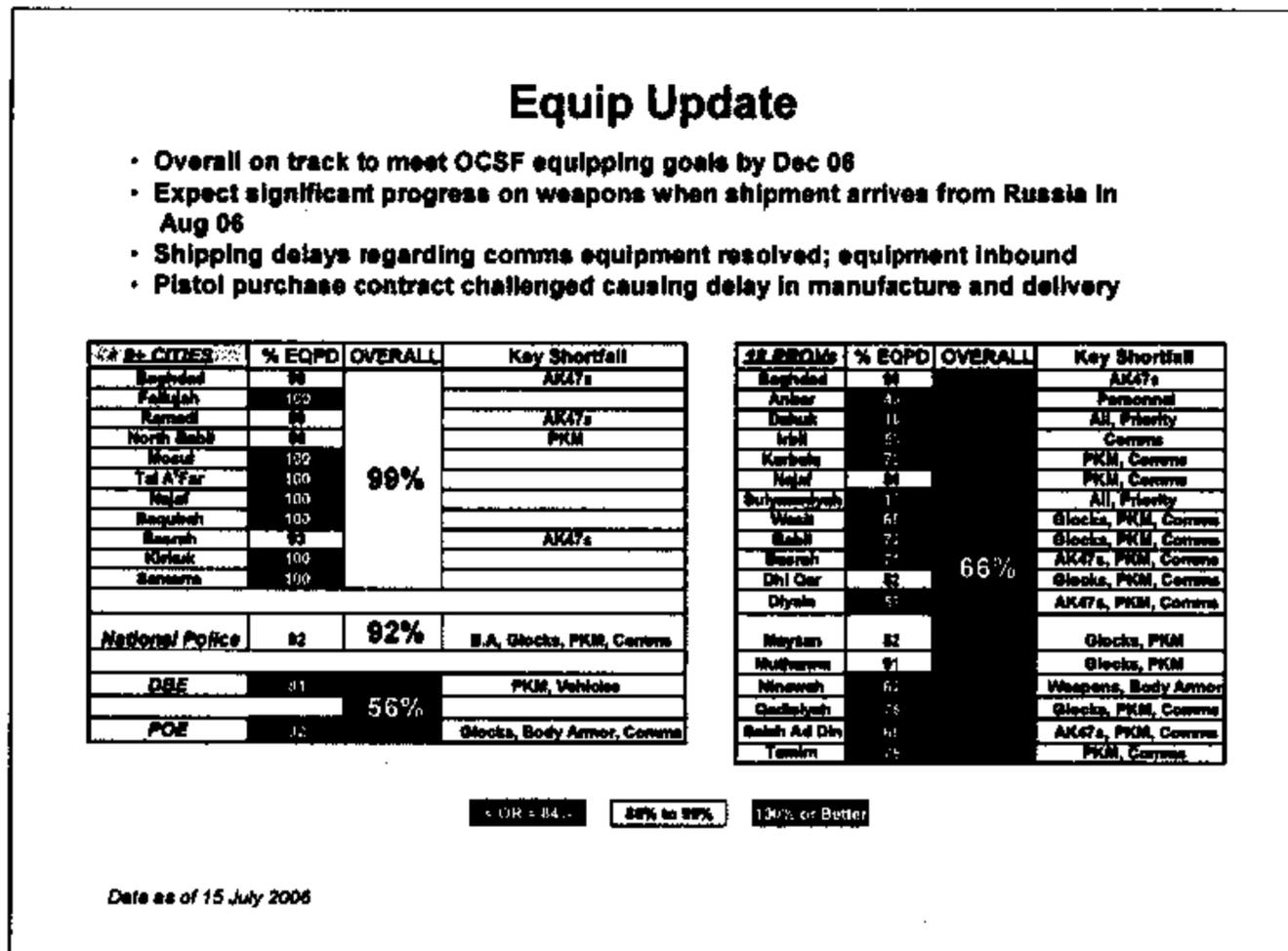
Logistics capabilities continue to be an area of significant concern for the IPS, particularly

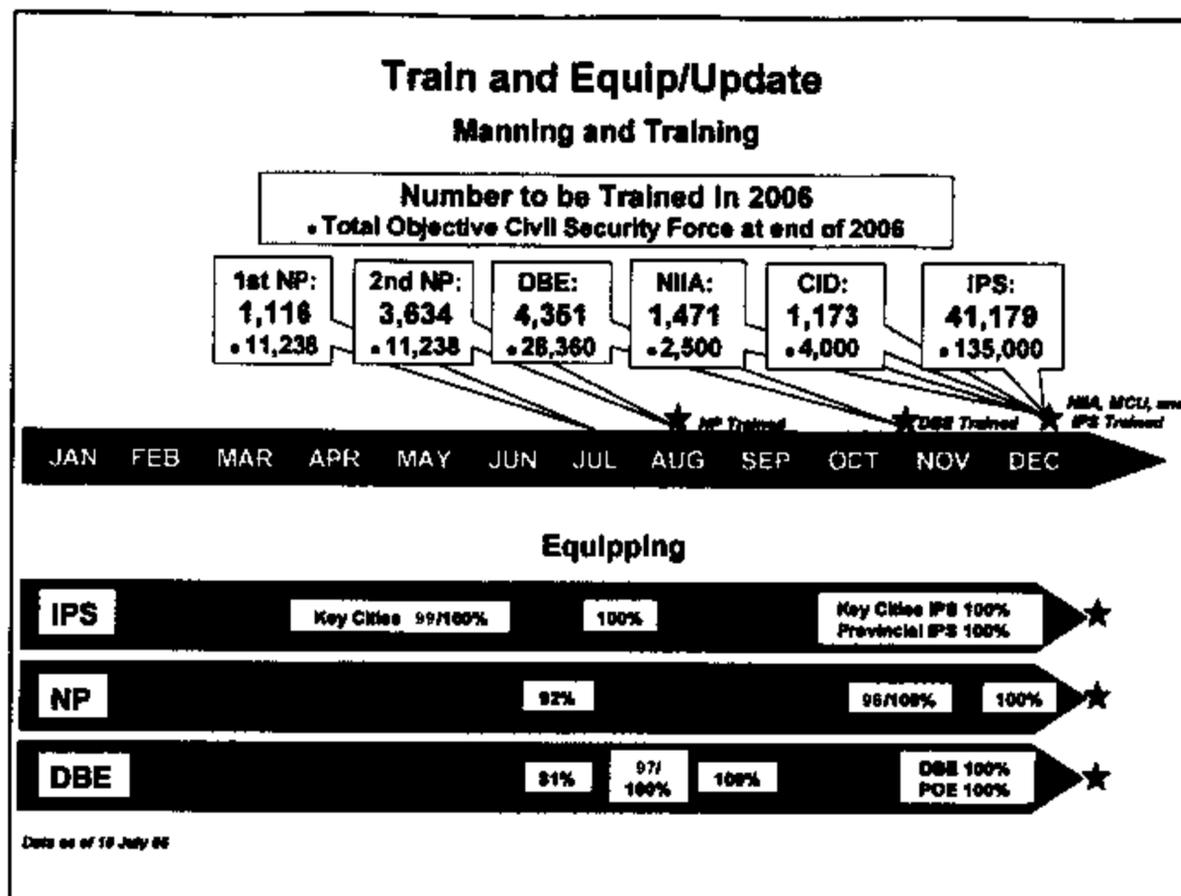
with respect to vehicle maintenance. However, accountability of equipment continues to improve as verified by reports submitted by PTTs. CPATT/MOI-TT continues to provide logistical support in both an advisory and financial capacity to assist with sustainment operations. Recently, a Director General for Logistics and staff were put in place. A 6-month vehicle maintenance contract for the National Police and the Baghdad IPS was agreed upon. Currently, there is a US\$950,000 vehicle spare parts contract for MOI forces, and a US\$350,000 vehicle spare parts contract for the National Police is in place. The average monthly logistical life support provided from April through June was US\$20,266,121, for a total of US\$60,798,363 during that timeframe. Construction of a MOI National Storage and Maintenance Facility was started in June 2006, with an estimated completion in December 2006. Currently, we are in the process of conducting a test case to hand over an LDI storage warehouse (one of seven) to

Iraqi control in August 2006. A plan is being formulated to hold a National Logistics Conference in September 2006.

MOI Equipment

MOI security forces are on track to reach December 2006 Objective Civil Security Force equipping goals. The following graph depicts the equipping status and key shortfalls of Baghdad and the 9 other key cities, 18 provinces, the National Police, the DBE, and the POEs. Equipment-issue priorities focused on equipping Baghdad, the 9 key cities, and the National Police, while simultaneously building initial functionality in the provinces, borders, and ports of entry. In general, these goals were met. However, the MOI does not currently have an effective equipment management system in place. As a result, it is unknown what percentage of the equipment issued to the MOI is still serviceable.





The equipping effort did experience unforeseen delays.

- Large shipments of Russian weapons were delayed clearing customs while exiting Russia and entering Iraq.
- Glock pistol delivery delays occurred when a U.S. manufacturer challenged the award of the pistol contract to a non-U.S. company.
- Communications gear was delayed due to shipping problems.

All matters have now been resolved and items have either arrived or are inbound. All equipment fielding goals are on track to be met by December 2006.

MOI Attrition and Absenteeism

The MOI does not currently have an effective personnel management system. As a result, it is unknown how many of the forces trained by CPATT are still employed by the MOI, or what percentage of the 146,000 police thought

to be on the MOI payroll are CPATT trained and equipped. CPATT estimates attrition to be at least 20% per year going forward. The MOI reports paying death benefits for more than 6,000 police officers since the fall of the Ba'athist regime in May 2003.

In addition to the overall number of police in Iraq, there are some issues with distribution of the police among the various provinces. For example, by the end of the year, Diyala Province will have recruited its authorized force, but will not have trained the entire authorized number. In the case of Diyala, the provincial leadership has resisted sending 100% of the force to training due to security concerns and the reluctance to take its police off the streets. Anbar, Basrah, and Ninewah may also miss their training targets for the same reason. Rather than let training seats go unfilled, other provinces were permitted to send some of their untrained personnel to training. As a result, those provinces will have more than the authorized force trained in their provinces.

As with the IPS, the National Police payroll is significantly larger than its authorized end-strength. There are currently more than 29,000 National Police on the MOI payroll, but it is unknown how many of these have been trained and equipped. Absenteeism among National Police units generally follows the same pattern as in the military. Leave policies and immature personnel management policies account for 30%–40% of personnel not present for duty. Absenteeism in the IPS is difficult to quantify because shift schedules preclude PTTs from ascertaining which police officers are absent and which are simply off-duty.

The DBE payroll is also larger than its authorized end-strength, with 25,832 DBE personnel on the MOI payroll. It is currently unknown how many untrained DBE personnel are on the rolls and how many of the trained and equipped border personnel have left the MOI. As with the other personnel issues, an effective personnel management system will help resolve these reporting and accountability deficiencies.

Sectarian Issues at MOI

The U.S. Government is committed to helping the Government of Iraq create an MOI that reflects the diversity of the Iraqi people. The goal is to create ethnically integrated units at the national level, while still allowing local police to reflect the ethnic composition of the communities in which they serve. The former Police Commandos, now part of the National Police, are becoming increasingly diverse. The former Public Order Battalions, also now part of the National Police, tend to be disproportionately Shi'a, due to a lack of Sunni participation when these units were being formed in preparation for the January 2005 elections. Merging the National Police Commandos and the Public Order Battalions into one National Police force has helped produce a more repre-

sentative National Police. Recruiting initiatives targeting Sunnis have improved the diversity. Unlike the National Police, local police forces tend to be of the same ethnic mix as the communities in which they live and work.

Corruption in MOI

In 2005, the MOI IG conducted 790 corruption-related investigations. Of these, 472 (60%) were closed. Of the 472 closed investigations, 118 (25%) were forwarded to the CPI or to a court for adjudication, 350 (74%) were closed because of "insufficient evidence," and 4 (1%) were handled as internal MOI discipline. To improve the IG's capability to investigate, the Specialized Advance Training Unit at the Baghdad Police College will train new MOI investigators. It will take approximately 18 months to train the Investigations Directorate at the basic investigator level. Beyond the IG training, improvements in leadership oversight, accountability, and reductions in sectarian and militia influence are required before Iraqis become confident that MOI forces can ensure security and uphold the rule of law in Iraq.

Foreign/Political/Militia Influence

Corruption, illegal activity, and sectarian bias have constrained progress in developing MOI forces. Inappropriate tolerance of and infiltration by Shi'a militias, some of which are influenced by Iran, is the primary concern of the Government of Iraq. A lack of effective leadership and policies to stem corruption through accountability for actions, equipment, and personnel have enabled the theft of pay and equipment, unlawful detentions, and reported cases of abduction and torture or execution of Sunnis. The minister is committed to changing corrupt leaders and instituting policies to eliminate corruption.

An additional 45 transition teams were deployed in July to increase PTT coverage across the country. As stations begin to reach TRA Level 2 in August, transition teams will expand their coverage of nearly 1,000 total stations across Iraq. This will limit infiltration by militias, improve adherence to the rule of law, and prevent complicity and participation in sectarian violence.

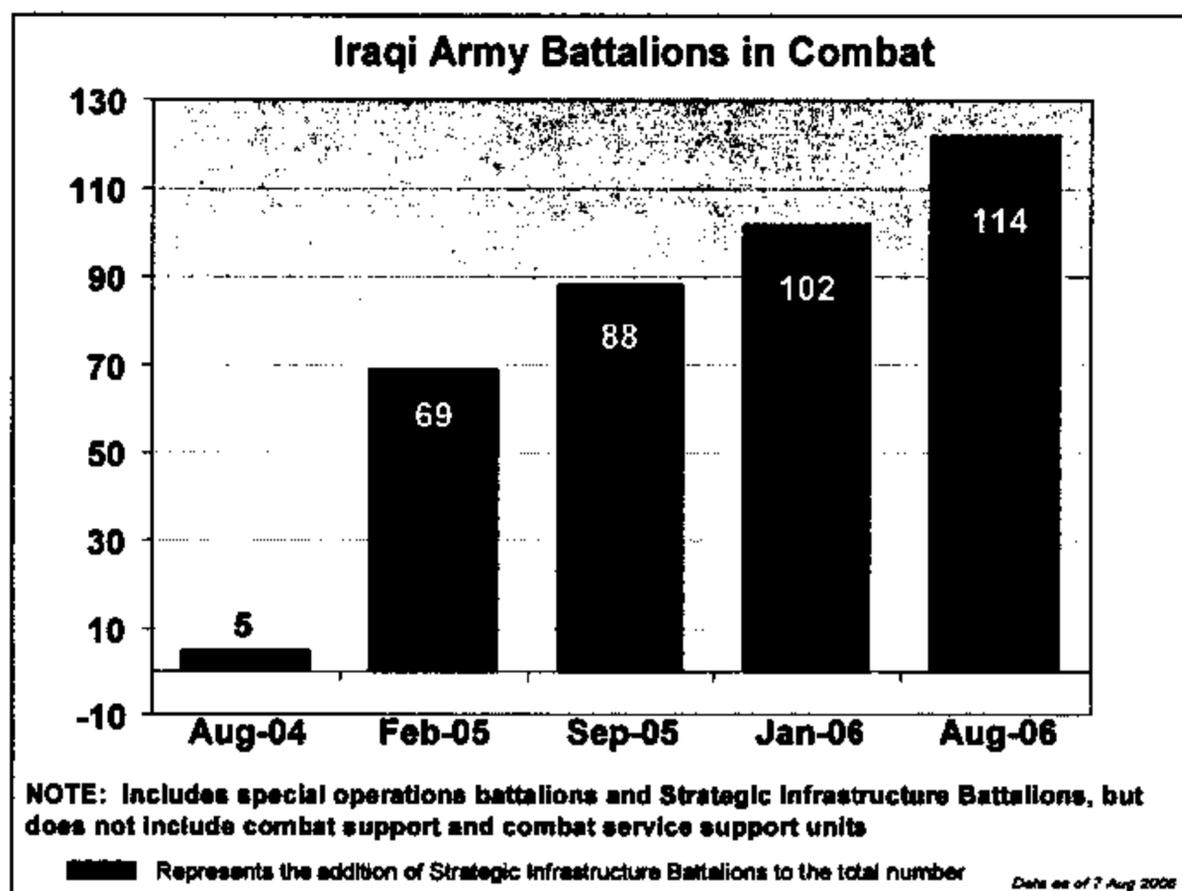
2.4 Ministry of Defense

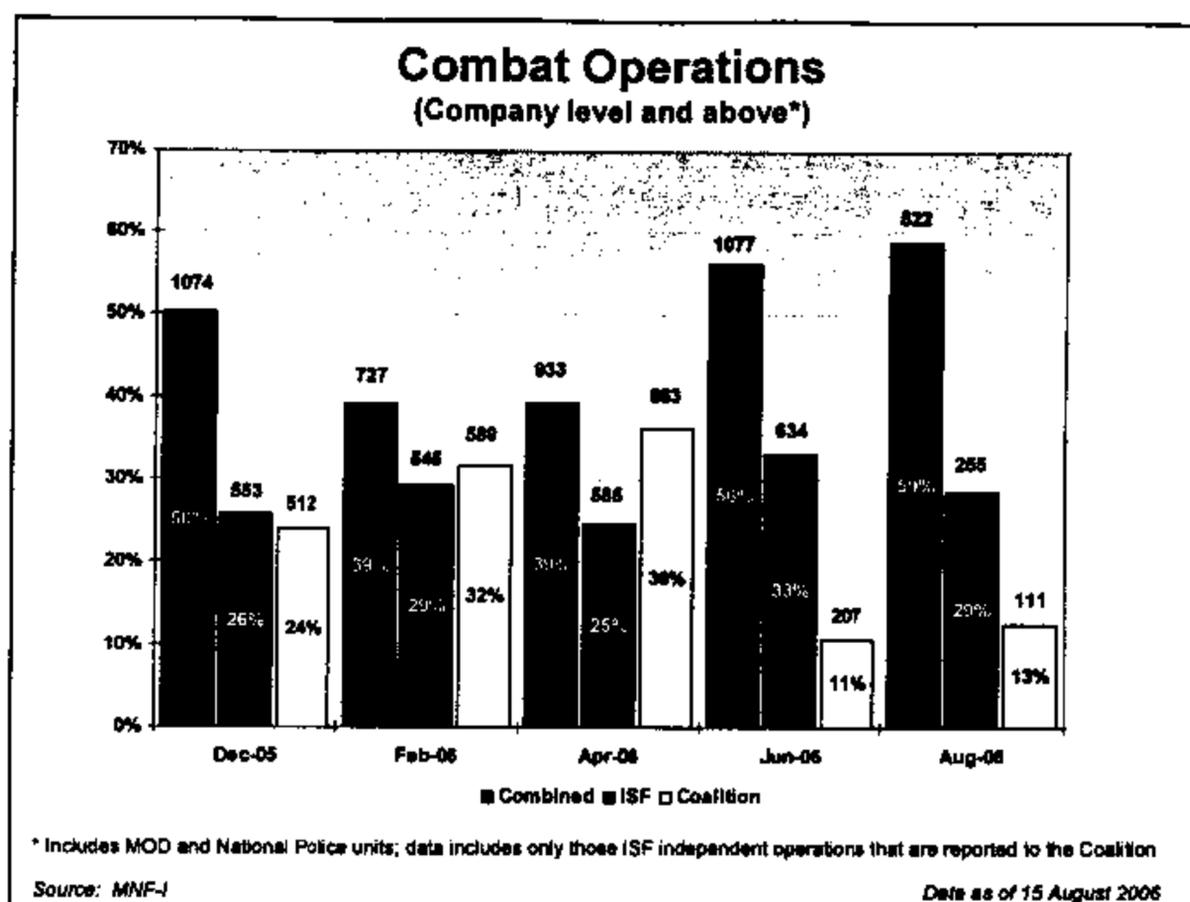
The Iraqi MOD forces consist of Army (including Special Operations Forces), Air Force, and Navy (including Marines) personnel. The end state of the Objective Counter-Insurgency Force will be an approximately 137,500-person force based around an Army with 9 infantry divisions and 1 mechanized infantry division consisting of 36 brigades and 112 battalions. Nine Motorized Transportation Regiments, 5 logistics battalions, 2 support battalions, 5 Regional Support Units (RSUs), and 91 Garrison Support Units (GSUs) are intended to provide

logistics and support for each division, with Taji National Depot providing depot-level maintenance and resupply. Each battalion, brigade, and division headquarters will be supported by a Headquarters and Service Company (HSC) providing logistical and maintenance support to its parent organization. The Army will also include 17 SIBs and a Special Operations Forces Brigade consisting of two special operational battalions. The Air Force will consist of six squadrons, and the Navy will consist of two squadrons and a Marine battalion.

Army

The Iraqi Army includes approximately 115,000 trained and equipped combat soldiers (including SIB personnel and around 9,600 support forces). The capability of Iraqi Army units continues to improve, facilitated by the mentoring by embedded advisors at the battalion, brigade, and division levels, and partnership with Coalition force units.





Force generation of Iraqi Army units is increasingly focused on combat enablers and continues in accordance with the force development plan. All three planned Iraqi Training Battalions are formed and fully operational. These battalions allow the Iraqis to train soldiers independently in sufficient quantities for force generation completion and replacement needs. New recruits attend a 13-week program of instruction. Upon graduation, soldiers receive additional training specific to their military occupation. Depending on their military occupational skill assignment, the length of training ranges from three to seven weeks. Other training initiatives, such as the Military Intelligence School, the Signal School, the Bomb Disposal School, the Combat Arms Branch School, the Engineer School, and the Military Police School, contribute to the growing professionalism of the Iraqi Army through teaching diverse specialties necessary to conduct and sustain counter-insurgency operations.

Three of the nine planned Motorized Transportation Regiments (MTRs) are approaching full operational capability. While a shortfall of fully competent maintenance personnel adversely affects full capability, these MTRs provide improved mobility and sustainment support for Iraqi forces. Progress has been made in establishing HSC units for each combat battalion, brigade, and division to provide transportation, communications, medical, supply, and maintenance support. Approximately 80% of the planned HSCs have been formed; one-third are operational, and the remaining planned HSCs are scheduled for completion by December 2006.

Currently, 17 SIBs are being trained and equipped. Although the Iraqi Army maintains operational control of the SIBs, at present only 1 SIB is capable of planning and executing independent operations, and all 17 require Coalition logistical support. Training of these battalions continues to employ a "train-the-

trainer" model that focuses specifically on squadron- and platoon-level tasks.

The capability of the SIBs is growing as they receive training and more modern equipment. MNC-I is partnering the more capable SIBs with locally deployed Iraqi Army units to provide them with counter-insurgency experience and to accelerate their leaders' professional development. Evaluation of their effectiveness in securing infrastructure, particularly oil pipelines in northern Iraq, is ongoing.

The Iraqi Armed Service and Supply Institute (IASSI) at Taji plays a critical role in training the officers and non-commissioned officers (NCOs) to fill support and combat service support positions in the Iraqi Army. The IASSI has trained more than 5,000 officers and NCOs who serve as leaders in the MTRs, RSUs, and HSCs. The IASSI continues to support the development of critical Iraqi Army support and combat support capabilities.

Special Operations Forces

The Iraqi Special Operations Forces (ISOF) are composed of approximately 1,600 soldiers organized into the Iraqi Counter-Terrorism Task Force, the Iraqi Commandos, a support battalion, and a special reconnaissance unit.

Navy

The Iraqi Navy is tasked with defending Iraq's coast, territorial waters, vital ports, and offshore oil platforms. The Iraqi Navy has more than 1,100 trained and equipped sailors and marines organized into an operational headquarters, two afloat squadrons, and five Marine companies. The Iraqi Navy is developing independent capabilities for surface surveillance, maritime interdiction, oil terminal protection, and support operations.

The Iraqi Navy Training Department continues to develop unit-level refresher training and naval skills improvements, including basic seamanship and maritime security operations. In June 2006, the Training Department independently conducted basic training and successfully graduated 324 naval recruits. Its training efforts range from mentorship, as conducted by the Naval Transition Team, to active skills training, as conducted by Coalition Navy, Marine, and Coast Guard Forces.

Air Force

The Iraqi Air Force continues to evolve toward supporting the counter-insurgency force, but progress has been slowed by difficulty in recruiting qualified applicants. There are currently 750 personnel in the Iraqi Air Force, with development plans calling for a concentrated recruitment effort over the next 18 months to at least double the personnel by the end of December 2007. This effort is intended to provide a satisfactory corps of professionals as a foundation for future growth.

The Intelligence Surveillance and Reconnaissance aircraft at Kirkuk Air Base (7th Squadron with five CompAir 7SLs) and Basrah Air Base (70th Squadron with two Seekers and six CH-2000s) are performing operational missions. These aircraft are primarily deployed to patrol oil pipeline infrastructure in the north and south, with occasional missions conducted in support of Iraqi Army units. There have been recent airworthiness issues with the CompAir 7SL aircraft, and the Coalition is working with the Iraqi Air Force to develop solutions and alternatives to continue supporting the mission.

Helicopter operations from Taji Air Base in central Iraq are still in their infancy, but the

next six months should see a marked improvement. The 2nd Squadron is expected to receive the first 6 of 16 Huey IIs from a modification factory in the United States by the end of January 2007 and the remainder before April 2007. The 2nd Squadron will primarily be used for casualty evacuation. It is expected to reach initial operational capability by the third quarter of FY2007.

Three C-130Es from 23rd Squadron at New Muthanna Air Base round out the Iraqi Air Force fleet. Early complications with low mission capable rates have been solved, and fleet-wide readiness was measured at 72% in July 2006. The Iraqi Air Force has requested an additional three aircraft from the U.S. Government to bring the fleet total to six. These additional aircraft reflect the Coalition Air Force Transition Team's force generation plan and efforts are under way to identify additional funding to meet this request.

Assessing MOD Capability

Operational/Unit Readiness

Embedded Transition Teams continue to provide monthly TRAs measuring the staffing, command and control, training, sustainment/logistics, equipping, and leadership of their partnered Iraqi units.

Personnel and Equipment Status

The total number of MOD military personnel trained and equipped is currently more than 115,000, approximately 84% of the objective end-strength.

With the generation of Iraqi Army battalions more than 92% complete, the focus of the Iraqi Army's train-and-equip effort shifted during this reporting period toward building combat support and combat service support forces. More than 65% of authorized per-

sonnel in the Iraqi Army's support forces are trained and equipped.

Equipping the Iraqi Armed Forces continues as planned since the May 2006 report, with 92% of authorized equipment issued to the 10 Iraqi Army Divisions and subordinate formations. MNSTC-I is on track to issue all currently authorized equipment by the end of December 2006. Equipment is distributed and filled according to the commander's operational assessment. MNSTC-I is currently working with the MOD to transition maintenance capabilities to the Iraqi Army. To date, two Regional Support Units facilities have been transitioned to the Iraqi Army.

Leadership

The lack of junior officers and NCOs continues to be one of the biggest factors impeding development of MOD forces. There is a shortage of school-trained officers and NCOs to fill lower-level staff and leadership positions. The shortage of leaders will abate as officer recruits are commissioned and they join their units. For NCOs, qualified soldiers are being "grown from within" through development and schooling to achieve promotion to NCO leadership positions.

The Regional Training Centers (RTCs) and the NCO Academy focus on junior leader development that is critical to building a professional force. The RTCs conduct Squad Leader and Platoon Sergeant Courses. Newly formed Sergeants Major and Chief Warrant Officer Courses have been added to the NCO Professional Education System. Specialized leadership courses, such as Logistics Supervisor, are being conducted at the Iraqi Army Service and Support Institute at Taji. Three Iraqi Military Academies at Zahko, Qalachwalan, and Ar Rustimiyah continue to train future officers.

The institutional leadership courses are complemented and reinforced through partnership with Coalition Military Transition Teams. These teams, embedded with every Iraqi battalion, brigade, and division, provide daily guidance and mentorship. In addition, Iraqi units are partnered with Coalition force units. These partnerships, combined with the expertise and leadership taught through the institutional base, are critical for development of both unit proficiency and leadership essential to increased operational effectiveness.

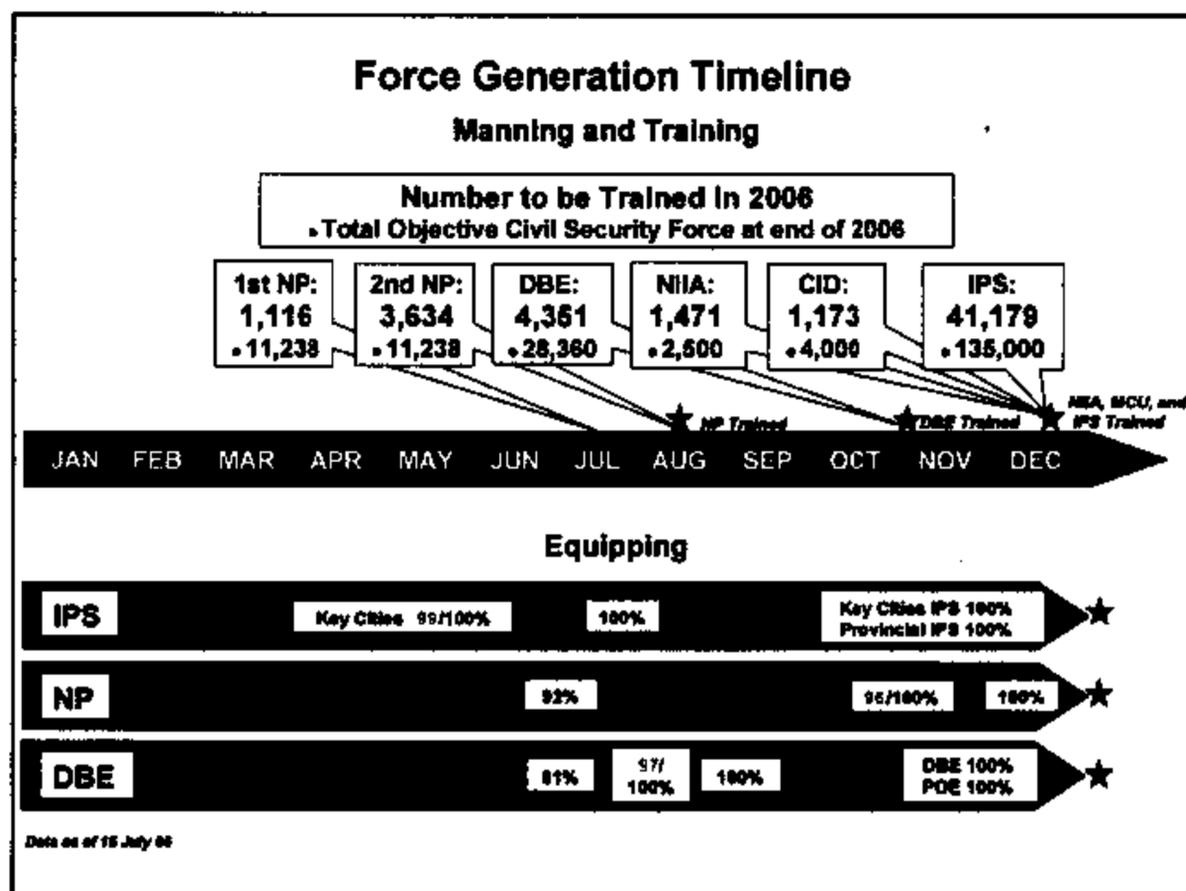
The importance of ethics, human rights, and leadership in the Iraqi Armed Forces has engendered a concept for a Center for Ethics and Leadership to provide institutional oversight for ethics education, training, and assessment.

A promising trend is that military leadership has become more involved with civic leaders and sheiks in their areas of operation. This activity will continue to reinforce and establish the importance of Iraqis leading and

taking responsibility for their own security and interests.

MOD Capacity Development

The new Minister of Defense, Abd al-Qadr Muhammad Jassim al-Mufraji, is confronting the challenges he faces and is already making his mark. Previous logjams in acquisitions and contracting are being eased, and he is working closely with MNSTC-I to proceed on force development, force expansion, and logistics support. The MOD Transition Team grew to meet this accelerated pace of business and expanded to more than 50, half of whom are Military Professional Resources Incorporated contractors. Close and effective relationships are being forged by team members with all senior MOD headquarters officials, and the confidence, and thus capacity, of these officials is strengthening. The ministries and the Joint Headquarters are expected to be in the lead with Coalition support by the end of 2007. However, a partnership with these institutions will be



required through at least the first peaceful transfer of power in 2010.

Coalition Support Requirements

MNC-I continues to provide logistical support to the Iraqi Armed Forces where the established system falls short. Although there has been some success with Iraqi Army units using their own processes, there is still a great deal of institutional development remaining. MNF-I is working with both MNC-I and MNSTC-I to aid the Government of Iraq in developing a defense logistics system, but in the absence of a self-reliant system, MNF-I must provide extensive support to Iraqi forces.

MNSTC-I processed life support contracts in a total amount of approximately US\$7.8 million for the months of May and June 2006. Currently, all life support contracts have been transitioned to the MOD. MNSTC-I has formed a Transition Working Group tasked

with ensuring that the MOD properly supports all Iraqi Army life support requirements.

DOD requested US\$151 million for MOI sustainment in the FY2007 Budget Amendment request, but did not ask for funding for MOD sustainment.

Coalition forces are also supporting the Government of Iraq with fuel. In June 2006, all Iraqi Army units submitted requisitions for fuel; MTRs provide the majority of the fuel distribution. Storage capacity will not be fully fielded until December. Additionally, the GSUs will not be fully on-line until March 2007. Until the MTRs and GSUs are in place, the Iraqi Army units will not be fully self-sufficient in terms of bulk fuel transportation and storage.

Coalition forces supported the Iraqi Army units with the combined fuel report listed below.

APRIL 2006		MAY 2006		JUNE 2006		TOTAL	
Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons
DIESEL	133,590	DIESEL	964,598	DIESEL	352,042	DIESEL	1,450,230
MOGAS	89,935	MOGAS	83,956	MOGAS	73,613	MOGAS	247,504
JP8	42,347	JP8	29,101	JP8	34,955	JP8	106,403
Quarterly Subtotal	265,872		1,077,603		460,610		1,804,085

Obstacles to Progress

Absenteeism

In the Iraqi Army, approximately 15% attrition is the norm for initial training. When a unit is fully trained and employed in combat operations, some soldiers find that they do not like the particular location or they cannot cope with dangers of the counter-insurgency. Absent-without-leave rates are typically about 1%–4% for most Iraqi Army divisions, although deployments to combat sometimes cause absentee spikes of 5%–8%. However, soldiers in units in this final stage of development are less likely to abandon the service. As with any organization, the units with strong, competent leaders tend to have higher present-for-duty rates than those with weak leaders. However, there is currently no judicial punishment system within the Iraqi Army. Therefore, Iraqi Army commanders have little legal leverage to compel their soldiers to combat, and soldiers and police can quit with impunity.

Sectarian Issues

The U.S. Government is committed to creating an Iraqi military that reflects the ethnic and religious fabric of Iraq, with diverse units loyal to the nation and not sectarian interests. Although competence and merit are the deciding factors when selecting recruits, particularly leaders, the ISF are developing so that they generally mirror the demographic make-up of Iraq. Sectarian lines remain drawn, however, along geographic lines, with Sunni, Shi'a, or Kurdish soldiers mostly serving in units located in geographic areas familiar to their group. These divisions are even stronger at the battalion level, where

battalion commanders of one particular group tend to command only soldiers of their own sectarian or regional backgrounds. The Minister of Defense, through an Officer Selection Committee, has used the normal transitions to continue to diversify the senior leadership in the Iraqi Army. This continuing process strives to ensure that the Iraqi Army is led by competent leaders who are representative of the national fabric. In the aggregate, Sunni, Kurd, and Shi'a are well and appropriately represented in senior leadership positions. The Sunni and Kurds are slightly over-represented, while the Shi'a are slightly under-represented, though Shi'a commanders still hold a large majority of command positions. The percentage of Sunni leaders at each level remains constant. At the battalion level, the echelon in which the Shi'a have the highest percentage of commands, they are appropriately represented when compared to the demographics of the Iraqi population. The relatively high percentage of Sunni and Kurds in higher-level commands is a result of the requirement for experienced military leaders, of which few were Shi'a. Generally, Shi'a and Kurds were excluded from higher-level positions in the former regime. The Kurds, however, benefited from years of experience in the *Peshmerga*. Nationally recruited Iraqi Army divisions are otherwise representative of the ethno-religious composition of the country. The even-numbered divisions were originally formed as National Guard units, with the intent that these units would serve in the respective local regions. The composition of these units tends to be representative of the region in which they serve. Over time, replacements from the national recruiting pool will increase the diversity of these divisions.

3. Transition

3.1 Transitioning Security Responsibility

Process for Implementing Provincial Iraqi Control

The transfer of security responsibility from Coalition forces to the Government of Iraq is an objective of the security track outlined in the National Strategy for Victory in Iraq. Such transfers reflect the capability of the Government of Iraq to fulfill its sovereign responsibility in the most fundamental, vital interest of any state—to protect its citizens and safeguard its territory. As Iraqis take on more responsibility for security, Coalition forces will increasingly move to supporting roles in most areas. This may allow for future personnel reductions or a delay in previously scheduled deployments. The Coalition's military posture on the ground will remain responsive and flexible. As the security situation evolves, MNF-I will maintain sufficient forces on the ground to help Iraq consolidate and secure its gains on many different fronts. The recent agreement between Prime Minister al-Maliki and President Bush to increase force presence in Baghdad is indicative of this flexibility.

Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and civilian-controlled Iraqi Police Service. Muthanna is the first of Iraq's 18 provinces to be designated for transition to Provincial Iraqi Control, which represents the successful development of Iraq's capability to govern and protect itself as a sovereign and democratic nation.

The joint decision between the Government of Iraq and MNF-I to hand over security responsibility is the result of Muthanna's demonstrated ability to take the lead in man-

aging its own security and governance duties at the provincial level. The transition decision also reflects a joint assessment of the overall threat situation in Muthanna, the capabilities of the IPS and the Iraqi Army, and the provincial leadership's ability to coordinate security. Transition Teams are in place to smooth the transfer process, and multinational forces stand ready to provide assistance if needed.

Dhi Qar Province appears to be ready to assume security independence within the next 45 days, and several other provinces should meet the transition criteria before the end of the year. The Government of Iraq and the MNF-I will continue to transfer security responsibilities in other provinces as prerequisite conditions are met.

In concept, security transition is a four-phased process.

1. **Implement Partnerships**. MNF-I and its Major Subordinate Commands establish and maintain partnerships across the entire spectrum of ISF units, from battalion to ministerial level.
2. **Iraqi Army Lead (IAL)**. Process during which Iraqi Army units progress through stages of capability from unit formation to the ability to conduct counter-insurgency operations.
3. **Provincial Iraqi Control (PIC)**. Iraqi civil authorities satisfy the conditions required to assume control and to exercise responsibility for the security of their respective provinces.
4. **Iraqi Security Self-Reliance**. The Government of Iraq achieves PIC (or a combination of PIC and IAL) throughout Iraq, and the government, through its security ministries, is capable of planning, conducting, and sustaining security operations and forces.

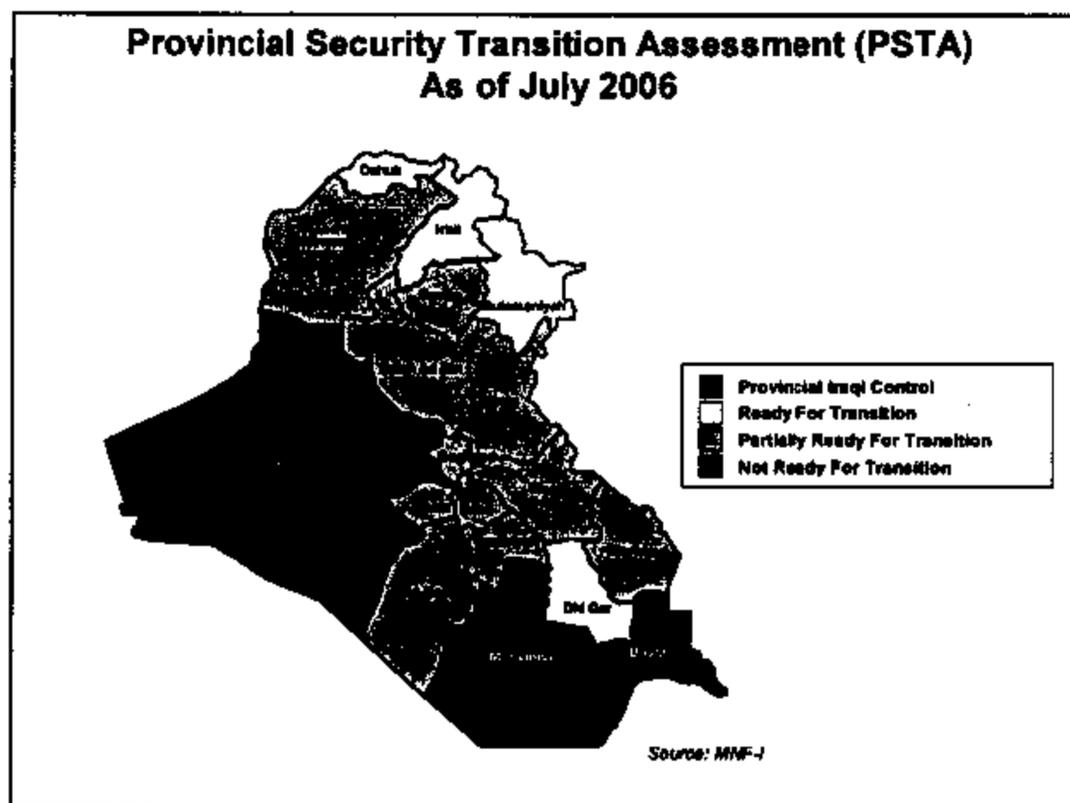
These phases are not strictly sequential. For example, the Iraqi Army does not have to assume the lead in a province before Coalition forces may begin transfer of provincial control. This was the case in Muthanna.

Phase 1 of the security transition concept—implementing partnerships—is already complete. As described above, the second phase, Iraqi Army lead, is well under way in many provinces. The third phase, establishing provincial Iraqi control over security, will be implemented on an area-by-area basis. The Government of Iraq, jointly with military and political leadership of the United States and Coalition partners in Iraq, will assess when conditions permit handing over security responsibility for specific areas from Coalition forces to the Iraqi civil authorities. The Joint Committee to Transfer Security Responsibility (JCTSR) has developed criteria to guide the transfer of security responsibility. Recommendations for transfer include an assessment of conditions in four categories:

1. Threat Assessment
2. ISF Readiness
3. Local Governance Capability

4. MNF-I Ability to Respond Quickly to Major Threats, if Needed

The recommendation to transfer security responsibility is based on the specific situation in any one province or provincial capital in the context of the overall security environment. The appropriate Multi-National Force Division Commander and Provincial Governor, assisted by representatives of the Iraqi Ministries of Interior and Defense and U.S. and United Kingdom Embassies, conduct monthly assessments of provinces and of provincial capitals. The JCTSR working group meets monthly to review the assessments and to present recommendations to the JCTSR principals regarding which provinces are ready to be transferred. Once a decision is made, the JCTSR working group will provide oversight of the development of transition directives, develop a public affairs plan, and arrange a post-transfer security agreement between MNF-I forces and provincial governors. Every transfer will ensure an effective and successful handover of security responsibilities. Moreover, the transition and reduced presence of MNF-I forces will be plainly visible to the Iraqi people.



Detainee Operations

Releases

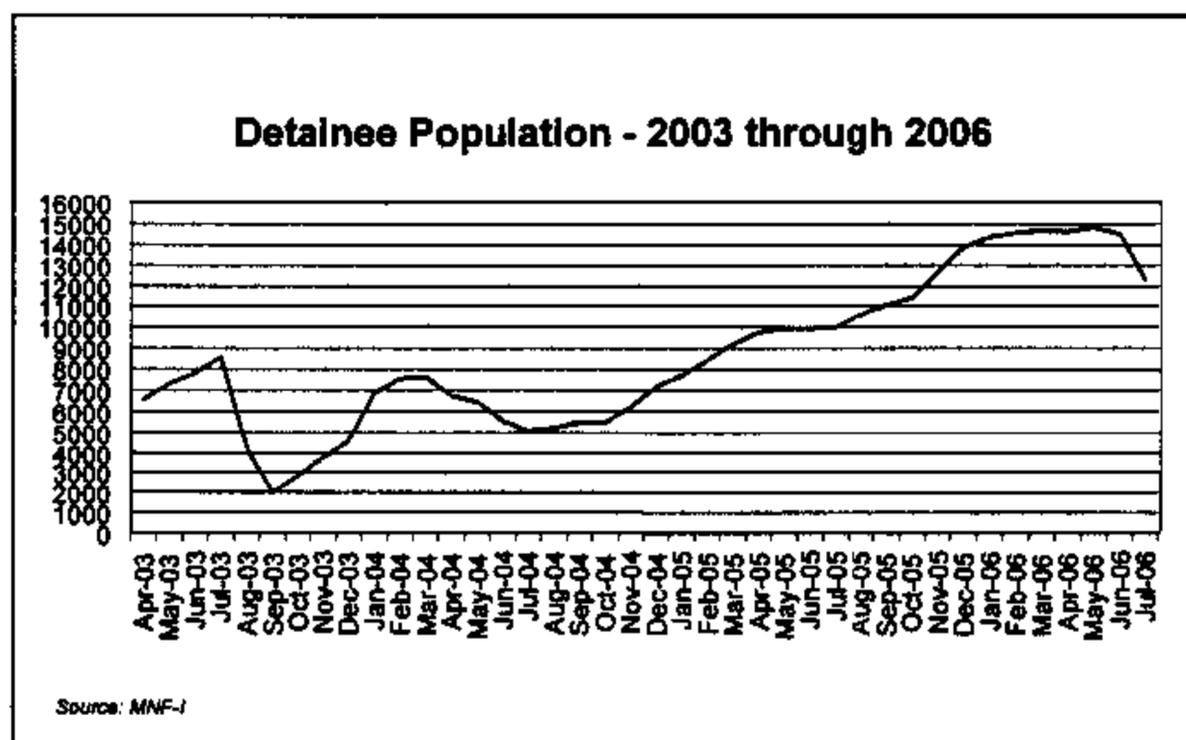
In June 2006, MNF-I, in coordination with the Government of Iraq, conducted a large-scale release of detainees in support of the newly formed national unity government. The release served as a visible symbol of the government's commitment to national unity and reconciliation in the progress toward democratic governance and the rule of law. MNF-I released 2,500 low-risk detainees over a period of three weeks. Coupled with the 500 detainees from the normal Combined Review and Release Board process, MNF-I had a net reduction of more than 2,000 detainees in June. A MNF-I special board reviewed approximately 6,500 records to identify the low-risk detainees. Each file was also reviewed by the MNF-I Deputy Chief of Staff for Intelligence to consider any additional intelligence reports. Detainees involved in violent acts, IED making/placement, financing insurgent operations, identified as key insurgent leaders, or who have been recaptured were not considered for release.

Transition of Coalition Detention Facilities and Detainees to the Government of Iraq

MNF-I has begun training Iraqi guards for a potential transition of the Coalition detention facilities and detainees. Transitioning detainee operations is a three-phase process.

1. Phase 1 consists of individual and collective training of Iraqi guards and leaders, including training alongside their U.S. counterparts inside the facility.
2. Phase 2 consists of the removal of U.S. guards and establishment of a U.S. transition team to supervise Iraqi Security Forces and to maintain legal custody of detainees.
3. Phase 3 consists of the final removal of all U.S. personnel and turnover of the facilities and legal custody of the detainees to the Government of Iraq.

The criteria for transfer includes the requirement for the Government of Iraq to possess the legal authority to hold security detainees, each facility demonstrating the ability to meet the care and custody standard, and the MOJ



having effective oversight of the program. MNF-I is currently in Phase 1. Significant challenges exist to ultimately meeting these criteria. The Iraqi Corrections System has not demonstrated the capacity to effectively resource and run a major facility, such as Camp Bucca. Additionally, based on the composition of the guard force, serious questions remain as to whether they would be able to maintain the required standards of care and custody. The most significant obstacle remains establishing the legal authority to hold security detainees. There is widespread opposition inside the Sunni political leadership to providing this authority to the Government of Iraq.

3.2 U.S. Force Adjustments

In consultation with the military commanders in Iraq, the Government of Iraq, and Coalition partners, the Secretary of Defense continues to advise the President on the appropriate level of U.S. forces in Iraq and the surrounding theater of operations based on current conditions. These conditions include, but are not limited to, key elements of the MNF-I Campaign Plan, such as the increasing responsibility of the ISF in counter-insurgency operations and ownership of areas of responsibility and progress in the political process.

Arbitrary deadlines or timetables for withdrawal of Coalition forces—divorced from conditions in Iraq and the region—would be a serious strategic error, as they would suggest to the terrorists, the Rejectionists, and the various illegal armed groups in Iraq that they can simply wait or stall to win. The absence of a specific timetable does not mean that the Coalition's posture in Iraq is static. On the contrary, the Coalition continually reviews the situation in Iraq and adjusts its posture and approaches as conditions evolve and Iraqi capabilities grow.

As security conditions improve and as the ISF becomes more capable of securing their own country, Coalition forces will move out of the cities, reduce the number of bases from which they operate, and conduct fewer visible missions. However, they will remain postured to assist, including supporting the ISF with transition teams. Although the Coalition military presence may become less visible, it will remain lethal and decisive, able to confront the enemy wherever it may gather and organize.

The Coalition retains the ability to quickly reinforce the Iraqi Army as required and to provide critical enablers as Iraqis develop their own capabilities. Coalition personnel levels will increase, if necessary, to defeat the enemy or to provide additional security for key events, like the 2005 referendum and elections. But the goal, over time, is to reduce Coalition forces as Iraqis continue to assume more of the security and civilian responsibilities themselves. This process is already under way.

The Government of Iraq has agreed to form a Joint Committee with MNF-I and the U.S. and UK Embassies to develop a conditions-based roadmap for the full transition of security responsibility to the ISF. This roadmap will consist of recommended conditions intended to lead to the eventual and gradual withdrawal of multi-national forces from Iraq.

The Joint Committee for Achieving Iraqi Security Self-Reliance (JCAISSR) will base its roadmap on much of the successful work that has already gone into developing the strategy for transition of security responsibility in Iraq:

Governance

The seating of the new Government of Iraq's, based on its Constitution, sets the conditions

for continuing progress toward Iraqi security self-reliance. Toward this end, the government's program calls for speeding up plans for completing the preparation of the ISF; speeding up the process of transferring security responsibilities and powers to the Iraqi Army, police, and security forces; and cooperation with the multi-national forces in a way that will allow the handover of security responsibilities to the ISF, the completion of the mission, and the exit of the multi-national forces.

Development of the ISF

Efforts to develop the capacity of the ISF have been successful. In November 2005, the Iraqi Army had 4 brigades and 23 battalions in the lead. As of August 7, 2006, the Iraqi Army has 6 Division Headquarters, 25 brigades, and 85 battalions that have assumed responsibility. MOI forces also grew significantly, from approximately 93,000 trained and equipped members in November 2005 to more than 160,000 today.

Provincial Iraqi Control Plan

The Government of Iraq and MNF-I have already developed a conditions-based framework for the transition of security responsibility from multi-national forces to Iraqi leadership. As a result of this work, security responsibility for Muthanna Province transitioned to the provincial governor on July 13, 2006. Security responsibility for as many as nine of Iraq's provinces could transition to Government of Iraq authority by the end of 2006.

The JCAISSR will comprise the Iraqi Prime Minister, the Iraqi National Security Advisor (Chair), the Minister of State for National Security Affairs, the Ministers of Defense and Interior, the Director of the Iraqi National Intelligence Service, the U.S. Ambassador,

the UK Ambassador, and the Commanding General and Deputy Commanding General, MNF-I. This committee will be supported by a working group of direct subordinates.

Conditions recommended by JCAISSR will, at a minimum, include consideration of the threat situation across Iraq, security force readiness, capacity of key security and supporting ministries, and development of the overall Iraqi national security processes.

MNF-I Basing Construct

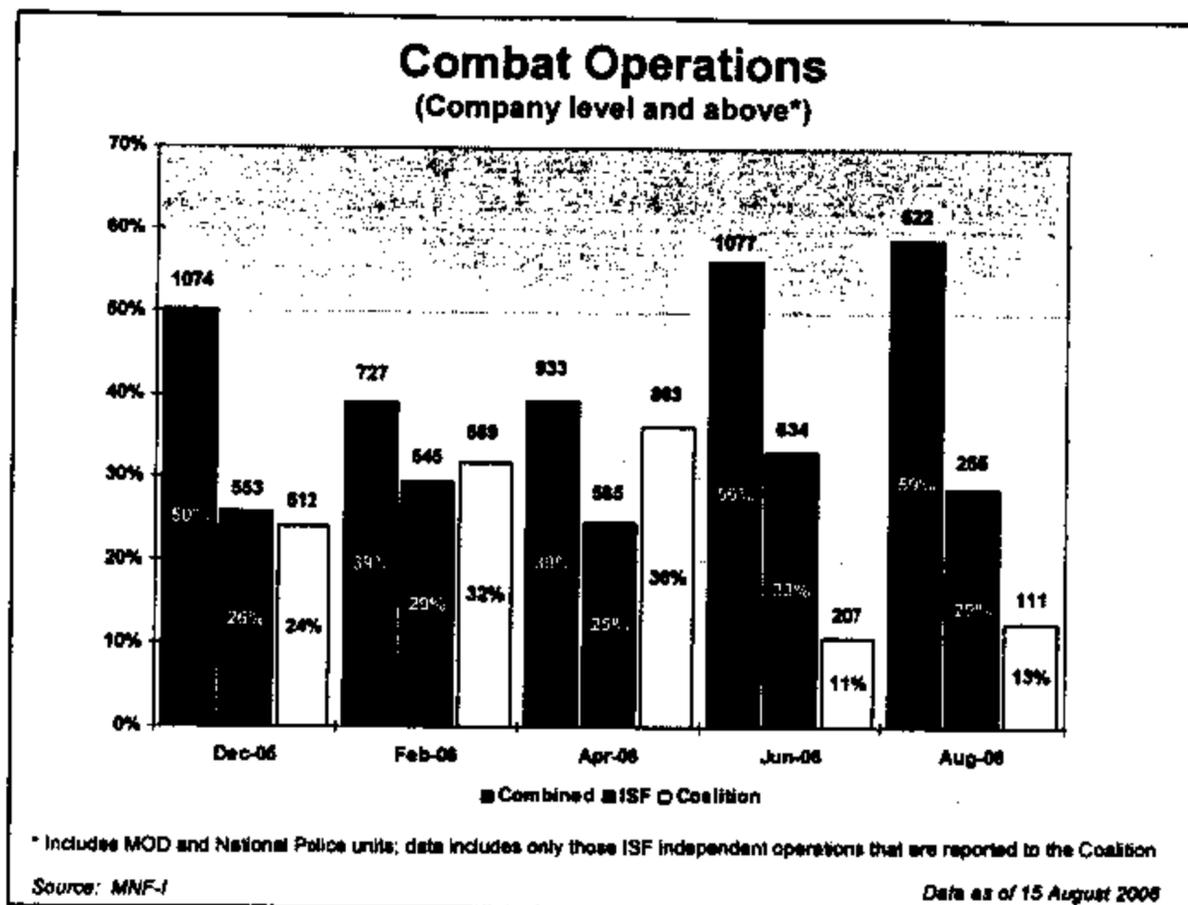
MNF-I will efficiently consolidate its footprint in Iraq to reduce its military basing requirements progressively. The MNF-I basing strategy is an integral part of the Campaign Plan. MNF-I uses a conditions-based process to synchronize basing requirements with Coalition force structure and projected command and control structure. Several factors are considered when employing this process, including cost-effective use of resources, maintaining security presence where required by the mission and maintaining only those bases required, transition of operations to the ISF as they continue to assume the lead in security operations, and other factors. Specifically, MNF-I seeks to minimize its presence in major cities while building the flexibility required to support other elements in Iraq, including Coalition partners, PRTs, Transition Teams, Department of State activities, and other supporting units and entities. This process will culminate in the transition through Operational and Strategic Overwatch, which will leverage and maximize support through a minimum number of strategically located FOBs and Convoy Support Centers.

As of August 7, 2006, MNF-I has closed 48 of its 110 FOBs, handing over 31 to ISF, MOD/MOI; and 17 to the Ministry of Finance. Thirteen more FOBs are scheduled for closure and handover by January 2007.

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Erratum Page Insert for the Department of Defense report, "Measuring Stability and Security in Iraq," section 9010 Defense Authorization Code, August 2006

On page 53, replace chart "Combat Operations" with attached insert due to publication error (9/1/2006).



Force generation of Iraqi Army units is increasingly focused on combat enablers and continues in accordance with the force development plan. All three planned Iraqi Training Battalions are formed and fully operational. These battalions allow the Iraqis to train soldiers independently in sufficient quantities for force generation completion and replacement needs. New recruits attend a 13-week program of instruction. Upon graduation, soldiers receive additional training specific to their military occupation. Depending on their military occupational skill assignment, the length of training ranges from three to seven weeks. Other training initiatives, such as the Military Intelligence School, the Signal School, the Bomb Disposal School, the Combat Arms Branch School, the Engineer School, and the Military Police School, contribute to the growing professionalism of the Iraqi Army through teaching diverse specialties necessary to conduct and sustain counter-insurgency operations.

Three of the nine planned Motorized Transportation Regiments (MTRs) are approaching full operational capability. While a shortfall of fully competent maintenance personnel adversely affects full capability, these MTRs provide improved mobility and sustainment support for Iraqi forces. Progress has been made in establishing HSC units for each combat battalion, brigade, and division to provide transportation, communications, medical, supply, and maintenance support. Approximately 80% of the planned HSCs have been formed; one-third are operational, and the remaining planned HSCs are scheduled for completion by December 2006.

Currently, 17 SIBs are being trained and equipped. Although the Iraqi Army maintains operational control of the SIBs, at present only 1 SIB is capable of planning and executing independent operations, and all 17 require Coalition logistical support. Training of these battalions continues to employ a "train-the-

(b)(6)

From: (b)(6)
Sent: Friday, September 01, 2006 12:36 PM
To: (b)(6) CIV, OASD-PA; (b)(6)
Subject: Participant list
Attachments: 2098749114-list osd liaison 154.doc

(b)(6)

Today's participant list is attached.

Any questions give me a call.

Thanks

(b)(6)

To: (b)(6)
Date: Friday, September 01, 2006 11:45 PM Eastern
E-Mail Address: On file
Company Name: OSD
Host's Name: (b)(6)
Conference Name: OSD 154 (11:45A) Analyst OSD
Conference Title: OSD Analyst Call

Participant Information

- | | | |
|-------------------------|-----------------------------|-------------------|
| 1. C (b)(6) | Pentagon | Washington, DC |
| 2. Gordon Cucullu | Fox News | St. Augustine, FL |
| 3. Jeff McCausland | CBS News | Carlisle, PA |
| 4. Robert McGinnis | BCP International | Washington, DC |
| 5. Jeb Babbin | American Spectator Magazine | Leesburg, VA |
| 6. Rick Francona | NBC | Port Orford, OR |
| 7. Steve Grimm | Fox News | Atlanta, GA |
| 8. Lt Gen Tom McInerney | Fox News | Clifton, VA |

(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Friday, September 01, 2006 12:35 PM
To: (b)(6) CIV. OASD-PA
Cc: (b)(6) Col MNC-I
Subject: IAG PAO'; (b)(6) CIV MNFI STRATEFF COMMS DIV
FW: 9010 PDF for Defense Link
Attachments: Aug 06 Security and Stability Report Final Aug 29 r1.pdf; Erratum Page Aug 2006.pdf

(b)(6)

There was an error on page 53 of the report I previously sent. Attached is a corrected version, as well as the errata sheet explaining the change. Didn't change the data, just correctly labels the bars. Can you forward this to the analysts?

Thanks,
Todd

Lt Col Todd Vician, USAF
Defense Press Officer
Office of Assistant Secretary of Defense (Public Affairs)

(b)(6)

DSN (b)(2)

From: (b)(6) CIV, WSO-DRSO
Sent: Friday, September 01, 2006 12:00 PM
To: Vician, Todd M LtCol OSD PA
Subject: 9010 PDF for Defense Link

Todd,

1. Attached is the correct version for defense link. (Changed in page 53, Page ii, and Page 40 intentionally blank for printing)
2. The erratum is attached for the defense analyst that have received the other version.
3. The erratum is not needed for defense link since the pdf is corrected.

Thank you for understanding and for your support.

Best regards,

(b)(6)



Aug 06 Security
and Stability R...



Erratum Page Aug
2006.pdf (53 ...)

(b)(6)

From: (b)(6)
Sent: Friday, September 01, 2006 12:12 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: FW: August 2006 Measuring Stability and Security in Iraq Report
Attachments: FW: August 2006 Measuring Stability and Security in Iraq Report

(b)(6)

Someone was using a cellphone which made it difficult to understand Rodman and Sullivan. You might consider only allowing hardline users to call in.

I'd strongly recommend you host a briefing on Iran. I talk the issue daily. Rodman's statements were of little real help.

Thanks.

Bob

--

Robert L. Maginnis

(b)(6)

[\(b\)\(6\)](http://home.comcast.net/~(b)(6))

----- Original message -----

From: (b)(6) CIV, OASD-PA" <(b)(6)>

Gentlemen,

Please find attached Iraq Stability and Security Report for your review. The report will be on Defenselink this afternoon, but we wanted to provide you with a copy in advance. In addition, I have attached a portion of the communications plan with background, top line messages and talking points. We hope you find this helpful.

Thank you and have a great weekend,

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

Measuring Stability and Security in Iraq

**August 2006
Report to Congress
In accordance with the
Department of Defense Appropriations Act 2006
(Section 9010)**

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This report to Congress on measuring stability and security in Iraq is submitted pursuant to Section 9010 of the Department of Defense Appropriations Act 2006, *Public Law 109-148*. This is the fifth in a series of reports on this subject and the third under Section 9010. The most recent report was submitted in May 2006.

Executive Summary

This report is divided into three sections. The first section, "Stability and Security in Iraq," describes trends and progress toward meeting goals for political stability, strengthened economic activity, and a stable security environment in Iraq. The second section, "Iraqi Security Forces Training and Performance," describes progress in the training, development, and readiness of the Iraqi Security Forces (ISF), including the forces of the Ministry of Defense (MOD) and the police and paramilitary forces of the Ministry of Interior (MOI). The third section, "Transition," describes the transfer of security responsibility from Coalition forces to the Iraqi government, including prerequisite conditions and criteria for assessing the readiness of provinces to assume responsibility for security.

A classified annex to this report provides data concerning security force training and performance and addresses possible U.S. military force rotations.

The information in this report is made available with the assistance of many departments and agencies of the U.S. Government, the U.S. Embassy in Iraq, Multi-National Force-Iraq (MNF-I), and the Government of Iraq. The report complements other reports and information about Iraq provided to Congress and does not replace them. The intent of this document is to report on the measures of stability and security specified in Section 9010.

Measures of Stability and Security and the National Strategy for Victory in Iraq

The President's National Strategy for Victory in Iraq lays out the goals and general framework to achieve security and stability in Iraq. The goal of the strategy is to help the Iraqi people build a new Iraq with a constitutional

and representative government that respects political and human rights and with sufficient security forces both to maintain domestic order and to prevent Iraq from becoming a safe haven for terrorists. To this end, the United States is pursuing an integrated strategy along three broad tracks:

- **Political:** Helping the Iraqi people forge a broadly supported compact for democratic government
- **Economic:** Assisting the Government of Iraq in establishing the foundations for a sound market economy with the capacity to deliver essential services
- **Security:** Contributing to an environment where Iraqis are capable of defeating terrorists and neutralizing insurgents and illegal armed groups

Each track is integrated with the other two, and success in each affects success in the others. Security depends, in part, on a democratic political process, which in turn depends, in part, on economic opportunity. Economic progress depends on securing the Iraqi infrastructure against sabotage and attack and protecting the Iraqi people from violence that undermines individual participation in economic development and the political process.

Although the National Strategy for Victory in Iraq is not a detailed plan for achieving specific objectives, consistent with the public nature of that document, it delineates measurable trends along each of these tracks to indicate where programs are achieving success and where it is necessary to increase efforts or adjust implementation of the strategy.

Major Milestones Toward a Democratic Iraq

Oct 15, 2005	National Referendum on the Constitution
Dec 15, 2005	National Elections under the New Constitution
Mar 16, 2006	First Session of Council of Representatives
Apr 22, 2006	Election of Presidency Council by Council of Representatives Nomination of Prime Minister by Presidency Council
May 20, 2006	Naming of Cabinet by Prime Minister Designee Vote of Confidence for Prime Minister, His Cabinet, and His Program
Jun 8, 2006	Nomination and Approval of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs
Jul 13, 2006	Transfer of Muthanna to Provincial Iraqi Control
Jul 26, 2006	Prime Minister al-Maliki Addresses Joint Session of U.S. Congress

The President's strategy also identifies eight objectives, or pillars, of the integrated political, economic, and security strategy:

- Defeat the terrorists and neutralize the insurgency
- Transition Iraq to security self-reliance
- Help Iraqis forge a national compact for democratic government
- Help Iraq build government capacity and provide essential services
- Help Iraq strengthen its economy
- Help Iraq strengthen the rule of law and promote civil rights
- Increase international support for Iraq
- Strengthen public understanding of Coalition efforts and public isolation of the insurgents

Key indicators of progress since the last report are discussed below.

Political Progress. This report marks the first 90 days of the first representative government

in Iraq. The appointments of the Ministers of Interior, Defense, and State for National Security Affairs, on June 8, 2006, marked the completion of a national unity government. Within one month of seating this government, Prime Minister Nouri al-Maliki presented a "National Reconciliation and Dialogue Project" to the Iraqi Council of Representatives (CoR). This project is a broad initiative aimed at reconciling past inequities; rallying Iraqis around a principle of equality, devoid of sectarian divisions; firmly establishing the basis of national unity via a democratic political process; and creating the conditions for Iraq to assume a leading role both in the region and internationally. Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the 24 Council Committees have formed and named chairs. The CoR is making some progress on key legislation required to implement the provisions of the Iraqi Constitution.

Economic Activity. The Iraqi economy continues to show progress, but still needs to overcome serious challenges. As the Government of Iraq was formed just 90 days ago, its institutions are still forming or are immature and consequently struggle with many macro-economic issues. The new government has affirmed its commitment to programs supported by the Stand-By Arrangement with the International Monetary Fund (IMF) by taking important and decisive measures, notably price increases for refined petroleum products that meet IMF targets. The Executive Board of the IMF subsequently completed its first and second reviews of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Iraq continues to make progress reducing its Saddam-era debt. As of July 2006, 17 of 18 Paris Club creditors have signed bilateral agreements to forgive 80% of Iraq's sovereign debt. Russia is the only Paris Club creditor that has not yet signed a bilateral agreement with Iraq. It has, however, agreed in principle on debt relief terms and will finalize an agreement shortly. Middle Eastern creditors, which hold the majority of the present debt, have not signed bilateral debt reduction agreements.

Average peak electrical generating output increased 15.8% this quarter to 4,573 megawatts (MW) and continued to increase over the quarter. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter.

Crude oil production for the second quarter improved 18% to 2.2 million barrels per day (mbpd), and exports improved by 20%, to 1.6 mbpd. Also during this quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005. However, oil production and exports still fell short of the Iraqi goals of 2.5 mbpd and 2.0 mbpd,

respectively. Approximately 90% of the Government of Iraq's revenue comes from oil exports, and higher prices for Iraqi oil continue to somewhat offset lower than desired export volumes.

The Security Environment. Setbacks in the levels and nature of violence in Iraq affect all other measures of stability, reconstruction, and transition. Sectarian tensions increased over the past quarter, manifested in an increasing number of execution-style killings, kidnappings, and attacks on civilians, and increasing numbers of internally displaced persons. Sunni and Shi'a extremists, particularly al-Qaeda in Iraq and rogue elements of Jaysh al Mahdi (JAM), are increasingly interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their existing areas of influence. Concern about civil war within the Iraqi civilian population and among some defense analysts has increased in recent months. Conditions that could lead to civil war exist in Iraq. Nevertheless, the current violence is not a civil war, and movement toward civil war can be prevented. Breaking the cycle of violence is the most pressing goal of Coalition and Iraqi operations.

In the current reporting period the average number of weekly attacks increased 15% over the previous reporting period average, and Iraqi casualties increased by 51% compared to the previous quarter. Much of this violence occurred in Baghdad, as terrorists, insurgents, and illegal armed groups recognized and exploited the political and economic significance of conducting operations in the capital city. However, the Coalition and the Government of Iraq continued to make progress this quarter, improving the security environment in Fallujah and some parts of northern Iraq. Although sectarian violence threatens the effectiveness of the Government of Iraq, terrorists have failed to derail Iraq's political

process, or to widen their political support among the Iraqi people. Polling data continue to show the confidence of most segments of the Iraqi people in the Iraqi Army and their rejection of al-Qaeda's vision of Iraq's future.

Iraqi Security Forces. MOD and MOI security forces continue to increase in size and capability and are increasingly assuming the lead combat responsibility from Coalition forces.

Training, equipping, and fielding security forces continues. Approximately 277,600 Iraqi soldiers and police have completed initial training and equipping, an increase of more than 14,000 in the three months since the last report. As of August 2006, approximately 84% of the objective end-strength of MOD forces have been trained and equipped, while more than 92% of authorized Iraqi Army battalions have been generated. Remaining train-and-equip efforts will focus on building combat support and combat service support forces.

More Iraqi units are able to take the lead in combat operations against the insurgency and

to assume security lead in their territory. The number of counter-insurgency operations conducted independently by Iraqi forces as a percentage of total combat operations continues to increase steadily. Approximately one-third of the company-sized operations in Iraq during the reporting period were conducted independently by Iraqi forces. As of August 7, 2006, there were 85 Iraqi Army battalions (5 divisions, 25 brigades) that have assumed the lead for counter-insurgency operations, a 35% increase since the last report. All 27 National Police battalions are currently conducting counter-insurgency operations, and 2 National Police battalions have the security lead for their areas of responsibility.

Transition. Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and the civilian-controlled Iraqi Police Service (IPS). Moreover, since the May report, MNF-I has transferred an additional 10 Forward Operating Bases (FOBs) to the Government of Iraq. Forty-eight of 110 FOBs are now under Iraqi control.

1. Stability and Security in Iraq

1.1 Political Progress

The goal of the political process in Iraq is to help the Iraqi people forge a broadly supported national compact for democratic government, thereby isolating enemy elements from the broader public. The United States is supporting this effort by:

- supporting Iraqi leaders in their efforts to include all Iraqis in the political process, through dialogue and inclusive institutions;
- offering advice and technical support for effective governance;
- helping build national institutions that transcend regional, sectarian, and tribal lines; and
- assisting Iraqis in replacing the corrupt and centralized Ba'athist system with effective government bodies at local, provincial, and national levels.

Measures of political progress and stability include:

- achievement of political goals set forth in the Iraqi Constitution, as well as those in United Nations Security Council Resolution 1546 and the Transitional Administrative Law;
- formation of a national unity government representative of all Iraqi communities;
- participation in the political process by all Iraqi communities and evidence that they view the process as legitimate and effective;
- adherence to rule of law institutions; and
- expansion of international support.

With the seating of its constitutional government, Iraq, with the support of the Coalition, completed all the milestones required under United Nations Security Council Resolution 1546.

The National Strategy for Victory in Iraq lays out a specific three-pronged political plan to assist the Government of Iraq in building a broadly supported national compact for democratic governance. The plan seeks to:

- ✓ *Isolate* enemy elements from those who can be won over to the political process by countering false propaganda and demonstrating to all Iraqis that they have a stake in a democratic Iraq;
- ✓ *Engage* those outside the political process and invite in those willing to turn away from violence through ever-expanding avenues of participation; and
- ✓ *Build* stable, pluralistic, and effective national institutions that can protect the interests of all Iraqis, and facilitate Iraq's full integration into the international community."

Building a Government of National Unity

After successful national elections in December 2005, Iraqis made the commitment to establish a broad unity government. Rather than allocating all government positions to the majority party or coalition, this unity government sought to provide fair representation in the ministries and other government posts among all major parties that won seats in the CoR. Consistent with this commitment, Prime Minister al-Maliki announced and won CoR approval for his cabinet, which draws minis-

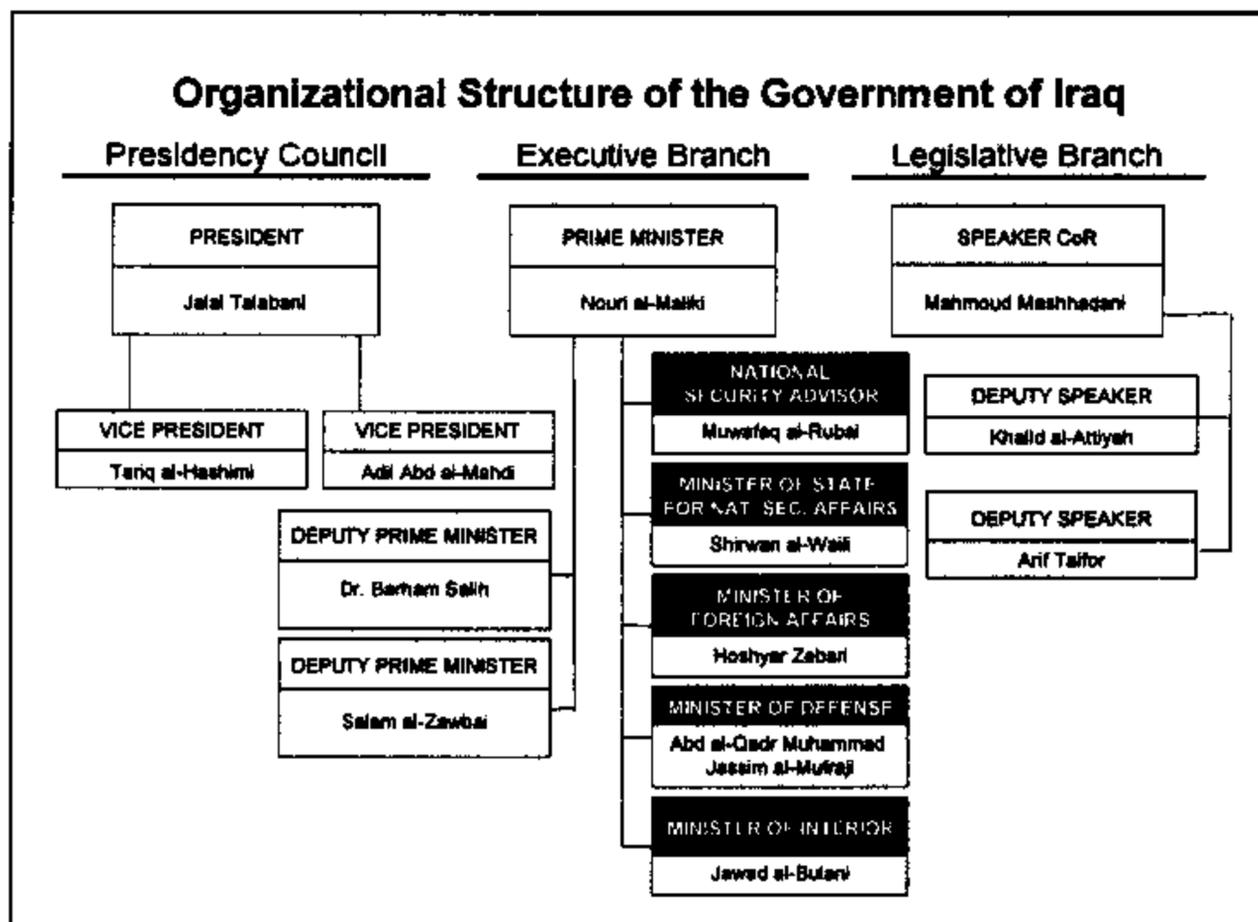
ters and senior officials from parties representing all regions, sects, and ethnic groups. The announcement met the constitutionally mandated deadline, but Prime Minister al-Maliki opted to delay filling the positions of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs to ensure broad support within the CoR for these sensitive positions.

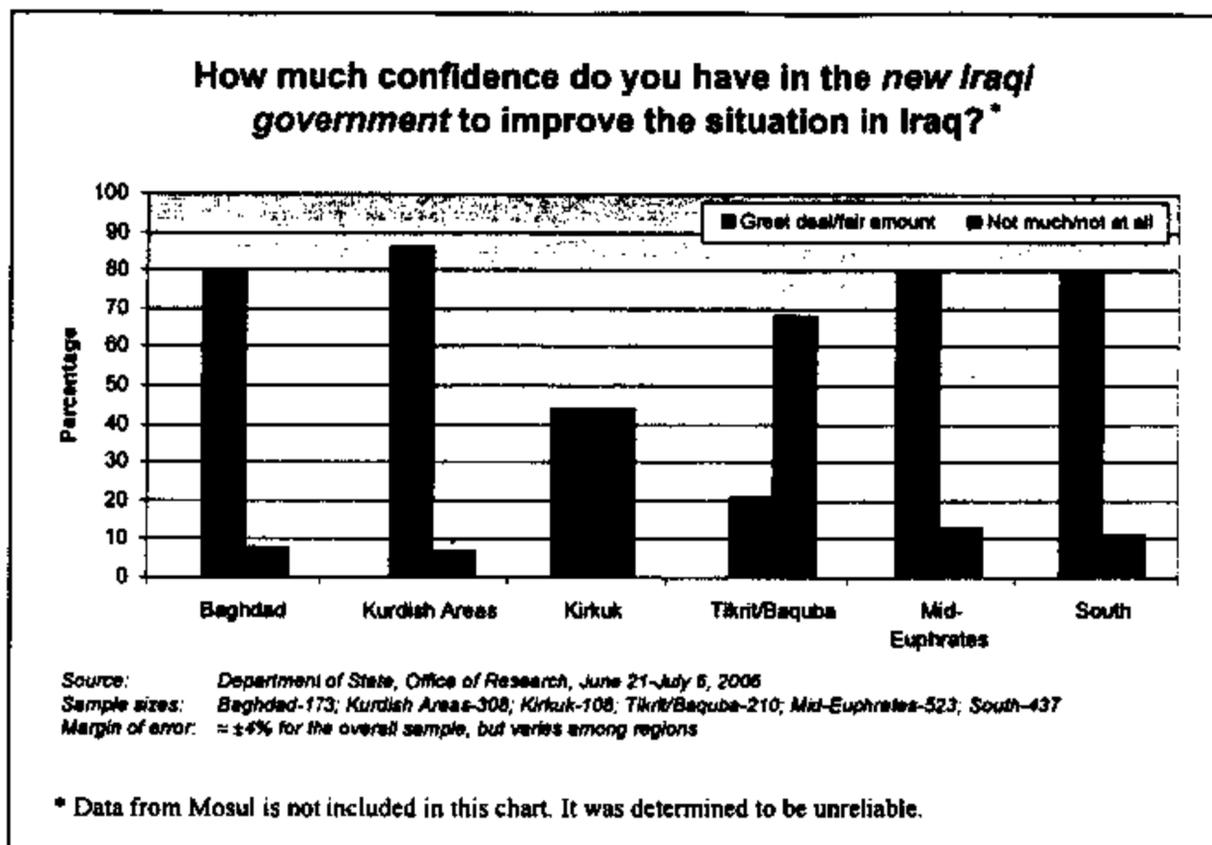
On June 8, 2006, after additional negotiations and compromise, the Prime Minister presented his nominees for the two security ministries. The CoR approved the appointments by a majority, confirming Jawad al-Bulani as Minister of Interior and Abd al-Qadr Muhammad Jassim al-Mufraji as Minister of Defense. The CoR also approved

the appointment of Shirwan al-Waili as Minister of State for National Security Affairs.

The appointment of the Ministers of Interior, Defense, and State for National Security Affairs marked the completion of Iraq's first representative government. The resulting cabinet is remarkably inclusive. The new government reflects the diversity of the Iraqi people and, with a freely elected parliament and a popularly ratified constitution, is a striking contrast to the oppressive, one-man rule of Saddam Hussein just three years ago.

Poll data indicates that the majority of Iraqis have confidence in the new government; notably, however, confidence levels are lowest in mixed and predominantly Sunni areas, such as Kirkuk and Tikrit/Baquba.



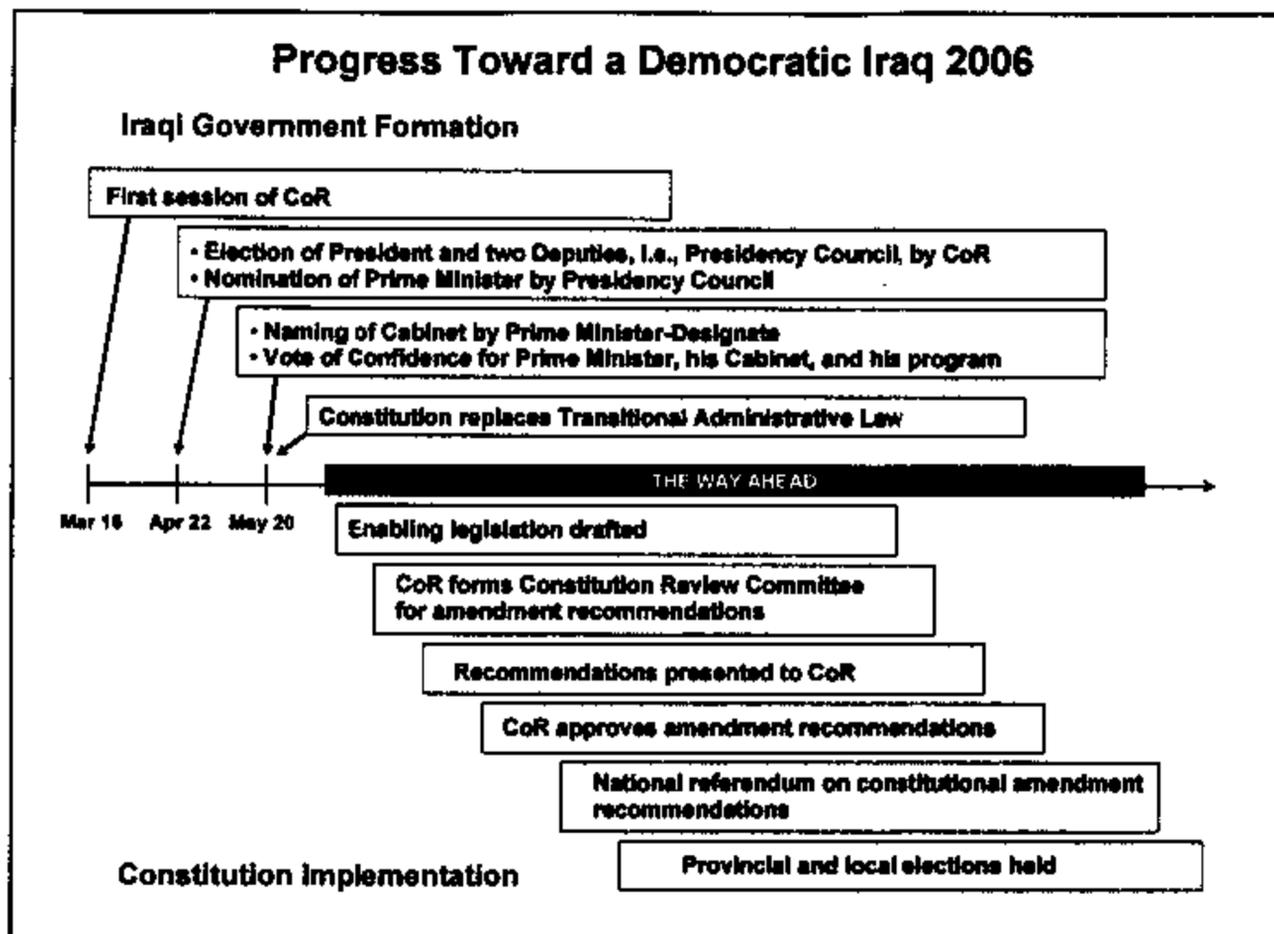


The Iraqi Constitution, adopted by popular referendum on October 15, 2005, requires approximately 55 enabling or implementing acts, in such significant and broad areas as judiciary development and economic reform, to make the Constitution operative. Passing and enforcing this legislation will be a key indicator of progress for the new Government of Iraq.

Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the Council Committees have been

formed and have named chairs. The CoR has made some progress on key legislation, including progress toward new Electoral Commission legislation, the first step on the path to provincial elections. However, little substantive legislation was passed in the session that ended in July.

The two critical political events facing the CoR and the Government of Iraq over the next few months are the constitutional amendment process and provincial elections.



The National Reconciliation Process

On June 25, 2006, Prime Minister al-Maliki presented to the CoR a "National Reconciliation and Dialogue Project," a 24-point initiative aimed at reconciling past inequities, rallying Iraqis around a principle of equality devoid of sectarian divisions.

The National Reconciliation and Dialogue Project is intended to open dialogue, reduce sectarian tensions and violence in Iraq, and increase commitment to the democratic process and the new national unity government.

The project will operate on three levels. At the national level, the High National Commission of the National Reconciliation and Dialogue Project will be composed of representatives from a diverse cross-section of political, religious, ethnic, tribal, and cultural groups under the leadership of the Minister of State for National Dialogue. The second level will be provincial subcommittees, and the third

level will be field committees, which will focus on key components of national reconciliation and will evaluate progress.

As part of the National Reconciliation and Dialogue Project, a conference of tribal leaders took place on August 26, 2006, in Baghdad that resulted in a statement condemning sectarian violence, and endorsing the reconciliation plan. In the coming months, the government will convene a conference of religious scholars. The government is supposed to convene a conference of political parties to encourage the democratic process and to solidify support for the Government of Iraq.

Government Institutions

To achieve unity, security, and prosperity, Iraq must develop the capacity to deliver government services to its citizens at the national, provincial, and municipal levels. The Government of Iraq must transform the country from

a centralized state, with delivery of essential services traditionally controlled by powerful bureaucrats, to a responsive federal government with decentralized control. This change will take time, consistent mentorship, and an emphasis on both promoting transparency and reducing corruption. The Coalition is supporting these efforts at all levels of the Government of Iraq.

National Institutions

National institutions and forces are essential to displace illegal armed groups and to serve moderate sectarian and local loyalties. The United States supports the development of non-sectarian institutions and the growth of independent media and civil society institutions, while continuing to encourage the Government of Iraq to proceed with the

announced and planned national reconciliation process.

The diagram below shows the organizations currently helping Iraq develop its capacity to govern effectively. Ministerial capacity development is the main focus of the U.S. Embassy's Ministerial Assistance Teams (MATs). These teams, composed of civilian and military experts in governance and organizational development, mentor and train both the Iraqi ministers and their senior staffs in such areas as budget development and execution, inter-ministry coordination, personnel management, and procurement. Iraq Reconstruction Management Office (IRMO) officials provide expertise in key sectors, such as oil, electricity, and health, to Iraqi ministers and other high-level government officials.



Assistance to Provincial Governments

Provincial Reconstruction Teams (PRTs) work with provincial governors and elected councils to improve execution of provincial government responsibilities and to increase citizen participation in governmental decision-making processes. The teams are intended to develop core competencies in public administration, finance, budgeting, planning, and accountability by boosting government capacity and transparency at the provincial level. Four U.S.-led PRTs are fully operational: PRT Tamim (Kirkuk), PRT Ninewah (Mosul), PRT Babil (Hillah), and PRT Baghdad. The security situation in some provinces hampers interaction between the team and provincial leaders.

Promoting the Rule of Law

Political stability in Iraq is predicated on the effective rule of law in the country. (Note: Police and associated institutions are discussed in Section 2 of this report.) Effective rule of law in Iraq, as in any country, requires four conditions to be met: effective laws, police to enforce them, courts to administer them, and prisons to incarcerate offenders. If any one of these institutions fails, or cannot work with the others, the Iraqi regime will be unable to enforce the rule of law. The United States, its Coalition partners, and international agencies are helping Iraq strengthen the rule of law. Although there have been some positive developments, delay in the formation of the Government of Iraq resulted in a loss of momentum; rule of law initiatives slowed, which contributed to the growth of crime, corruption, and illegal armed groups.

Legislation

The Iraqi Constitution sets forth a comprehensive list of rights and freedoms, but additional legislation is needed to implement those guar-

antees. The Constitution maintains the independence of the judicial branch, but vests considerable authority in the CoR to define the functions of the courts, raising the risk of undue influence by political or religious groups. Iraq's criminal legal framework is not presently robust enough to adequately address contemporary criminal activity, such as organized crime, trafficking, and some technology-related crimes. Legal experts from the U.S. Government are assisting Iraqi legal scholars in creating a legal system that can balance the requisites of modern international law with Iraqi cultural and legal traditions. The Coalition continues to provide administrative support as well as technical and legal assistance in drafting legislation.

Judiciary

The Coalition has helped the Government of Iraq improve the judicial system in several areas, including building or renovating courthouses, expanding the Central Criminal Court of Iraq (CCCI), and improving security. The CCCI, for example, now has 12 panels operating throughout Iraq. It processes, on average, 118 insurgency-related cases each month. Due to the limited capacity of the 11 panels outside Baghdad, the Baghdad CCCI is the primary facility for hearing insurgency cases.

Poor security for judges and judicial facilities, an insufficient number of judges, and an inadequate court infrastructure undermine advancements in the rule of law in Iraq. Judges are subject to intimidation and in many areas are afraid to prosecute insurgents. The U.S. Government, through the U.S. Marshals Service, responded by providing secure housing, personal security details, courthouse protection, and personal protection firearms to some members of the Iraqi judiciary. In Baghdad, the Coalition has provided facilities for 22 judges to reside in the

International Zone. Working in conjunction with MNF-I, the U.S. Marshals Service has begun training an Iraqi Marshals Service. The U.S. Department of Justice, along with the U.S. Department of State and the U.S. Department of Defense, is proceeding with plans for the renovation and construction of Iraqi courthouses and other related court facilities, including witness protection buildings. As of July 21, 2006, approximately 20 projects to improve judicial capacity have been completed, and 13 more are under way. Five additional projects are planned.

The U.S. Department of Justice estimates that Iraq needs 1,500 judges, yet only about 740 judges are currently serving. The Iraqi Ministry of Justice's (MOJ) Judicial Training Institute has enrolled a new class of 180 students (40 judges and 140 prosecutors) in a 2-year program to train new judges and prosecutors. When this class graduates in the fall of 2007, there will still be a significant shortfall in judges. To help address this need, the Iraqi Chief Justice recently nominated 200 lawyers to serve as investigative judges. If these judges are confirmed, the number of judges will rise to 940. By the fall of 2007, approximately 980 judges will be serving in Iraq, an increase of 32%, but still well short of the requirement.

Prisons

The MOJ is responsible for imprisoning convicted criminals and insurgents in Iraq. MOJ prisons generally meet international standards, but are already at maximum capacity. As a result, many detainees spend time in MOI or MOD facilities, which generally fall short of internationally accepted standards. To address this issue, the U.S. and Iraqi governments are funding construction of seven new MOJ prison facilities, one each in Basrah, Khan Bani Sa'ad, Nasiriyah, Dahuk, and Baladiyah, and two in Rusafa. Work has

stopped at Khan Bani Sa'ad and Nasiriyah due to problems with the primary contractor. Bridge contracts have been awarded to local Iraqi contractors to provide site security and to perform some continuing construction work. The Gulf Region Division of the U.S. Army Corps of Engineers anticipates that contracts will be issued to a new contractor in September and that both facilities will be completed in April 2007. Construction at the two Rusafa facilities has been delayed due to a title dispute between the Ministers of Justice and Interior. The title dispute is currently in litigation in the Iraqi courts. Dahuk, a 1,200-bed facility in the Kurdish region, is scheduled for completion in February 2007. Construction at Baladiyah was completed and the prison facility there has been activated and is currently in use by the Iraqi Corrections Services. Upon completion in mid-2007, all of these facilities will add a combined 4,800 beds. Even with these additions, however, projections show another 20,000 beds will ultimately be needed. Thus, the Government of Iraq must address insufficient bed space, enactment of custody transfer laws, abuses in MOI and MOD detention facilities, and the need for more guards and trained supervisors. The Government of Iraq also faces the problem of prisoner-detainees awaiting adjudication/resolution of the charges against them. The MOI and MOD are believed to be detaining between approximately 2,000 and 10,000 people in pre-trial status, many in crowded, substandard facilities.

Security Internees

In addition to criminal detainees and convicts held by the Government of Iraq, MNF-I holds security internees (or detainees) under the authority of United Nations Security Council Resolution 1637. As of July 16, 2006, Coalition forces held 12,388 such security internees outside the Iraqi criminal system. Detainees in MNF-I custody are treated in accordance with

Geneva Convention principles. The U.S. Government has initiated a dialogue with the Government of Iraq in an effort to transfer these internees to Iraqi custody. However, Iraq currently lacks the legal authority to hold security internees outside of the judicial system. Therefore, neither MNF-I-held detainees nor MNF-I-run detention facilities can presently be transitioned to MOJ control. The Coalition continues to urge the Government of Iraq to accept transfer of security internees in a way that ensures their humane treatment. Those detainees who do not pose a serious threat to the citizenry are released as promptly as possible. (The detainee release program is described in more detail later in this report.)

Anti-Corruption Institutions and Programs

The Government of Iraq has made a public commitment to eradicate corruption and to empower anti-corruption institutions. Coalition support for this effort is focused largely on the three main anti-corruption institutions in Iraq: the Board of Supreme Audit (BSA), the Commission on Public Integrity (CPI), and the Ministerial Inspectors General (IG). Both the BSA and CPI have new constitutional status, and the CPI has become the lead Iraqi anti-corruption agency. The CPI has investigated 1,158 cases this year.

The CCCI, which has jurisdiction for public corruption cases, does not have the capacity to process all its corruption cases. There are 826 criminal cases pending or under active prosecution. Over the past 20 months, 56 officials in Iraq's ministries were either convicted or subject to arrest warrants. The fact that there is a functioning process for investigating and prosecuting corruption, and that some corrupt officials are being brought to justice, is a positive sign. However, the ability of the government to prosecute corruption cases successfully is hampered by the lack of enabling

legislation, lack of CCCI capacity, and intimidation of investigators and judges.

Obstacles to Political Progress

Since the liberation of Iraq, there have been significant successes in the development of legitimate political institutions and processes. The unfolding of the democratic electoral process over the course of 2005 was a crucial success. Despite these achievements, however, the political process has encountered obstacles.

Violence

The nature of violence in Iraq is multifaceted. Illegally armed groups that reject the political process often do so because of long-standing grievances, extremist beliefs, tribal affiliations, and/or personal vendettas. No one strategy can address every grievance. A vocal minority of Iraqis (e.g., religious extremists) fundamentally opposes the idea of a democratic Iraq. Further, some Iraqis who have joined the political process are condoning or maintaining support for violent means as a source of political leverage.

The continued violence in some areas, especially in Baghdad, hampers the formation of legitimate national institutions. In some towns and neighborhoods, local illegal armed groups are seen as the primary providers of security and basic social and essential services. With the extended delay in formation of the national government and capable ministries, these armed groups have become more entrenched, especially in some primarily Shi'a sections of Eastern Baghdad and certain Sunni neighborhoods in Western Baghdad.

Security issues (e.g., the attempted kidnapping of a deputy minister and threats to ministry personnel who work with Embassy teams) have made some ministers reluctant to have

U.S. personnel visit them. This reluctance hampers coordination between the Coalition and some ministry personnel. Internal politics (e.g., political party affiliation) is also an obstacle to progress in some ministries.

Inexperience

Some Iraqi ministers tend to focus on near-term performance, rather than on long-term capacity building. A lack of effective procedures within the ministries, such as policy development, procurement, and budgeting, was endemic to the Iraqi government under Saddam Hussein, and three years is not enough time to reverse decades of organizational incapacity. This situation should improve with time.

Lack of proper “tools,” such as information technology, finance systems, and planning capabilities, inhibit the governing of complex issues. The result is that Iraqi planning, budgeting, and execution processes are less than fully effective. IRMO is currently procuring and developing these tools, but it will take time—years rather than months—before Government of Iraq staff is able to use these tools fully and to manage the ministries to full effectiveness.

Foreign Interference

Iran and Syria undermine the Government of Iraq by providing both active and passive support to anti-government forces that tend to fuel ethno-sectarian tensions. The Coalition and the Government of Iraq have acted to counter the Iranian and Syrian influence by tightening security at the borders. However, the borders are porous, and eliminating the transfer of illegal material and foreign fighters into Iraq is a formidable challenge.

Corruption

Corruption in the ministries has further hampered their capabilities. Experienced or talented employees are often purged and replaced with party elements/cronies as a result of a spoils system. Many of Iraq’s political factions tend to view government ministries and their associated budgets as sources of power, patronage, and funding for their parties. Ministers without strong party ties often face significant pressure from the political factions, and sometimes have little control over the politically appointed and connected people serving under them. Still entrenched in the culture of the former regime, some ministry personnel are reluctant to exercise independent initiative or to take any bold action to address Iraq’s problems of corruption.

1.2 Economic Activity

The National Strategy for Victory in Iraq underscores three objectives in helping the Iraqis build their economy:

- Building the capacity of Iraqi institutions to maintain infrastructure, rejoin the international economic community, and improve the general welfare of all Iraqis
- Reforming Iraq’s economy, which has been hindered by war, dictatorship, and sanctions, so that it can be self-sustaining in the future
- Restoring Iraq’s neglected infrastructure so that it can meet an increasing demand and the needs of a growing economy

This strategy rounds out the National Development Strategy (2005-2007) of the

Government of Iraq, whose national economic objectives are:

- Strengthening the foundations of economic growth
- Revitalizing the private sector
- Improving the quality of life
- Strengthening good governance and security

Building the Iraqi Economy

The formation of a new government allowed Iraq to refocus on its economic agenda. In the second quarter, the new government affirmed its commitment to the reform program supported by the Stand-By Arrangement and is moving forward with implementation of that program. The new government maintained fiscal discipline, raised domestic fuel prices to the targeted levels in the Stand-By Arrangement, sent a fuel import liberalization law to the CoR, and increased targeted support for the poor. The Executive Board of the IMF subsequently completed its first and second review of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Although the Government of Iraq missed the March 2006 deadline for the state fuel-price increase required by the Stand-By Arrangement for refined petroleum products, on July 1, 2006, the new Government of Iraq increased prices (reducing subsidies) for regular and premium gasoline, benzene, liquefied petroleum gas (LPG), kerosene, and diesel products, thus meeting or exceeding the IMF Stand-By Arrangement-mandated price increases.

Inflation threatens the overall macroeconomic stability that Iraq has maintained since the war ended. Ongoing violence and supply disruptions are pushing prices higher. The Central Bank of Iraq (CBI) must further tighten monetary and exchange rate policy to

prevent high inflation from becoming entrenched.

Iraq continues to make progress reducing its Saddam-era debt. Iraq's debt was estimated at US\$125 billion after the war. This was almost five times the gross domestic product (GDP) in 2004, an unsustainable burden on the Iraqi economy. The historic November 2004 debt relief agreement with the Paris Club members and subsequent agreements with commercial and other official creditors, as well as some non-Paris Club creditors, are helping bring Iraq's debt to sustainable levels.

As of July 2006, all 18 Paris Club creditors except Russia had signed bilateral agreements to forgive 80% of Iraqi sovereign debt owed. Russia is expected to sign an agreement with Iraq soon. In addition, Iraq has completed its program to restructure commercial claims from commercial and other official creditors.

- Paris Club – US\$41.7 billion owed before signed bilaterals; US\$34.2 billion will be forgiven under Paris Club terms, including a future Russian agreement.
- Non-Paris Club sovereign debt – approximately US\$63 billion owed (US\$2.75 billion worth of debt relief agreed to on US\$3.3 billion worth of debt, thus far).
- Commercial and other official creditors – debt relief deals completed on US\$19.7 billion of commercial and other official debt.

As long as Iraq continues its progress on implementing the economic reforms in the IMF Stand-By Arrangement, the country will remain eligible for the final 20% of debt reduction agreed under the Paris Club terms. Sixty percent of the Government of Iraq's debt to Paris Club members has already been forgiven, and continued successful comple-

tion of the Stand-By Arrangement will qualify Iraq for a final tranche of 20% in late 2007 or early 2008. The United States forgave all of Iraq's debt (US\$4.1 billion) and is encouraging other creditors to follow this example. Debt relief from non-Paris Club creditors is expected in accordance with Paris Club terms or better, and Iraq is beginning to approach these creditors to ask for debt forgiveness. The Gulf countries hold the largest amount of Iraq's non-Paris Club debt, estimated to be US\$45 billion.

In addition to loans, Iraq owes nearly US\$32 billion in war reparations (as of May 1, 2006). These reparations are the result of claims against Saddam's regime following the Gulf War in 1991. Every year, 5% of Iraq's oil revenue goes to repayment of war reparations. As of May 2006, Iraq had paid more than US\$20 billion in reparations. The United Nations Compensation Commission, which oversees the payment of reparations, awarded US\$21.5 billion in compensation to oil companies, which lost profits and equipment during the Gulf War. Paying these reparations each year, while simultaneously attempting to rebuild its economy, places a significant strain on Iraq's limited resources.

Building the Capacity of Iraqi Institutions

The economic institutions of the new Iraqi government are still developing. On July 12, Prime Minister al-Maliki outlined his vision for economic reform to build a prosperous Iraq based on private sector activity and investment, economic diversification, and integration into the global economy. The Coalition is working with the Government of Iraq to appoint an Ambassador to the World Trade Organization (WTO) and to complete the necessary documentation to hold its first WTO Working Party. In addition, the United States continues to work with the Ministry of Finance to implement a Financial Manage-

ment Information System (FMIS) that will provide greater transparency and accountability in the government's budget and expenditure processes.

As of July 1, 2006, halfway through Iraq's fiscal year, the Government of Iraq's ministries have spent far below their planned capital budget expenditures. Iraq's new ministries do not have experience executing ministerial budgets, and lack of a modern electronic transfer system, which has hampered transferring funds in locations around the country, compounded by security problems, contributes to an under-expenditure. The Government of Iraq's continued inability to execute its budget places delivery of basic services, as well as future economic expansion, at risk, and demonstrates the need for continued joint U.S.-Iraqi capacity development efforts. IRMO will soon develop contracts to install government-wide budgeting and procurement modules to add to the FMIS, which was installed approximately two years ago; however, the Government of Iraq is just now starting to use this system. These new modules will increase the transparency of the financial system and will improve the effectiveness of in-year and forecasted budgeting. It is proposed that the Minister of Finance require all Government of Iraq financial transactions to use this enhanced FMIS system. Budgets are not effectively delegated from the Ministry of Finance (MOF) to other ministries and provinces. The procedures to enable contracts through the MOF are proving too cumbersome, and officials are not willing to risk applying perceived "incorrect procedures," as several officials have been detained with investigations pending into possible breaches of regulations. Communications between the CBI and the MOF have all but stopped; several employees at the CBI have been intimidated and have therefore failed to show up for work.

Integrating Iraq into the World Economy

The United States is working with the Government of Iraq to engage Iraq's neighbors and the international community on the future of Iraq and the stability of the region. A sustained dialogue with key international partners remains a critical element in assisting Iraq's nascent democracy. In this context, last month Prime Minister al-Maliki traveled to Saudi Arabia, Kuwait, and the United Arab Emirates to promote his national reconciliation plan and to encourage international support for Iraq.

In late July, the Government of Iraq and the UN, with the strong support of the United States, the United Kingdom, and other donor states and international financial institutions, launched an International Compact with Iraq. The International Compact will, over the next five years, bring together the international community and multilateral organizations to help Iraq achieve its national vision. The government's vision is that, five years from now, Iraq will be a united, federal, and democratic country, at peace with its neighbors and itself, well on its way to sustainable economic self-sufficiency and prosperity, and well integrated in its region and the world.

The International Compact will provide assistance to Iraq under a contractual agreement; Iraq will undertake specific economic and political reforms designed to bring it into the global economy. In return, international donors will increase their financial support for Iraq's reconstruction. Meanwhile, the Government of Iraq will continue to enact political and security measures to achieve national reconciliation and to build an economic environment conducive to sustained economic

growth. The UN now occupies its compound in Irbil, and a UN Liaison Detachment has been established in Kirkuk.

The Arab League issued a strong statement following its November 2005 "Preparatory Meeting for the National Accord Conference," calling for all Iraqi parties and Arab states to support Iraq and respect the political will of the Iraqi people. The United States welcomes the planned Arab League-sponsored Iraqi National Accord Conference (to be scheduled) as an opportunity for Iraqis inside and outside of government to discuss the many crucial issues facing their country and to support a process of national reconciliation. Since the November 2005 conference, the Arab League has opened its office in Baghdad and has appointed Mukhtar Lamani as its envoy.

Macroeconomic Indicators

Economic indicators are collected and published regularly, largely through the Iraqi Ministry of Planning and Development Cooperation and international organizations, such as the World Bank, the UN, and the IMF, although gathering accurate statistics on which to base such indicators in the present security situation in Iraq is a challenge. As outlined in the table below, projections from the IMF assume that economic growth over the medium term will remain dependent on the performance of the oil sector, as it accounts for more than two-thirds of Iraq's GDP. The outlook also assumes that the Government of Iraq's investment in the oil sector will generate increased oil production and strong GDP growth over the medium term.

GDP Estimates and Projections, 2004-2008					
	2004	2005 e	2006 p	2007 p	2008 p
Nominal GDP (In USD billion)	25.7	34.5	47.0	61.0	71.0
Government Oil Revenue (In % of GDP)	69.6	69.4	66.9	66.5	67.4
Per Capita GDP (USD)	949.0	1,237.0	1,635.0	2,060.0	2,319.0
Real GDP (% change)	46.5	3.7	4.0	14.4	12.9
Primary Fiscal Balance (In % of GDP)	-40.6	9.8	-8.1	-2.1	-0.8
Consumer Price Inflation (annual %)	32.0	32.0	30.0	17.0	10.0

Source: IMF Estimates (e) and Projections (p), July 7, 2006

Estimates of unemployment in Iraq vary widely. The UN World Food Program's 2005 estimate is 13.4%; other estimates are as high as 50%–60%. As of July 2006, the Government of Iraq Central Organization for Statistics and Information Technology (COSIT) estimated that unemployment was 18% and underemployment was 34%. The COSIT estimates were corroborated by a 2005 United States Agency for International Development (USAID) survey and recent nationwide polling. This year, the Government of Iraq budgeted to increase employment from 1.1 million to 1.9 million civil servants. State-owned enterprises are expected to add another 100,000 people to their rolls. Although this hiring will reduce unemployment, government and state-owned-enterprise employment is not a long-term panacea; for example, most state-owned enterprises are operating under capacity or are closed. The key to long-term, sustained reduction in unemployment can be achieved only through private sector-led growth. The U.S. Government is working with the Government of Iraq to develop the Iraqi private sector by reforming the banking system, providing micro-credit lending and vocational training, and enacting legislation in

such areas as privatization and investment to spur economic growth.

Using data collected in 2004, the UN World Food Program estimates that 15.4% of the surveyed population in Iraq lacks adequate food. Including both severe and moderate forms, about 25.9% of the Iraqi children examined were stunted in their physical growth, a symptom of chronic malnutrition. The lowest rate observed (14.2%) was in Sulamaniya Province, while the highest (36.5%) was in Salah ad Din Province.

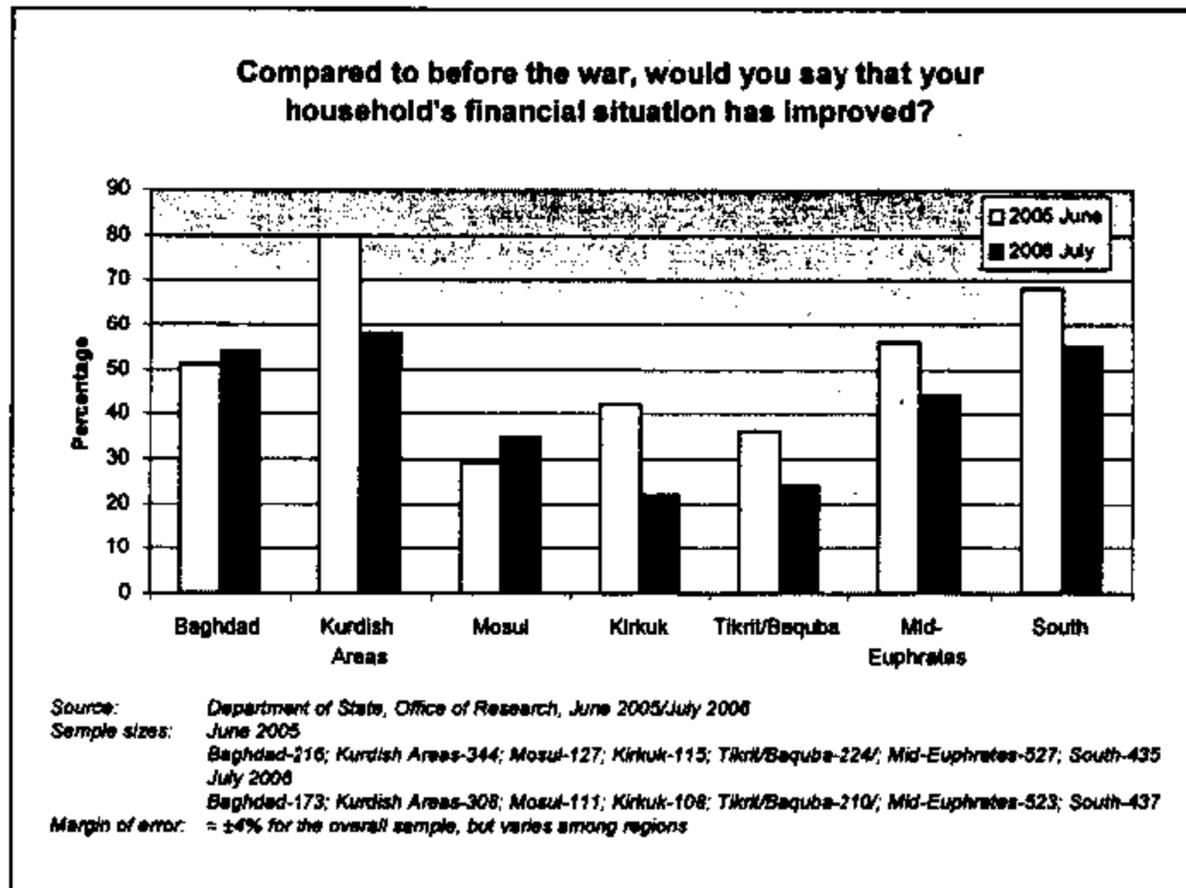
With support from USAID, the Ministries of Finance, Labor, and Social Affairs have developed a more effective social safety net for Iraq's poorest citizens. This initiative helps low-income families manage the effects of subsidy reform, using needs-adjusted cash benefits and services that help families raise themselves above the poverty level. The social safety net program is an essential step in reforming national subsidies as required by the IMF Stand-By Arrangement. The Government of Iraq is still registering eligible households in a continuing effort to reach those Iraqis most in need of help. To date, the

Government of Iraq has enrolled more than 520,000 people in the social safety net program.

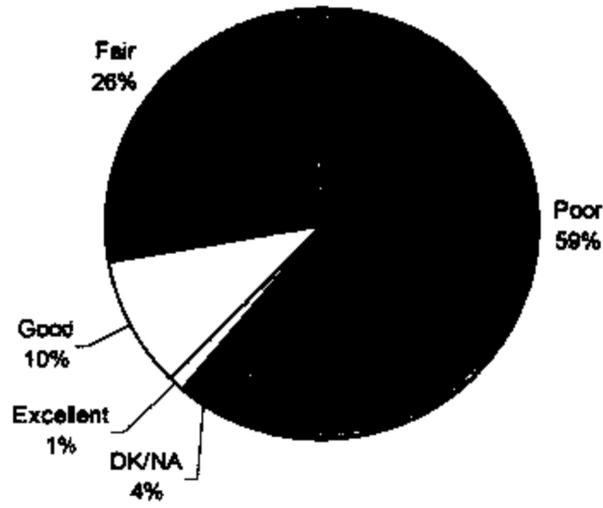
High inflation is threatening Iraq's overall macroeconomic stability. Inflation continues to be volatile, with spikes generally caused by commodity shortages and seasonal variations. The annual inflation rate from June 2005 to June 2006 was 52.5%, according to COSIT. The CBI needs to take steps to control inflation. Polling data indicate that the Iraqi public's perceptions of the household financial situation are mixed, although public

perceptions are generally more pessimistic than they were a year ago.

There is evidence that Iraqi private sector activity continues to expand. The IMF estimates that non-oil GDP growth in 2006 will be 10%. Various U.S. Government agencies are attempting to spur private sector activity with microfinance loans, bank lending to small- and medium-sized enterprises, capital market development, business skills development, vocational training, investment promotion, business center support, and creation of economic zones.

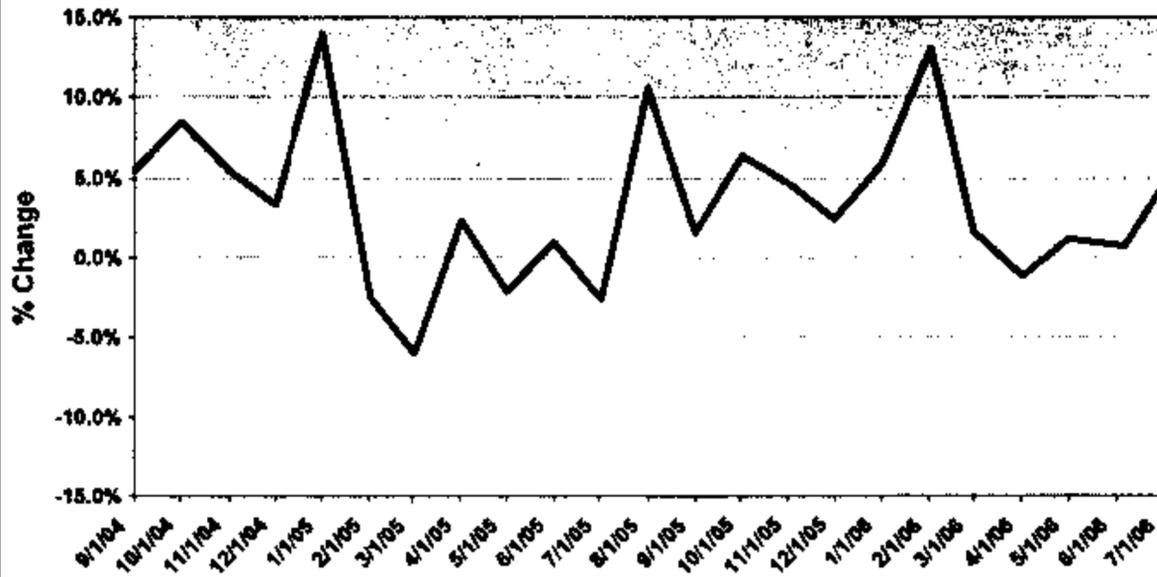


How would you rate economic conditions in Iraq today?

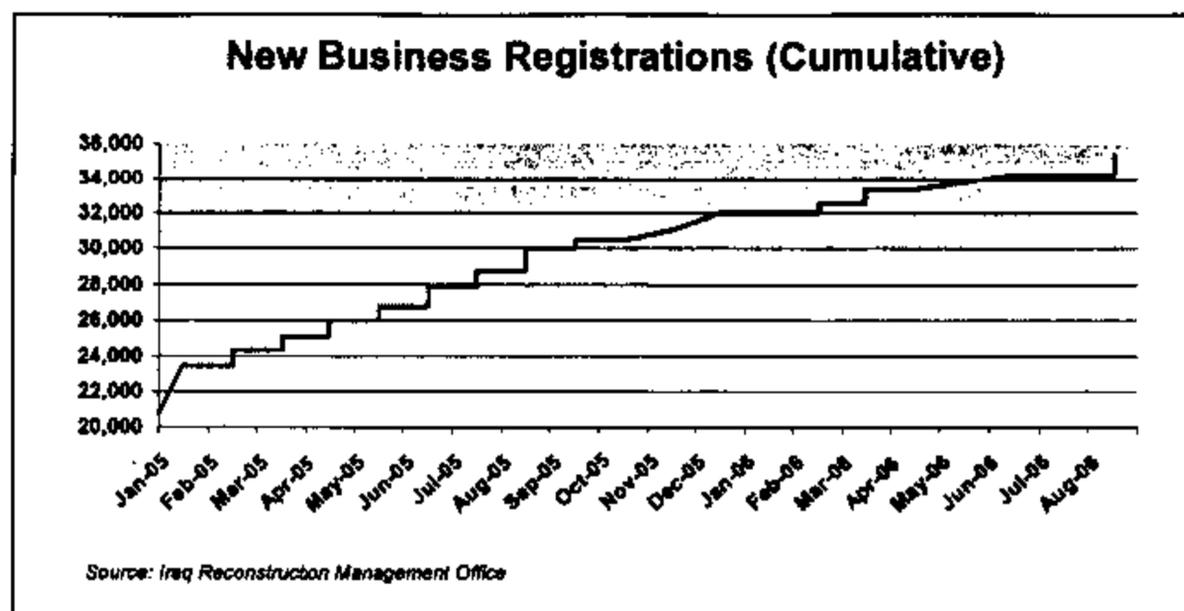


Source: Derived from International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)

Monthly Consumer Price Index (% Change)



Source: U.S. Treasury estimates



Sector Indicators

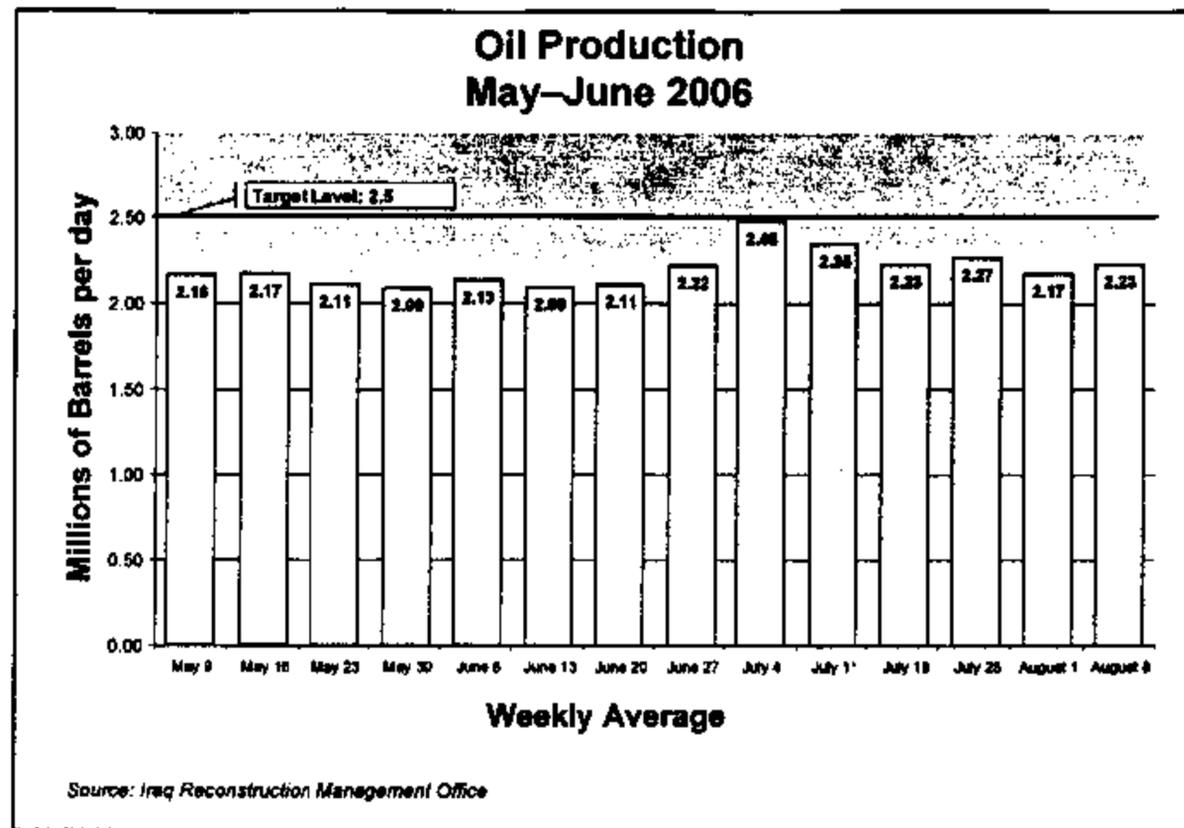
Oil Production, Distribution, and Export

When Coalition forces began Operation Iraqi Freedom, they entered a country whose energy infrastructure had deteriorated over many years. The Coalition set out to help the Government of Iraq restore oil facilities, increase production, improve refining of natural gas production, and maintain pipeline facilities. Poor maintenance, insurgent attacks, slow repair, and corruption have slowed progress. Beyond attacks on various worksites, terrorists have attacked crude export and petroleum product pipelines, impeding exports and the refining and distribution of petroleum products, such as gasoline and diesel.

Despite these challenges, crude oil production for the second quarter improved by 18% to 2.2 mbpd, and exports improved by 20% to 1.6 mbpd. Nevertheless, oil production and exports still fell short of the Government of Iraq's goals (2.5 mbpd and 2.0 mbpd, respectively). Due to a combination of increased exports and higher prices for crude, oil revenues improved in the second quarter, and will reach budgeted targets by August 2006.

During the past quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005, though on a very small scale. Exports are expected to increase once three major crude pipelines from Kirkuk, including a new 40-inch line, are put in service in September 2006.

Demand remains essentially unchecked for state-subsidized refined petroleum products. The Government of Iraq announced reductions in fuel subsidies on June 21, 2006; on July 1, 2006, in accordance with the Stand-By Arrangement, these subsidies started being phased in at government-run stations. In June 2006, the government increased prices for fuel sold through official outlets, in accordance with its commitments under its IMF reform program to decrease fuel subsidies. Regular gasoline (85 octane) in Iraq is currently regulated at about US\$0.55 per gallon, while premium gasoline (92 octane) is regulated at about US\$0.90 per gallon. The premium gasoline price is at the IMF target price. These prices are roughly equivalent to the pump prices in Kuwait and Saudi Arabia, but substantially less than in Turkey, where gasoline is heavily taxed. This disconnect between supply and demand leads to black market activities and corruption. Efforts are



under way to encourage the Government of Iraq to adopt legislation allowing private imports of premium fuels at market prices. This legislation should allow the refined fuel market to clear and help ease the frequent shortages. It should also help reduce the rampant crime and corruption associated with the current fuel production and distribution process.

The Bayji refinery in northern Iraq is a critical element in Iraq's national oil infrastructure. Built in the 1980s, the Bayji refinery is Iraq's largest and newest refinery. This refinery typifies many of the challenges Iraq faces as it attempts to modernize its aging infrastructure and increase its oil exports. Bayji has a nominal production capacity of 310,000 barrels per day. However, since May 2006, the refinery has not produced more than 170,000 barrels per day, and recent production has been as low as 7,500 barrels per day. Four primary factors have limited production at the Bayji refinery: maintenance issues with key components in the refinery, an inefficient refining

process, an unreliable flow of crude oil into the refinery, and security threats to personnel.

Maintaining the refinery's outdated equipment is a challenge. Two of the refinery's three plants have been shut down since May 2006 due to mechanical breakdowns, scheduled maintenance, power outages, and fires. One power outage damaged the refinery's US\$20 million hydrocracker, a critical piece of equipment used to convert heavy fuel oil to usable products.

A second factor limiting production at Bayji is inefficiency in its refining process. For every two barrels of crude oil brought into the refinery, Bayji produces about one barrel of usable product, for an efficiency rate of about 50%; modern refineries can have efficiencies of 90% or higher. The result of the inefficient refining process is a large amount of heavy fuel oil (HFO) byproduct. Bayji does not have adequate facilities to refine further, store, or dispose of this byproduct; the excess HFO thus interferes with production and storage of usable products.

Production at Bayji is also affected by the interrupted flow of crude oil into the refinery from Kirkuk through three key pipelines. The flow has been periodically halted by corrosion, fires, maintenance, and attacks, all of which serve to hamper production of refined products and crude oil for export. Construction of a new 40-inch line is scheduled to be completed in September 2006.

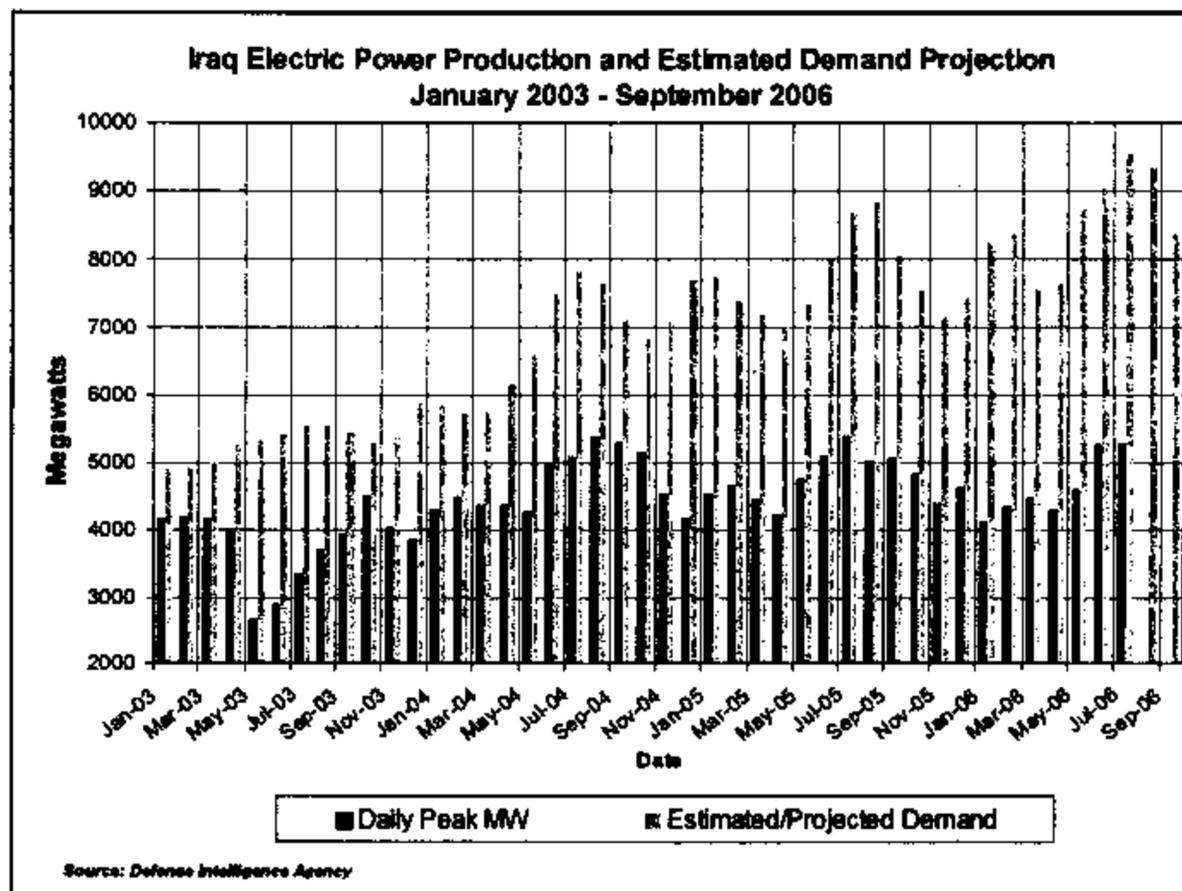
Electricity Production and Distribution

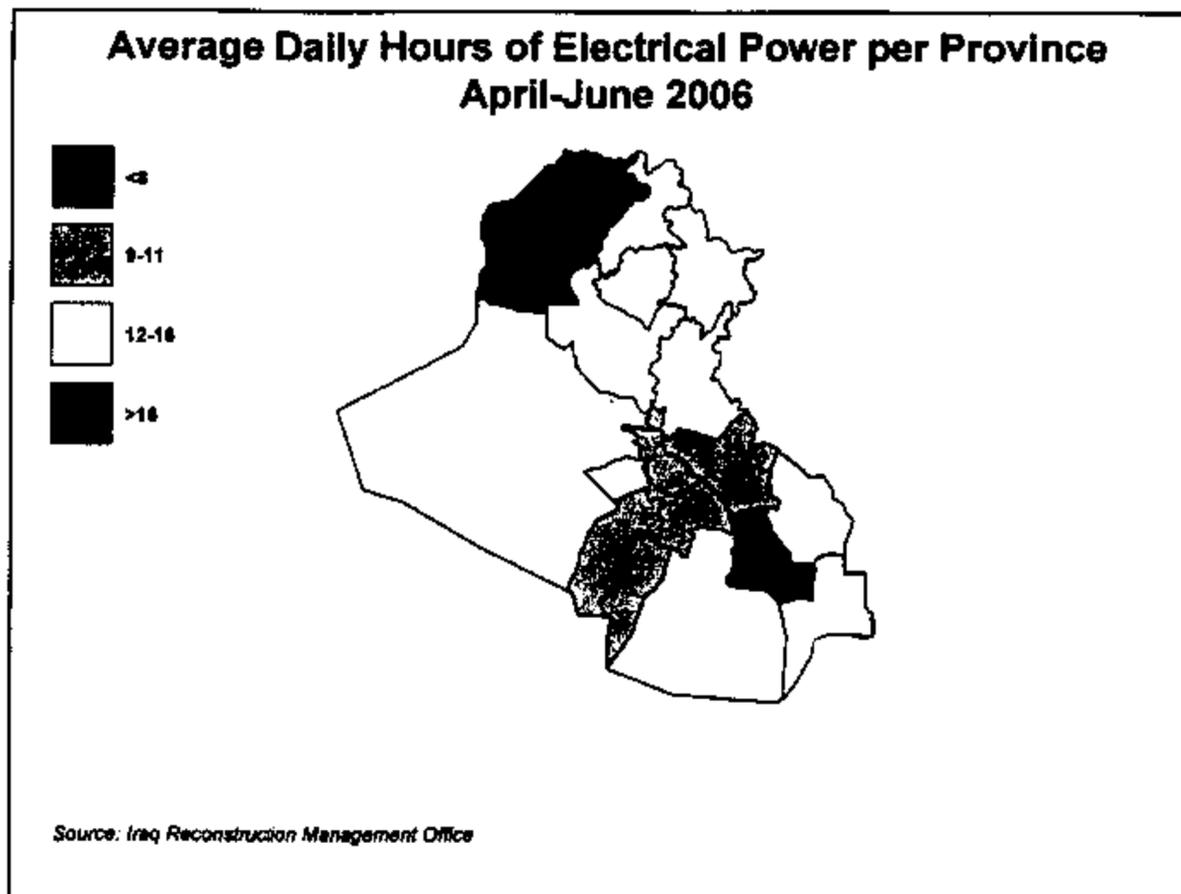
The electrical generation and distribution system in Iraq suffers from unscheduled downtime due to the fragile condition of the electric grid, sabotage, and poor maintenance practices. In addition, shortfalls in petroleum production and distribution lead to occasional fuel shortages for electric generators.

Despite problems, peak capacity and hours of power continue to improve. During this reporting period, peak generating output was 5,283 MW on July 17, 2006, with an average peak generating output of 4,573 MW over the

period. This is an improvement of 15.8% over the previous reporting period. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter. Baghdad averaged 8 hours of power per day, twice what it had averaged six months earlier.

As Iraqis purchase additional electric appliances, demand for electricity continues to increase. Estimated demand over the 30-day period ending July 15, 2006, was 8,928 MW. To date in 2006, the highest daily peak supply was 5,283 MW, 2% below the 2005 peak of 5,389 MW. With all state-owned generators running, theoretical maximum output is 8,551 MW, or 96% of this estimated new demand. However, that level of output has not been achieved, nor could it be sustained if it were achieved. The Government of Iraq's goal for average peak generating output by the end of December 2006 is 6,000 MW per day. During times when state-generated electricity is not available, many Iraqis meet their electricity requirements through private





generators. Electricity usage in Iraq appears to be in accordance with or less than regional norms. Nonetheless, the data support the contention that the current connected capacity is not sufficient to support a growing economy.

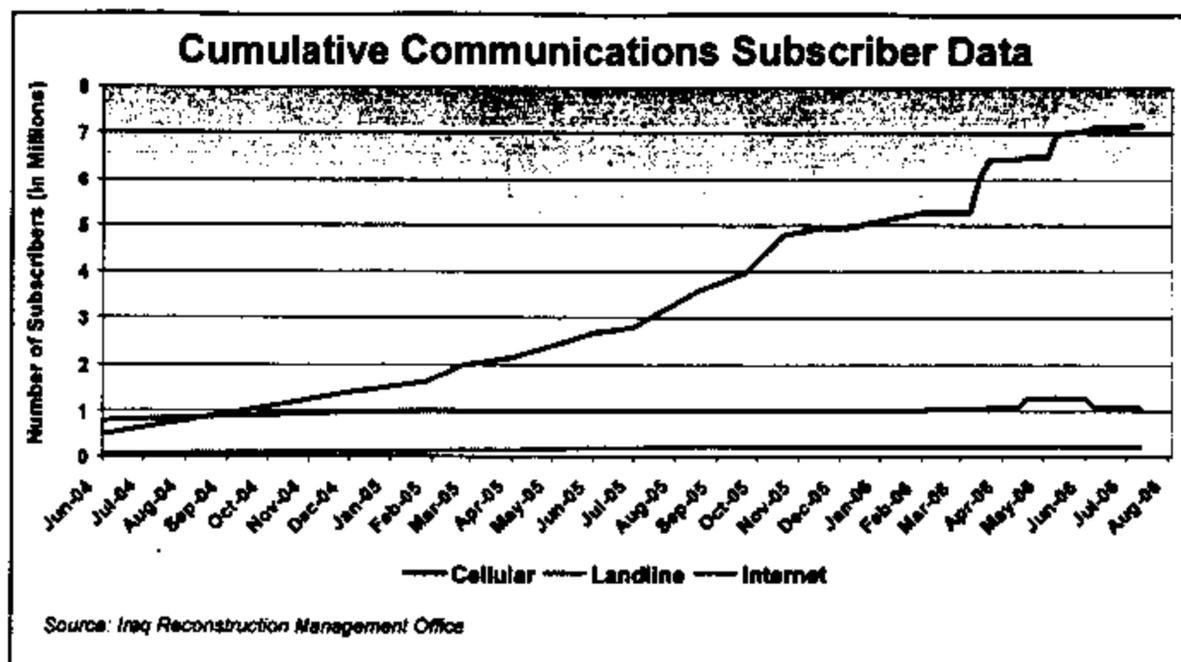
The subsidized state distribution rate affects electricity demand, and current electricity rates are nominal, well below regional averages. In addition, not all Iraqis pay for their state-supplied electricity. About 70% of homes have meters and are billed. Of those, about 70% pay their electric bills. The rate billed is equivalent to US\$.002/kwh. Owners of private neighborhood generators bill their customers at a rate about 40 times higher, around US\$.08/kwh.

Communications

The communications sector continues to expand, although this expansion is slowing down in comparison with its explosive growth immediately after the fall of the previous regime. Whereas the number of landline sub-

scribers is relatively stable, the three major cell phone companies continue to enroll subscribers. IRMO reports that, as of July 25, 2006, there were 7.1 million cellular telephone subscribers and 1 million landline connections. This reflects an increase in cellular subscribers since the last report. The number of cellular telephone subscribers has doubled over the last nine months. The state-owned Internet service provider (ISP) currently serves 197,310 subscribers, a slight decrease since May 2006. This figure excludes private ISPs and public Internet cafes. It is unknown whether expansions of private sector ISPs drew customers from the state-owned service.

U.S. Government projects continue to support improved communications among Iraqi ministries. Thirty-five of 42 government sites in Baghdad, the CBI, and two state-owned banks are now connected via the wireless broadband network. The U.S. Government continues to train Iraqi telecommunications engineers on proper operations and maintenance procedures to maintain and broaden this network.



Water

New projects have “added capacity to provide an estimated 4.2 million people with access to potable water—an increase of 1.2 million people since the May 2006 report—but direct measurement of water actually delivered to Iraqis is not available.”¹ Additional projects currently under way should increase infrastructure capacity to provide access to clean water to as many as 5 million more people.

Obstacles to Progress

There is significant black market activity in Iraq, much of it in oil products. Although crude oil can be sold on the black market, refined product requires less handling, can be sold almost anywhere, and is more difficult to trace, thereby making it more profitable. Much of the black market and corruption activity centers on refined products, such as gasoline, benzene, LPG, and diesel.

Although the increases in the official prices have reduced the economic incentive to smuggle fuel, smuggling fuel for resale inside

and outside the country remains a serious issue. Turkey, where high taxes keep gasoline priced near US\$5 a gallon, is a lucrative target for smugglers. However, a significant portion of illegal trade results in constraining the supply of gasoline in Baghdad, giving motorists few alternatives to purchasing black market fuel at increased prices. Some pipeline interdictions are due to insurgent attacks, while some are botched attempts to steal fuel by tapping into a flowing product line. Other incidents include deliberate acts of sabotage intended to manipulate the fuel supply to spur increased profits for black marketeers and corrupt officials.

Black market prices for fuel vary by refined fuel type: Benzene typically sells for 3–5 times the government established price, while LPG has recently been selling for 10–20 times the official price. This gap between the official price and the black market price provides a strong incentive for corruption. The U.S. Embassy has engaged the Government of Iraq to follow through on their stated commitment to encourage liberalization of the retail fuel market through enactment of the Fuel Import Liberalization Law being considered by the CoR. This reform will allow the private sector to import fuel and sell it at

¹ Special Inspector General Iraq Reconstruction (SIGIR) report, 30 April 06, <http://www.sigir.mil>.

market prices. This step is viewed with controversy in Iraq. Economists predict that private sector retail vendors of petroleum products would undercut the illegal market, thus driving them out of business once the Government of Iraq passes the import liberalization law.

1.3 The Security Environment

Defeating the enemy, breaking the cycle of violence, promoting reconciliation, and transitioning security responsibility to the Government of Iraq remain the top goals in the security track. To achieve these goals, the United States, its Coalition partners, and the Government of Iraq are focused on objectives that include:

- neutralizing enemy effectiveness, influence, and ability to intimidate;
- rapidly reducing sectarian violence and eliminating death squads;
- increasing the capacity of the Government of Iraq and its security structures and forces to provide national security and public order; and
- helping Iraq strengthen rule of law capabilities in the areas of law enforcement, justice, and the corrections system.

Indicators of the security environment include:

- composition, strength, and support for groups that threaten security and stability: anti-government and anti-Coalition forces (the "enemy");
- activity, support, and efforts to disband, disarm, and reintegrate militias;
- attack trends (including the number of attacks and their effectiveness);
- levels of sectarian violence;

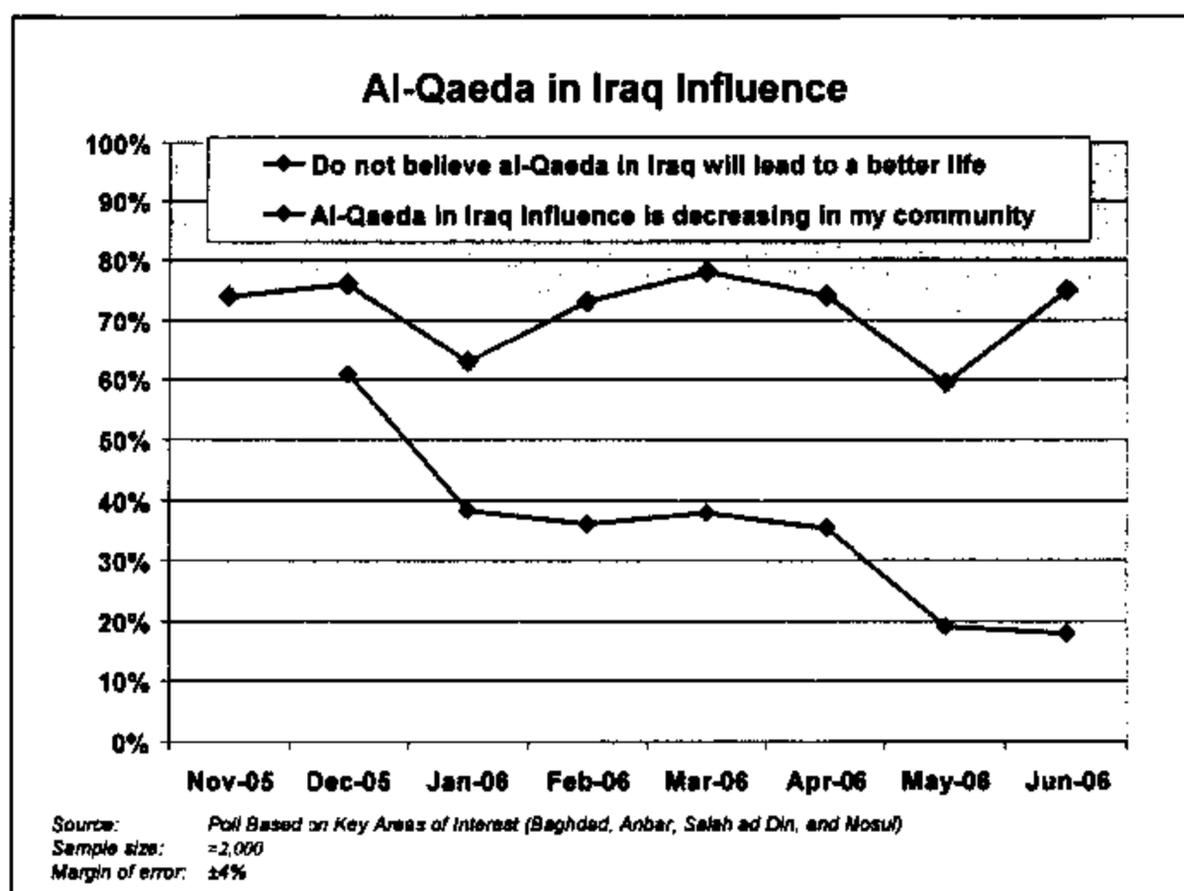
- Iraqi public perceptions of security and security institutions; and
- capabilities of the ISF and Iraqi institutions.

Information about the ISF is presented later in this report.

Overall Assessment of the Security Environment

During this reporting period, attacks and civilian casualties have risen, characterized by ethno-sectarian attacks and reprisals. Violence escalated notably in Baghdad, which, as the political, population, and media center of the country, is a high-value target for terrorists. Violence in Basrah also rose, partly in response to British actions against the JAM. The death of terrorist Abu Musab al-Zarqawi in June was a major success for the Coalition and the Government of Iraq, but al-Qaeda in Iraq remains able to conduct operations due to its resilient, semi-autonomous cellular structure of command and control. Terrorists have failed to advance their primary objectives, which include derailing Iraq's political process and widening their political support among the Iraqi people. The Iraqi Army took the lead in more counter-insurgency operations and assumed security responsibility in more areas since the last report. The Iraqi people continue to express confidence in the Iraqi Army to provide for their security and to reject al-Qaeda in Iraq's vision of Iraq's future, but they are increasingly turning to militias and neighborhood watch groups to provide security from sectarian violence.

Overall attack levels are higher than last quarter. In particular, attacks have increased in southwestern Diyala Province and in the cities of Mosul and Kirkuk. Extremists seeking to stoke ethno-sectarian strife have increasingly focused their efforts on civilians, inciting a cycle of retribution killings and



driving civilian casualties to new highs. Much of this violence is focused on Baghdad, as terrorists, insurgents, and illegal armed groups recognized the political and economic significance of the capital city. As described below, the Government of Iraq and the Coalition are taking significant steps to reverse the upward trend of violence in Baghdad.

Recent Developments in the Security Environment

Rising sectarian strife defines the emerging nature of violence in mid-2006. Since the last report, the core conflict in Iraq changed into a struggle between Sunni and Shi'a extremists seeking to control key areas in Baghdad, create or protect sectarian enclaves, divert economic resources, and impose their own respective political and religious agendas. Death squads and terrorists are locked in mutually reinforcing cycles of sectarian strife, with Sunni and Shi'a extremists each portraying themselves as the defenders of their

respective sectarian groups. However, the Sunni Arab insurgency remains potent and viable, although its visibility has been overshadowed by the increase in sectarian violence.

On June 14, 2006, Iraqi Prime Minister al-Maliki announced the government's plan to provide improved security conditions in Baghdad. Operation Together Forward, or *Amaliya Ma'an ila Al-Amam* in Arabic, consists of increased checkpoints, curfews, and enforced weapons bans to reduce sectarian violence in focused areas within Baghdad. Security forces are also conducting raids against terrorist cells and death squads. As part of this operation, Iraqi police, the Iraqi Army, and National Police, supported by Coalition forces, increased patrols and checkpoints in all areas of Baghdad, while concentrating on areas of the city that have witnessed increases in violence and sectarian killings. Security forces also worked to block terrorist entry into the capital city.

The confluence of high attack levels—many targeting civilians—and the increased sectarian violence, combined with the need to ensure that the Government of Iraq maintains momentum in political progress and counter-insurgency, made Baghdad security a decisive element in the campaign. Given the complexity of the security situation in Baghdad, the Iraqi government planned to execute and complete *Amaliya Ma'an ila Al-Amam* over a period of months, not weeks. After the first month of *Amaliya Ma'an ila Al-Amam*, the operation had arrested but had not reversed the high attack levels seen in May and June. The average of 23.7 attacks per day across Baghdad's 10 districts was virtually unchanged from the 23.8 average daily attacks that occurred the month prior to the operation. Moreover, the rate of sectarian-motivated murders and execution-style killings continued to rise, primarily in and around Baghdad.

In July, during the prime minister's first visit to the United States, Prime Minister al-Maliki and President Bush announced an adjustment to the Baghdad Security Plan. One of the key changes is an increase in security force levels in the city. Elements of the Call Forward Force were brought forward from Kuwait and other Coalition and Iraqi units were repositioned from less active areas of the country. In addition, the Secretary of Defense extended the 172nd Stryker Brigade Combat Team's deployment in Iraq for up to 120 days. Because the 172nd was largely successful in working with the ISF to improve security in northern Iraq, it has been repositioned into Baghdad.

In addition to increasing force levels in Baghdad, the Coalition and the Government of Iraq developed and refined tactics, techniques, and procedures designed to reduce the sectarian killings. A primary focus is eliminating the death squads responsible for the

predominance of the execution-style killings and other murders in the city. The death squads have fomented sectarian violence, as killings prompt further killings of revenge. Coalition forces and the ISF are also targeting the death squads and other illegal armed groups using checkpoints, patrols, driving bans, curfews, weapons-law enforcement, intelligence-driven operations, and other methods. The ISF will rely on their training, experience, and familiarity with Baghdad's milieu to focus on neighborhoods with the highest levels of violence. Coalition forces remain in a supporting role and will be employed as requested by Prime Minister al-Maliki and directed by the MNF-I commanding general.

The two primary objectives of the security operations in Baghdad are rapidly reducing sectarian violence by de-legitimizing the illegally armed groups and establishing the ISF as the dominant security presence. The changes described above represent a concerted, focused effort by the Coalition and the Government of Iraq. By strengthening the capacity of the Government of Iraq and spurring economic growth in Baghdad, the United States will help the Government of Iraq succeed in protecting its population and restoring the confidence of the Iraqi people in their future.

The Nature of the Conflict

Violence in Baghdad is the most prominent feature of the conflict in Iraq in this period, as Sunni and Shi'a extremist death squads pursue their sectarian agendas. The resulting violence overwhelmingly targets civilians, causing segments of the populace to tolerate or even endorse extremist actions on their behalf as an effective means to guarantee their safety, undermining both the Government of Iraq's ability to deliver security and its pursuit of a reconciliation program. Although

Baghdad remains the focus for sectarian and terrorist violence in Iraq, violence tied to the Rejectionist insurgency, terrorist intimidation, political and tribal tensions, and criminality continue in other regions. Sectarian violence is gradually spreading north into Diyala Province and Kirkuk as Sunni, Shi'a, and Kurdish groups compete for provincial influence. Conflict in Anbar Province remains centered on the Sunni insurgency. Although al-Qaeda in Iraq continues its intimidation to coerce passive Sunni support, tribes are pushing back to eject al-Qaeda in Iraq and re-establish their dominant role. In the southern, predominantly Shi'a region of the country, political and tribal rivalries are a growing motive behind violence, particularly in Basrah, with limited anti-Coalition forces attacks likely undertaken by rogue Shi'a militia with Iranian support.

The Enemy

Violence against the Iraqi people and Coalition forces is committed generally by a combination of both Sunni and Shi'a groups, who are overwhelmingly Iraqi but with a small yet significant component of foreign suicide operatives. Sunni groups include Rejectionists—many of whom were members of, or associated with, the former regime—and terrorists groups, including al-Qaeda in Iraq, Ansar al Sunnah (AS), and other smaller groups. Shi'a groups include elements of militias and illegal armed groups, many of whom receive Iranian support. The threat posed by Shi'a illegal armed groups, filling perceived and actual security vacuums, is growing and represents a significant challenge for the Iraqi government. The appearance and activity of death squads is a growing aspect of the violence in Iraq, with both Sunni and Shi'a death squads adding to the violence by targeting civilians and inciting reprisal. Al-Qaeda in Iraq and elements of JAM (nominally under the control of Muqtada

al-Sadr) are among most prominent groups engaging in a continuing pattern of attacks and reprisals against individuals or communities representing the other's sectarian affiliation. Thus, the violence in Iraq cannot be categorized as the result of a single organized or unified opposition or insurgency; the security situation is currently at its most complex state since the initiation of Operation Iraqi Freedom. Similarly, Iraqi or Coalition security strategies must be tailored for the different objectives, methods, and support structures of each particular threat.

Terrorists and Foreign Fighters

Al-Qaeda in Iraq and its affiliates in the Mujahadeen Shura Council consist of both foreigners and Iraqis motivated by an extremist Sunni Islamist ideology, which rejects the West, attacks moderate Islam, and seeks to establish an Islamic Caliphate in Iraq. AS is another significant, mostly indigenous terrorist group that objects to al-Qaeda in Iraq's wanton targeting of Muslim Iraqis. Foreign fighters continue to enter Iraq and constitute the majority of those conducting suicide attacks. Sunni extremists continue their efforts to force Coalition withdrawal, perpetuate sectarian violence, and make Iraq ungovernable as a means of establishing the Caliphate. The death of Abu Musab al-Zarqawi has dealt a significant blow to al-Qaeda in Iraq, though the cellular nature of its robust network allowed decentralized operations to continue. Since then, al-Qaeda in Iraq has fomented sectarian violence through high-profile attacks against Shi'a civilians and is engaged in a cycle of retaliatory violence involving elements of JAM. Al-Qaeda in Iraq recently announced that its "Umar Brigade" that would begin targeting JAM in retaliation for death squad activities in an effort to portray al-Qaeda in Iraq as a protector of the Sunni. Additionally, al-Qaeda in Iraq leadership is increasing convergent with al-Qaeda

senior leaders on goals and strategy following Zarqawi's death. The recent statement from Usama bin Laden on June 30, 2006, in which he addresses the Iraqi "jihadists," frames the conflict in terms of attacking those who support the Government of Iraq. He also warns Shi'a in "southern Iraq" that they are not safe, if they continue to support Coalition operations against Sunni urban centers in Anbar Province. This is a clear attempt to recast al-Qaeda in Iraq as the most effective defender of Sunni interests.

Sunni Rejectionists

Sunni Rejectionists use violence and coercion in an attempt to force withdrawal of Coalition forces, prevent Shi'a economic and territorial dominance, and reverse Sunni political marginalization by regaining a privileged or protected status within a unified Iraq. The 1920s Revolutionary Brigade is the most prominent of these Rejectionist groups. Sunni Rejectionists continue to target Coalition forces at rates higher than Sunni extremist or Shi'a militia groups. The bulk of the Rejectionist insurgency will likely continue to attack Coalition forces while they remain in Iraq. Some elements are indicating an interest in Prime Minister al-Maliki's new reconciliation effort, while still employing violence against the Coalition forces and the ISF from a sense of honor and as a means to force meaningful political accommodation. Moderates say they will accept reconciliation inducements and disarm only after death squads are eliminated; Shi'a militias are disarmed; and key security, amnesty, and political demands are met. Other hard-line elements of Rejectionist groups provide professional military skills to al-Qaeda in Iraq and other extremists to achieve common tactical objectives. Other Rejectionists, including some in Anbar and Baghdad, are weary of al-Qaeda in Iraq's violent intimidat-

ion tactics and actively oppose al-Qaeda in Iraq, sometimes mounting their own anti-al-Qaeda in Iraq attacks and raids.

Death Squads

Death squads are armed groups that conduct extra-judicial killings. Death squads are formed from terrorists, militias, illegal armed groups, and—in some cases—rogue elements of the ISF. Both Shi'a and Sunni death squads are active in Iraq, and are responsible for the most significant increases in sectarian violence. Death squads predominantly target civilians, and the increase in death squad activity is directly correlated with the increase of civilian casualties. Coalition forces and the ISF are actively targeting elements that participate in death squad activity.

Militias and Other Armed Groups

Militias and small, illegally armed groups operate openly and often with popular support. This is especially true in areas where the Government of Iraq is perceived as unable to provide effective social and security services for the population. Militias—whether legal or illegal—provide an element of protection for select portions of the populace, usually on an ethno-sectarian basis, resulting in, overall, a more dangerous environment for the Iraqi community. Some militias also act as the security arm of organizations devoted to social relief and welfare, lending these armed groups further legitimacy. Whether operating within or outside the law, these armed groups operate separately from formal public safety structures. Their continued existence challenges the legitimacy of the constitutional government and provides a conduit for foreign interference. An effective disarmament, demobilization, and reintegration program is essential to meeting near- and long-term security requirements for Iraq.

Although a number of militias and illegal armed groups have operated in Iraq since before the liberation, the groups that are affecting the current security situation the most are the Badr Organization and JAM.

The Badr Organization is an authorized militia under the Iraqi Transitional Administrative Law that pre-dated the present Constitution, and the organization actively participates in the Iraqi government. The Badr Organization has not engaged in active violence against Coalition forces or the Government of Iraq; it attacks Sunni targets and in the past has also confronted JAM in an effort to prevent its expansion of power and influence among the Shi'a. The Badr Organization receives financial and materiel support from Iran, and individuals from Badr have been implicated in death squads.

JAM is not a legal militia under Iraqi law. However, it is well known and supported popularly in Baghdad and the southern provinces of Iraq, and has achieved a measure of tolerance from elements of the Government of Iraq. JAM is closely associated with the Office of the Martyr Sadr and is nominally responsive to his direction. Most, but not all, JAM elements are following Sadr's order not to engage Coalition forces or the ISF except in self-defense. Still, violence between JAM, the Iraqi Army, and to a lesser extent Coalition forces, is frequent. Rogue JAM elements are among the main perpetrators of sectarian violence, and JAM members frequently participate in death squad activities. As described above, JAM and Badr Organization members have periodically attacked one another in the past and are political rivals, but intra-Shi'a conflict has taken a back seat to the ongoing battle of violence and revenge between al-Qaeda in Iraq and elements of JAM. Like Badr, JAM receives logistical support from Iran.

The *Peshmerga* are, technically, not a militia, but have the status of an authorized armed force. The *Peshmerga* maintain security independently within and along the borders for the Kurdish Regional Government. Some elements are integrated into the IPS. The *Peshmerga* predominantly operate in Kurdish regions, but have also been employed in the private security company role outside of Kurdistan. The *Peshmerga* do not attack or oppose Coalition forces or the ISF. In some cases, *Peshmerga* provide security for Coalition reconstruction efforts. Over the long term, however, the perceived dual allegiance of the *Peshmerga* is potentially inconsistent with effective national security and governance.

Unlike the Kurdish and Shi'a militia groups, Sunni Arabs do not have formally organized militias, but rely on neighborhood watches, Rejectionists, and, increasingly, al-Qaeda in Iraq. The presence of *Peshmerga*, Badr Organization, and JAM individuals in the IPS and the National Police contributes to Sunni concerns about the potential for persecution and partisanship. The rise of sectarian attacks is driving some Sunni and Shi'a civilians in Baghdad and the mixed-ethnic provinces to support militias. Such support is likely to continue in areas where Iraqi institutions and forces are perceived as unable to provide essential services or meet security requirements.

Criminals

Without an apparent political motive, conventional criminal elements are also capitalizing on the instability in Iraq, although it is increasingly difficult to distinguish among activities conducted by criminal, insurgent, and terrorist groups, as all are engaged in kidnappings, extortion, assaults, and other illegal behavior. In some cases, criminal

gangs work with terrorist organizations, with the former abducting hostages and selling them to the latter, which can use their captives for publicity or to obtain ransom. The various groups involved in illicit activity are doing so to generate revenue, expand their influence, and facilitate further criminal, terrorist, or insurgent operations.

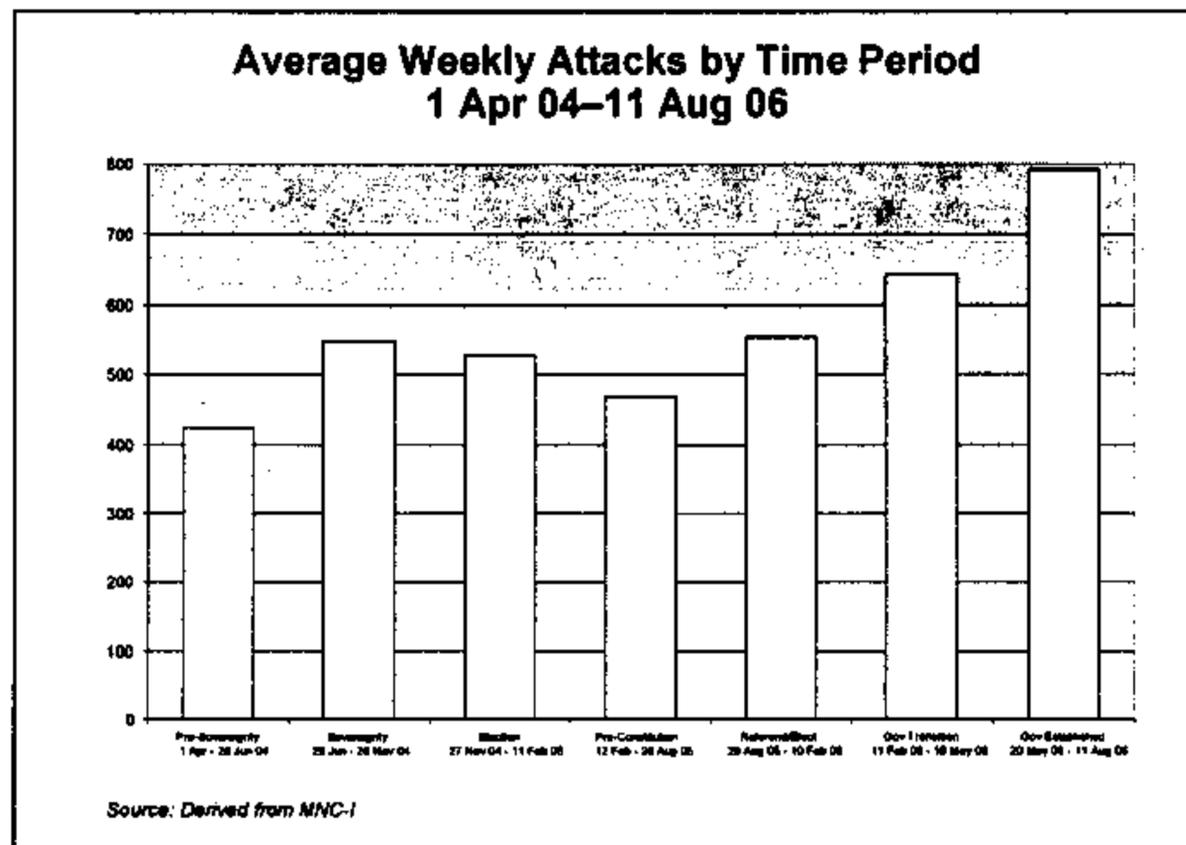
Attack Trends and Violence

For this report, the term “attacks” refers to specific incidents reported in the Multi-National Corps-Iraq (MNC-I) Significant Activities database. It includes known attacks on Coalition forces, the ISF, the civilian population, and infrastructure.

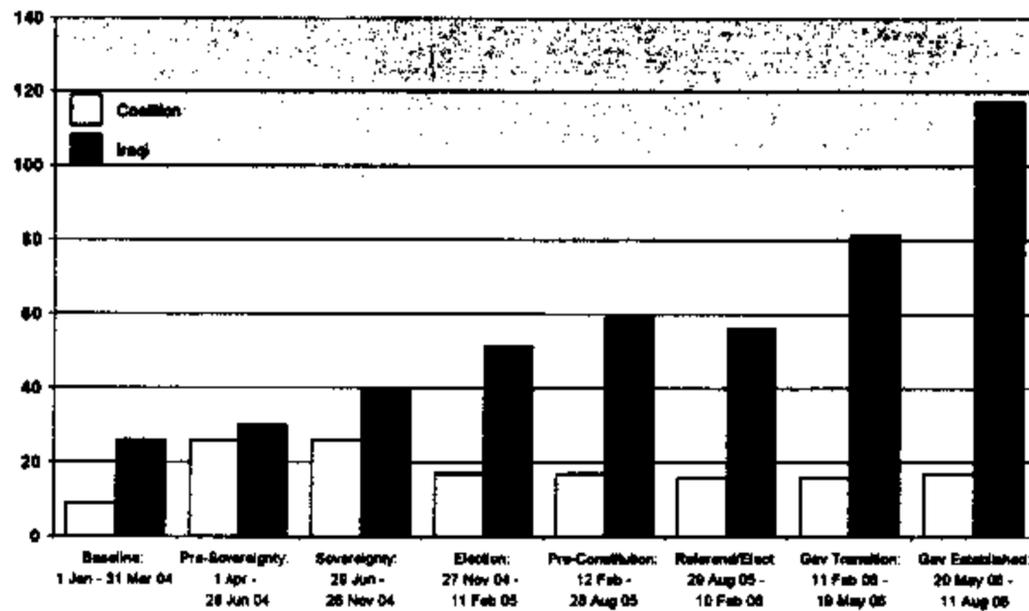
In the government establishment period beginning May 20, 2006, the average number of weekly attacks increased 15% compared to the previous reporting period. Weekly attack levels in July 2006 were the highest to date. Coalition forces continued to attract the majority (63%) of attacks. However, the ISF and civilians continued to suffer the majority

of casualties. Overall, Iraqi casualties increased by 51% compared to the previous quarter. Most attacks targeting Coalition forces were “stand-off” attacks, not involving close-up confrontations between Coalition forces and insurgents. Such attacks typically consisted of improvised explosive devices (IEDs), small arms fire, and indirect fire weapons. The number of car bombs this quarter increased to levels last seen in the summer of 2005. Over the last quarter, car bombs were largely centered on Baghdad, Mosul, Kirkuk, and the Western Euphrates valley, and primarily targeted civilians or ISF checkpoints.

Although the overall number of attacks increased in all categories, the proportion of those attacks directed against civilians increased substantially. Nationally, in April 2006, civilians were the target of 11% of attacks; this increased to 15% in June 2006. Baghdad showed a more pronounced shift in the targeting of civilians compared to the national trend. In Baghdad, civilian targets comprised 15% of total attacks in April and



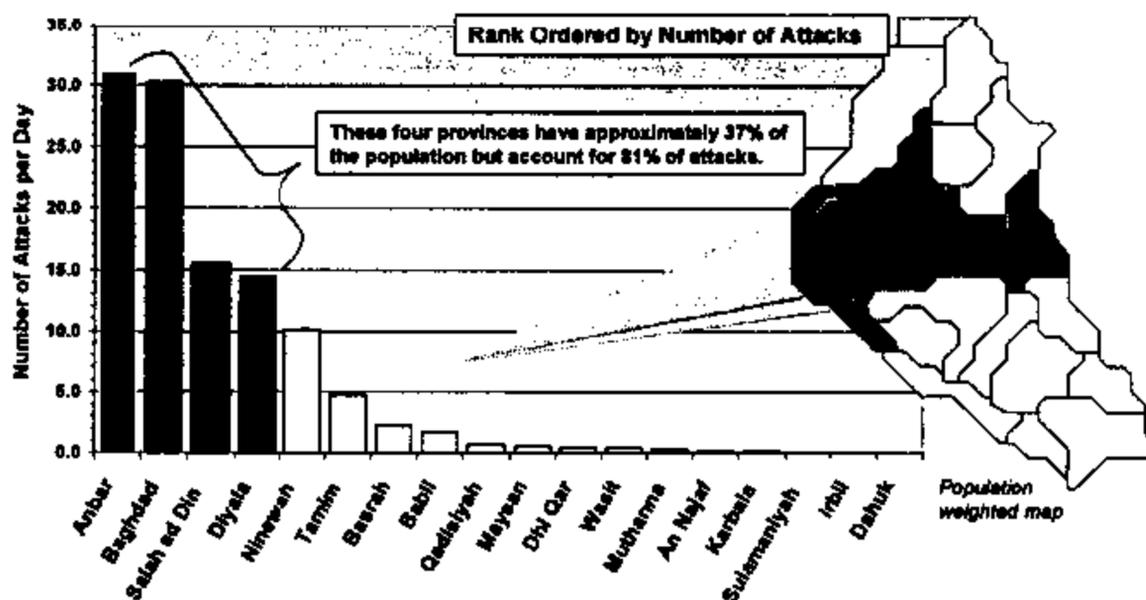
Average Daily Casualties* – Iraqi (including ISF) and Coalition 1 Apr 04–11 Aug 06



* Casualty data reflect updated data for each period and are derived from unverified initial reports submitted by Coalition elements responding to an incident; the inconclusivity of these numbers constrains them to be used only for comparative purposes.

Source: Derived from MNC-I

Total Attacks by Province 20 May–4 Aug 06



Source: Derived from MNC-I

22% in June. The increase in attacks over the past two quarters reflects heightened sectarian tension following the Golden Mosque bombing and increased death squad activity.

Four of Iraq's 18 provinces (Anbar, Baghdad, Diyala, and Salah ad Din) continue to experience the majority of attacks. Anbar and Baghdad are the worst affected provinces,

accounting for 55% of all attacks. Further, Ninewah and Tamim have seen significant increases in attacks over the last quarter.

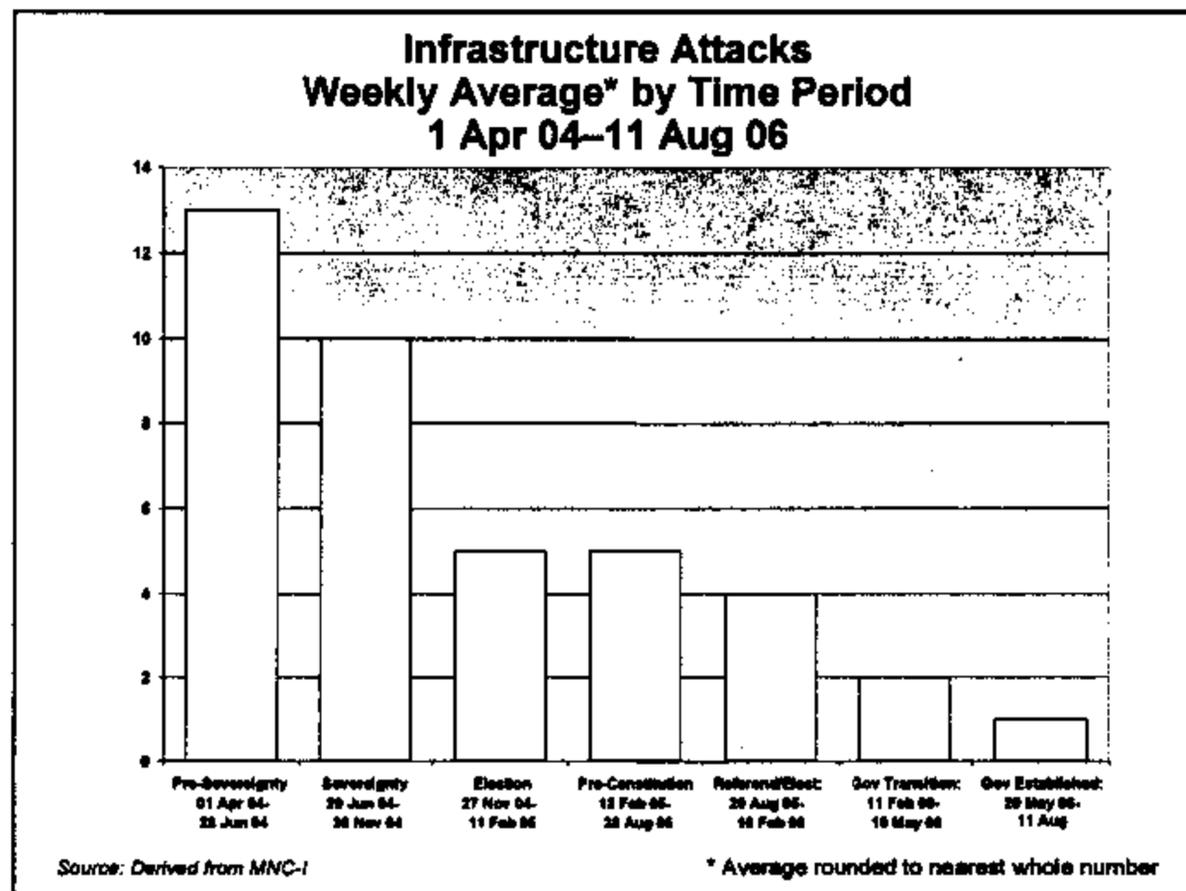
Infrastructure Attacks

The average weekly number of attacks on critical infrastructure providing essential services to the Iraqi people, such as electrical power, water, and fuel, continued to decline over the past quarter, decreasing from an average of five per week to an average of two per week. However, the effect of these attacks has been disproportionate to their numbers for several reasons. Most notable among these is the slow rate of repair to damage from previous attacks. At other times, Iraqi officials may be slow in initiating repairs. Infrastructure repair is often hampered by insurgent or other criminal intimidation of maintenance workers. Not all attacks and intimidation are the result of insurgent or other anti-government activity, as described in the economic section. Criminal activities, such as extortion and black marketeering, also have outlets in

disrupting public essential services. Although the number of attacks is decreasing, the essential services infrastructure will continue to be a high-value target for enemy elements. Successful attacks on the infrastructure adversely affect the legitimacy of government in the minds of the civil population by reducing the supply of essential services.

Concerns of Civil War

Sustained ethno-sectarian violence is the greatest threat to security and stability in Iraq. Breaking this cycle of violence is the most pressing immediate goal of Coalition and Iraqi operations. Conditions that could lead to civil war exist in Iraq, specifically in and around Baghdad, and concern about civil war within the Iraqi civilian population has increased in recent months. Notwithstanding this concern, there is no generally agreed upon definition of civil war among academics or defense analysts. Moreover, the conflict in Iraq does not meet the stringent international legal standards for civil war. However



defined, movement toward civil war can be prevented. The U.S. and Iraqi governments are continuing the military, diplomatic, and political actions needed to prevent a civil war and bring the situation in Baghdad under control. Sectarian violence is largely confined to the communal level. Furthermore, the Iraqi institutions of the center are holding. Iraqi leaders must take advantage of the popular support for democracy, a unified Iraq, and opposition to violence to form institutions that take responsibility for Iraq's security.

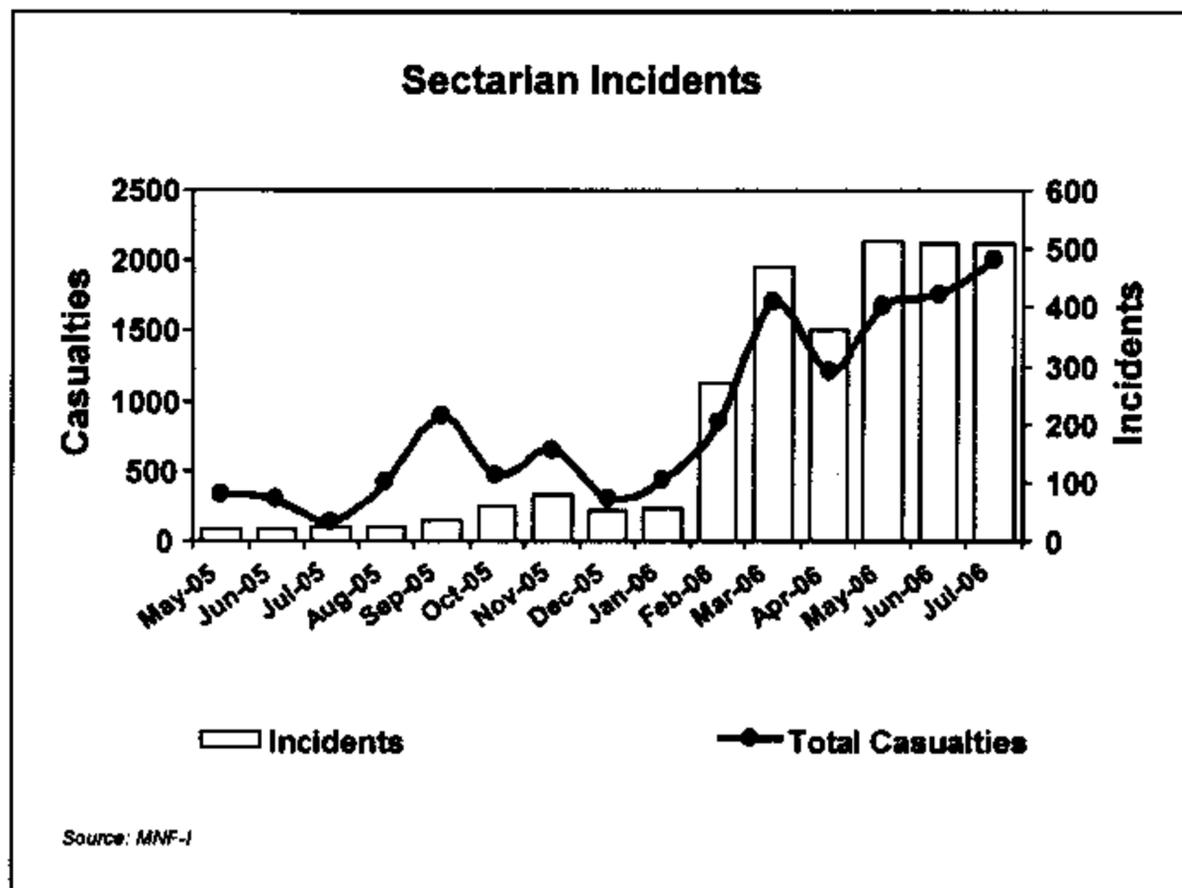
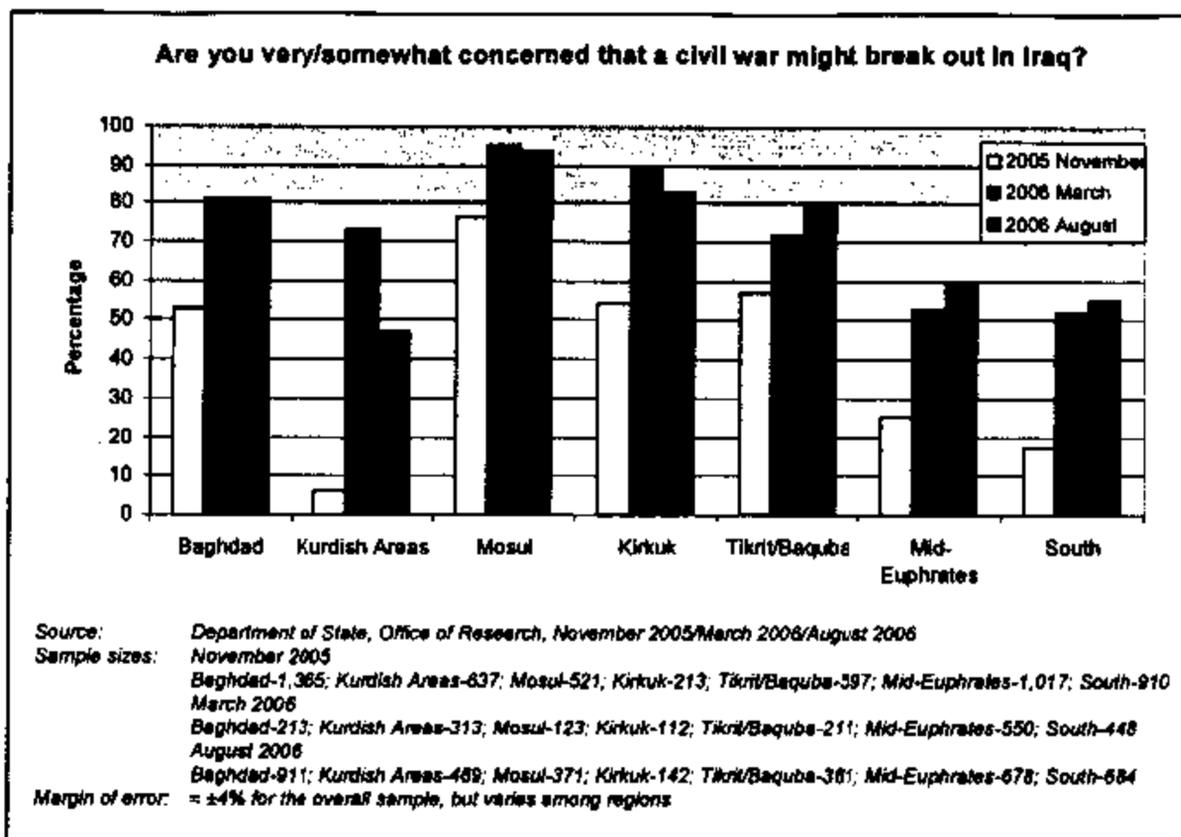
Sectarian tensions increased over the past quarter, demonstrated by the increasing number of executions, kidnappings, attacks on civilians, and internally displaced persons. According to an estimate by the United Nations, 22,977 families—137,862 individuals—have been displaced in Iraq since the February 22, 2006, Samarra Mosque bombing. Sectarian violence is concentrated on the boundaries of mixed and ethnically dominated areas of Baghdad and in southwestern Diyala Province.

According to MNC-I reporting, civilian casualties increased by approximately 1,000 per month since the previous quarter. Executions in particular reached new highs in the month of July. The Baghdad Coroner's Office

reported 1,600 bodies arrived in June and more than 1,800 bodies in July, 90% of which were assessed to be the result of executions. This is due to increased targeting of civilians by al-Qaeda in Iraq and the increase in death squad activity.

Sunni and Shi'a extremists, particularly rogue JAM elements and al-Qaeda in Iraq, are, as noted, interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their areas of influence. Throughout the past quarter, rogue JAM members continued a campaign of overt executions and mass kidnappings of Sunni civilians. At the same time, Sunni extremists continued to respond by carrying out large-scale and mass-casualty bombings of Shi'a gatherings and culturally significant sites.

Attacks on Shi'a by al-Qaeda in Iraq and other Sunni elements are apparently designed to inflame sectarian tension, which in turn generates and results in retaliatory attacks on Sunni civilians by rogue Shi'a elements. These rogue Shi'a actions increasingly appear intent on securing Shi'a enclaves and establishing control of contested areas of Baghdad. Coalition forces and the ISF are responding by increased targeting of both Sunni and Shi'a death squads.



Public Perceptions of Security

Ultimately, stability and security in Iraq depend on the support of the Iraqi people. In general, Iraqis have had an optimistic outlook on their future and the overall security situation. However, as time has passed, their optimism has eroded. The aftermath of the Golden Mosque bombing and the growing sectarian violence continue to shape their perceptions. As sectarian violence increases, the view of the security situation worsens. With the view that Baghdad is the key to Iraq, a similar sentiment toward security exists there.

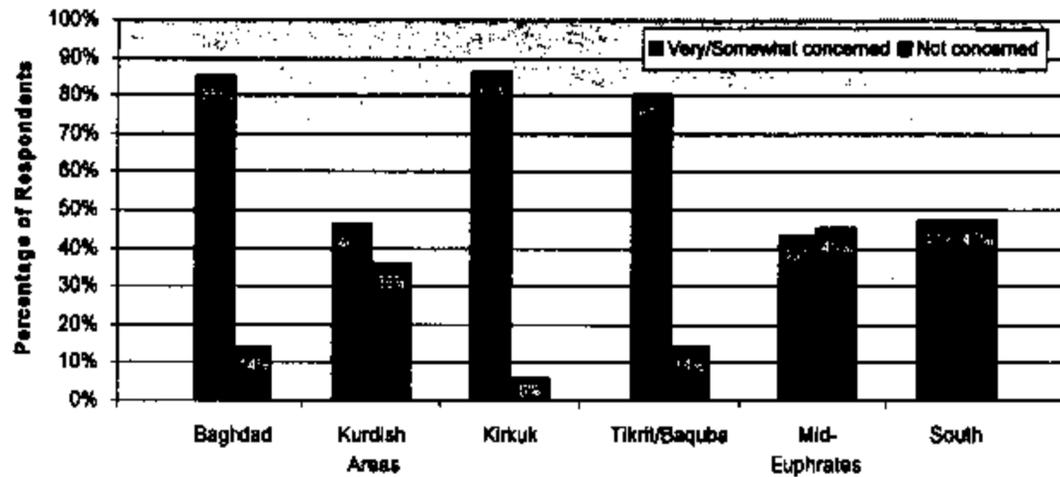
An indication of support for the Government of Iraq within the country is the level of confidence that the Iraqi people expressly place in the ISF Forces, especially when compared against militias or other illegal armed groups. Since the previous report, confidence in the Iraqi Army has remained generally constant, with the notable exception of Baghdad, where public confidence improved. Despite the increase in violence, confidence in the Iraqi Army rose from 69% to 78%. Despite the recent violence in Basrah, polling data that

include the Basrah area indicate increased confidence in both the police and the Iraqi Army over the last reporting period. Confidence in militias is mixed, with a rise in confidence in Baghdad countering an overall downward confidence trend elsewhere.

The perceptions of the Iraqi population will slowly respond to visible, effective actions performed by the IPS. It will take continued diligence on the part of the Iraqi Police to be seen as actively patrolling their areas and arresting individuals for criminal activity, while paying particular care to avoid the appearance of sectarianism.

Another indicator is Iraqi use of the intelligence hotline for providing tips to authorities about suspicious activity. The population has continued to demonstrate its willingness to report such activity and thereby support the government's efforts against terrorism. Since mid-March, the number of tips has increased (see following chart). Continued timely and effective response of the IPS to these tips should increase the confidence of the population.

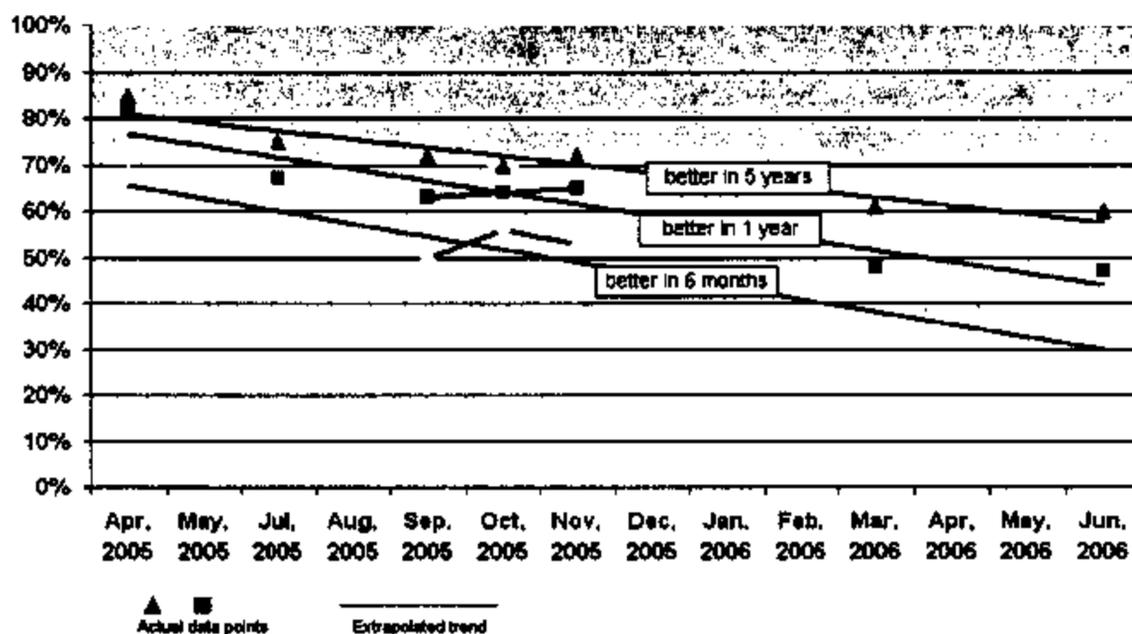
How concerned are you about an increase in sectarian or ethnic violence in Iraq?



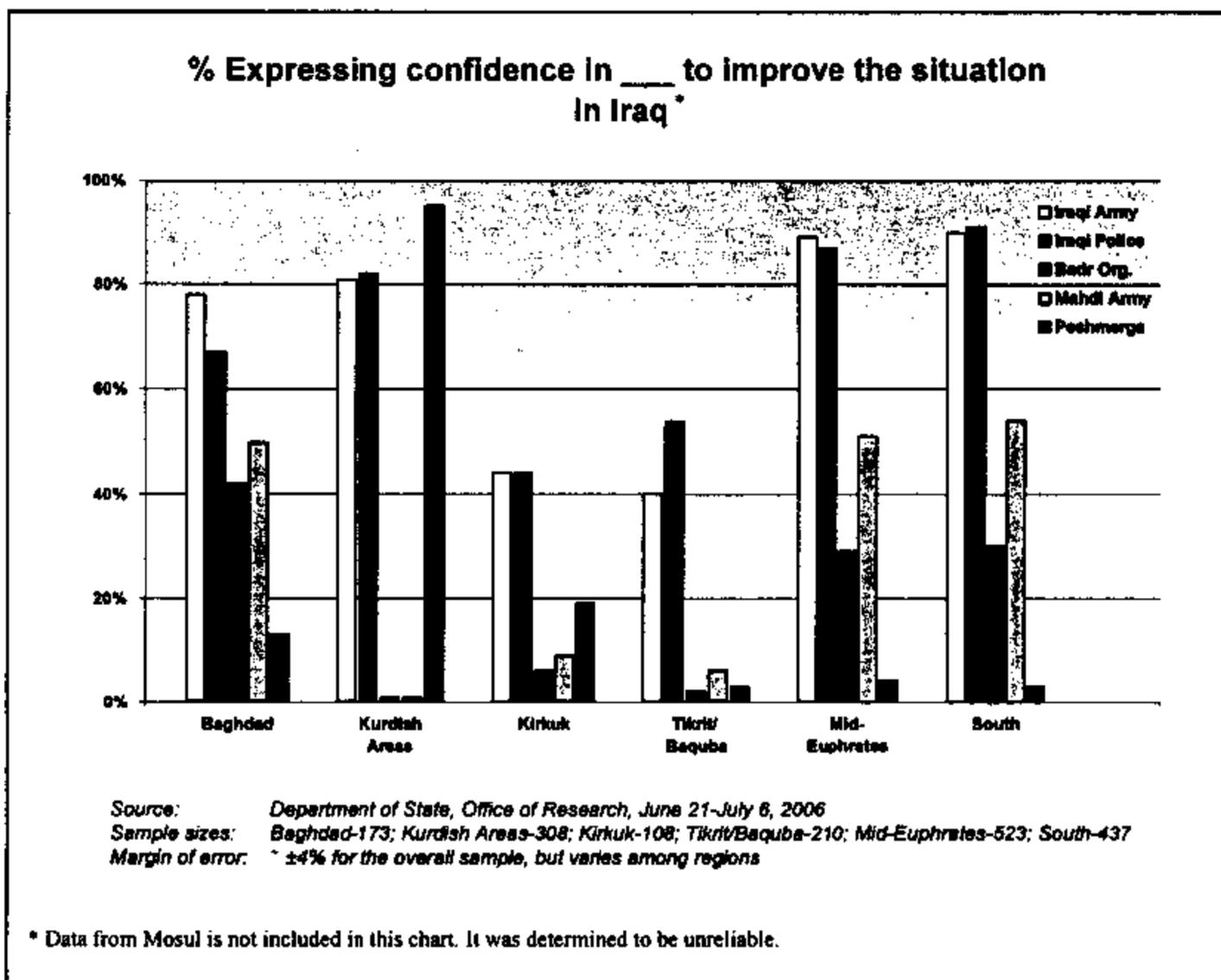
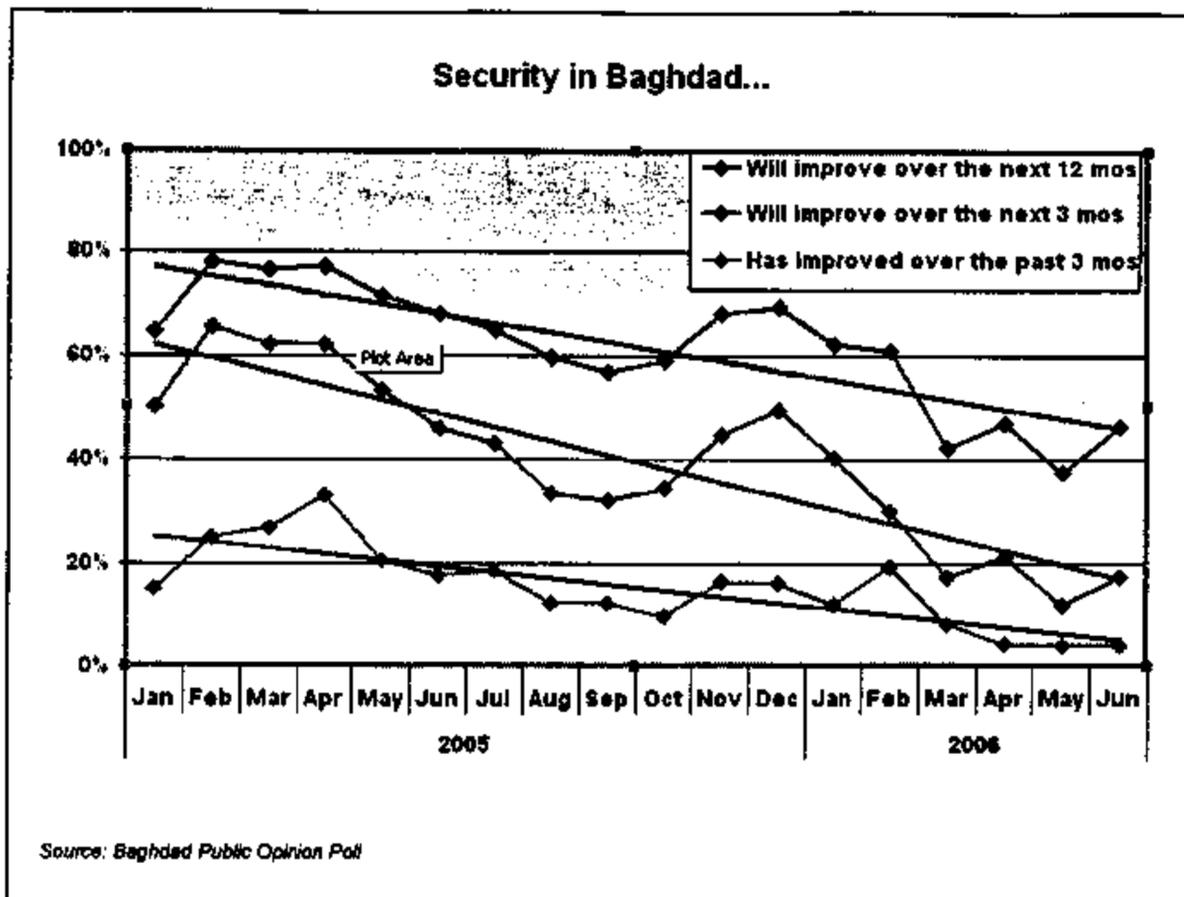
Source: Department of State, Office of Research, June 21-July 6, 2006
 Sample sizes: Baghdad-173; Kurdish Areas-308; Kirkuk-108; Tikrit/Baquba-210; Mid-Euphrates-523; South-437
 Margin of error: ±4% for the overall sample, but varies among regions

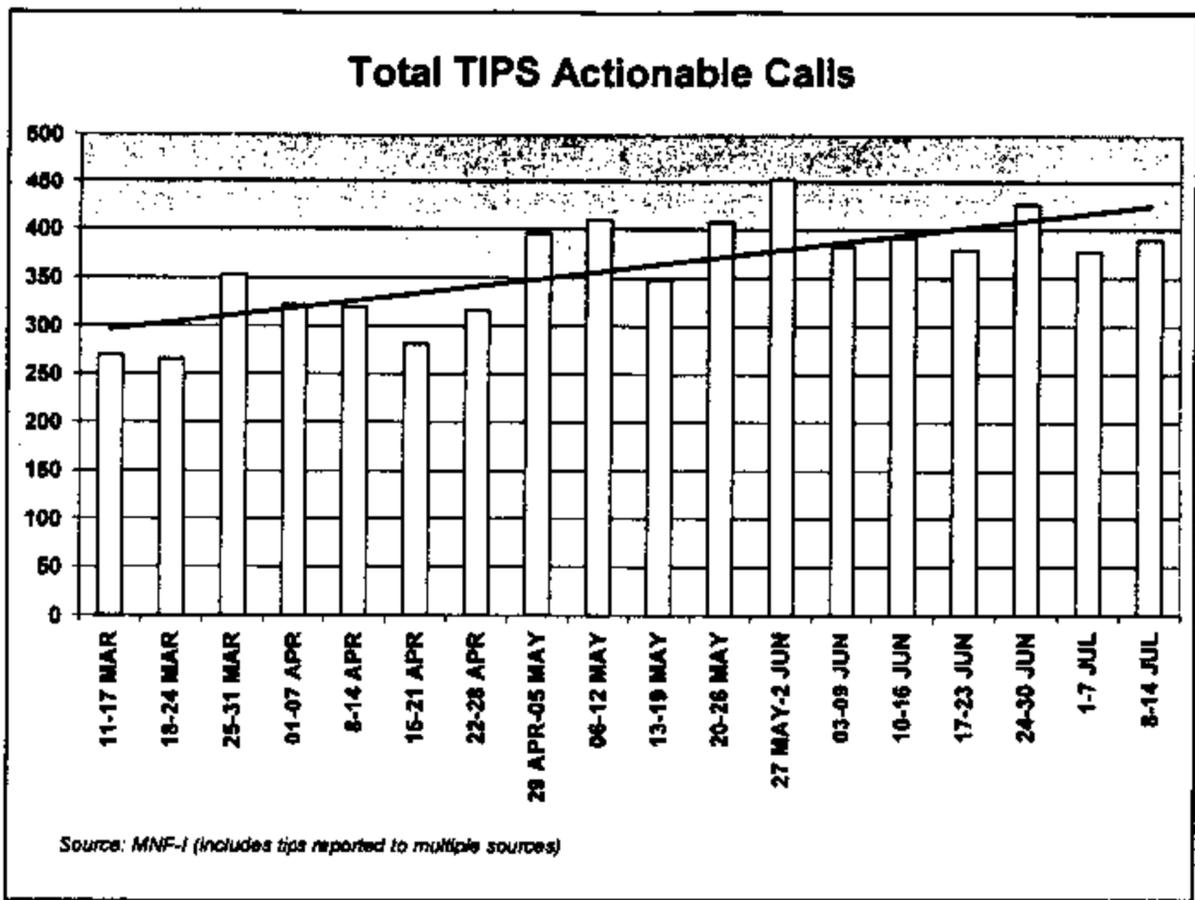
* Data from Mosul is not included in this chart. It was determined to be unreliable.

TREND: Thinking about the future, do you feel that things will be...



Source: International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)





2. Iraqi Security Forces Training and Performance

The ISF continue to grow in strength and capability as indicated by:

- progress in the training and equipping of ISF personnel;
- assessed capabilities of operational units; and
- progress in assuming responsibility for security of areas within Iraq.

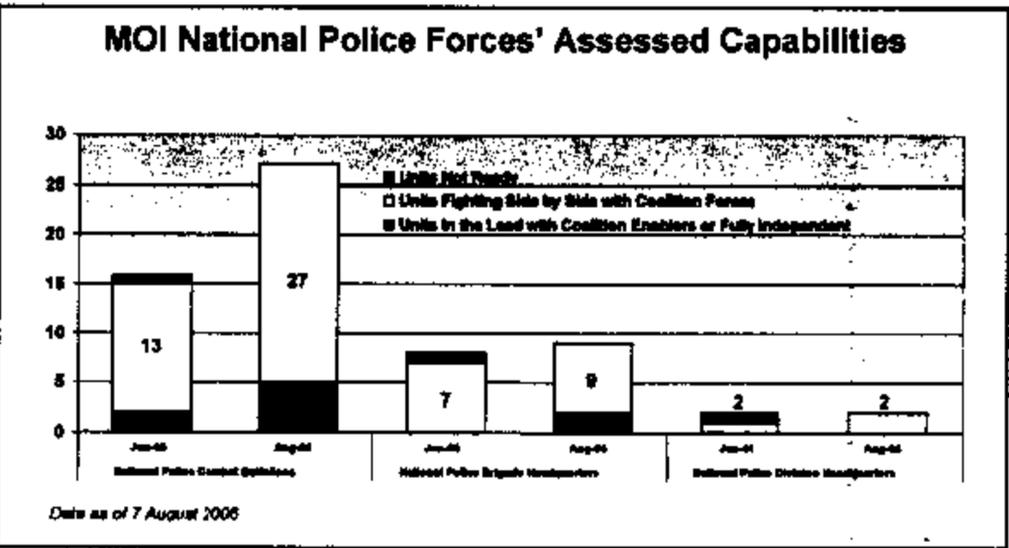
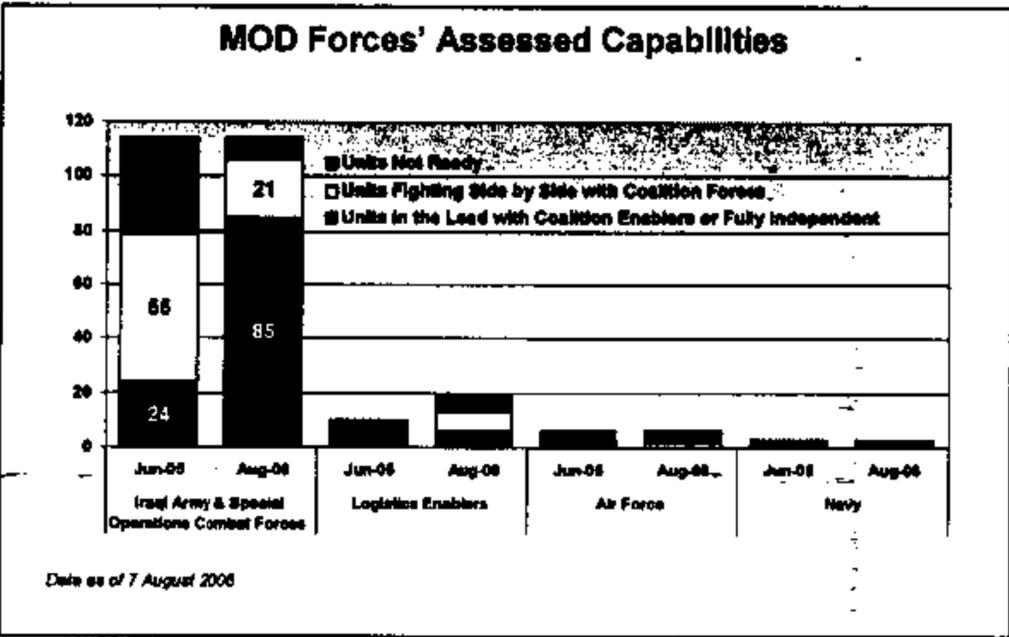
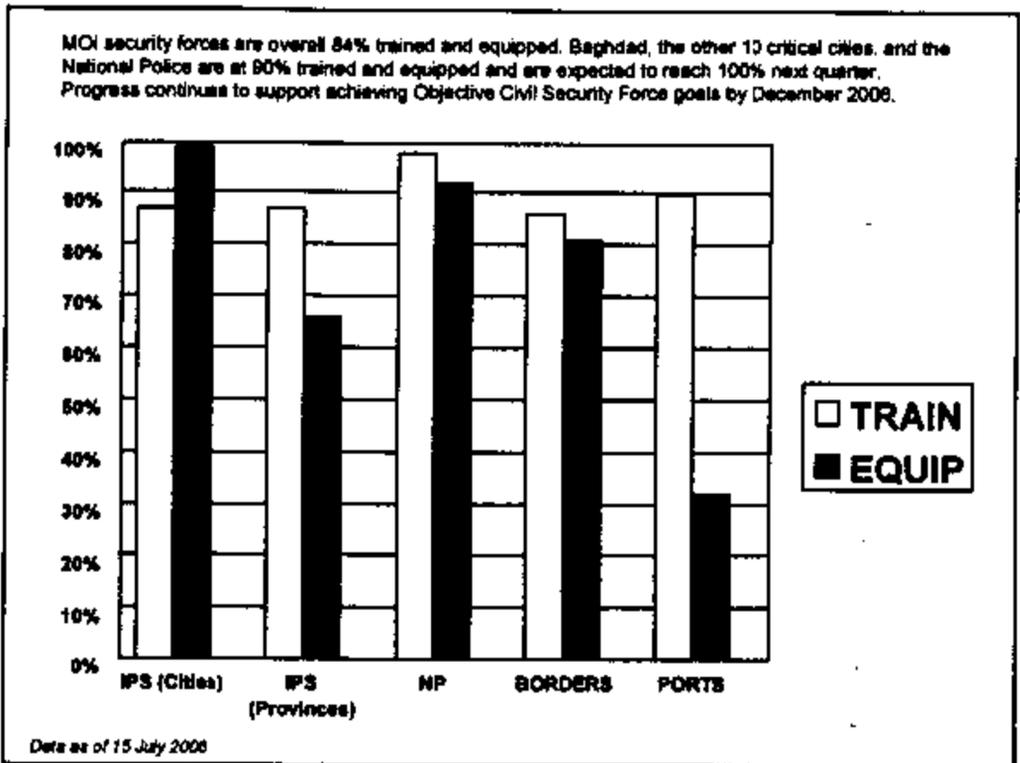
Institutional capability within the MOD and the MOI is an increasingly important indicator of the transition to Iraqi security self-reliance. As the MOD and the MOI continue to staff, train, and equip forces, increased emphasis is placed on the development of institutional capacity to direct, support, and sustain the ISF.

2.1 Progress in Training and Equipping the Iraqi Security Forces

Force generation continues on schedule this quarter. More than 14,000 additional Iraqi soldiers and police have completed initial training and equipping since May 2006, bringing the total number of ISF trained and equipped to 277,600.

More than 92% of authorized Iraqi Army battalions are assembled. Train-and-equip efforts remain focused on building combat support and combat service support forces providing key enablers to Iraqi combat forces. When fully established, these units will provide critical combat enablers, such as logistics and transportation support, intelligence, surveillance, and reconnaissance. More than 65% of authorized personnel in the Iraqi Army support forces have been trained and equipped. Logistics units and overall logistics capability continues to improve.

Current Status of Trained and Equipped Iraqi Security Forces			
Ministry of Defense Forces		Ministry of Interior Forces	
COMPONENT	OPERATIONAL	COMPONENT	TRAINED & EQUIPPED
ARMY*	~113,200	POLICE**	~113,800
AIR FORCE	~700	OTHER MOI FORCES	~48,800
NAVY	~1100	TOTAL	~162,600
TOTAL	~115000	OBJECTIVE	188,000
OBJECTIVE	137,500		
Total Trained & Equipped ISF:			
~277,600			
<small>* MMSTC-I expanded the train and equip mission from 4 to 11 Strategic Infrastructure Battalions (SIBs) on 29 Mar 06. This change is reflected in the adjusted Iraqi Army mobilization. ** The Ministry of Interior dissolved the National Highway Patrol into the regular Police on 17 Mar 06. This change is reflected in the adjusted Iraqi Police trained and equipped numbers.</small>			
<small>Date as of 7 August 06</small>			

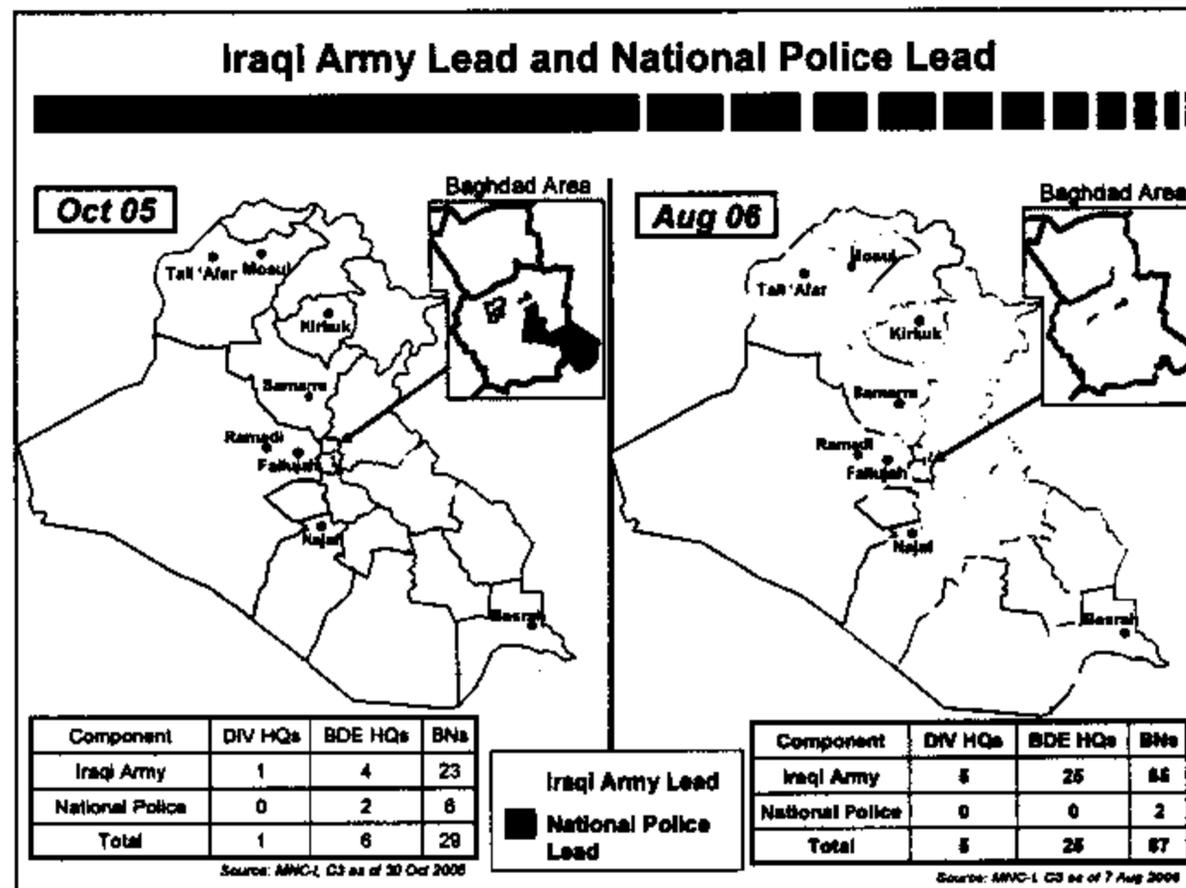


2.2 Progress in Assuming Leadership in Counter-Insurgency

The ISF are increasingly taking the lead in operations and assuming primary responsibility for the security of their nation, as Iraqi army and police forces demonstrate an increased capability to plan and execute counter-insurgency operations. The following charts depict this progress. As of August 7, 2006, 5 Iraqi Army divisions, 25 brigades, and 85 battalions, and 2 National Police battalions assumed lead responsibility for security in their areas of operation.

In total, there are 106 Iraqi Army combat battalions and 8 Strategic Infrastructure Battalions (SIBs) conducting operations at varying levels of assessed capability. Another three combat battalions are in the process of forming. In addition, 27 National Police battalions are now operational and active. The green shaded areas on the maps above depict areas where Iraqi Army units have assumed the lead for security responsibility. A unit can

assume the lead once it has been thoroughly assessed and has demonstrated that it is capable of planning and executing combat operations. Although these units lead security operations, most still require support from Coalition forces because their logistics, sustainment, and command and control capabilities are not fully developed. The Coalition's primary force development objective to date has been to produce trained, equipped, and capable combat units; there has been less emphasis placed on enablers, including logistics and command and control. Now that more than two-thirds of the Iraqi Army combat units are in the lead, the Coalition's focus will shift more toward helping the Iraqis develop these enablers. MNF-I will also continue to help improve the capacity of the MOD to organize, train, equip, sustain, and modernize its forces, with the goal of eventually eliminating the Iraqi Army's reliance on Coalition support.



2.3 Ministry of Interior

The objective for the MOI, in partnership with the Ministry of Interior Transition Team (MOI-TT), is to become a forward-looking ministry that is effective, efficient, accountable, representative, appropriately structured to deal with the prevailing security conditions, and staffed by people who are committed to upholding the rule of law. The MOI forces consist of the IPS, the National Police, the border forces, and the Center for Dignitary Protection.

The MNF-I initiative to develop professional civil security forces able to assume the lead for the security of the Iraqi people has been dubbed the "Year of the Police." The focus is on creating a force loyal to the people of Iraq and its Constitution, and committed to guaranteeing human rights and the rule of law. This was designated as one of MNC-I's main efforts in 2006.

Mentoring of civil security forces is conducted by Police Transition Teams (PTTs), National Police Transition Teams (NPTTs), Border Transition Teams (BTTs), and Customs and Border Protection Teams (CBPTs). More than 160 PTTs are assisting the development of the IPS. Because of the large number of police stations dispersed throughout Iraq, the PTT program has initially focused on provincial headquarters, district headquarters, and Iraqi police stations in key strategic cities, but will spread to other stations throughout the country as more stations achieve a higher level of readiness. To conduct their mission, the PTTs travel to their assigned stations to train, teach, and coach the Iraqi police and to conduct joint patrols with their Iraqi counterparts.

The integration of International Police Liaison Officers (IPLOs) into the PTTs significantly increased the Coalition force's ability to

develop the IPS. The IPLOs provide the civilian police with expertise in all technical aspects of criminal investigation and police station management. The deployment of five additional Military Police companies in July 2006 added extra PTTs, enabling the expansion of the program to assess and assist in the development of the IPS.

Twenty-seven BTTs mentor and enable development of border forces. Additionally, Department of Homeland Security Customs and Border Patrol Teams (CBPTs) provide critical mentorship at ports of entry, while 38 National Police Transition Teams (NPTTs) continue to support the development of the National Police units. These transition teams are intended to improve the readiness and capability of their MOI partner units.

The Coalition Police Assistance Training Team (CPATT) is on track to meet the goal of recruiting and training the authorized number of MOI forces by the end of December 2006. The force generation of the Department of Border Enforcement (DBE) and the IPS will occur in November 2006 and December 2006, respectively. Specialized police units, such as the Criminal Investigative Division (CID) and the National Information and Investigative Agency (NIIA), will be trained by the end of 2006.

Iraqi Police Service

The IPS is composed of patrol, traffic, station, and highway police assigned throughout Iraq's 18 provinces. Its mission is to enforce the law, safeguard the public, and provide internal security at the local level.

CPATT has trained and equipped approximately 113,800 IPS personnel, an increase of 12,600 since the May 2006 report. CPATT projects that it will have trained and equipped 135,000 IPS by December 2006. Although the

force will be manned in the aggregate by the end of the year, proper distribution is a challenge. Certain areas have a shortage of trained officers while additional hiring in other areas has resulted in an overage in the force.

As of July 24, 2006, 71,324 police recruits have received training in the 10-week basic course. Police officers with prior experience attend a 3-week course, the Transitional Integration Program (TIP), instead of attending the full 10-week basic course. Originally intended only for police trained during the Saddam regime, the TIP was expanded in July to include serving police officers who have not been trained but who have served on the force for at least one year. The TIP includes training on human rights, crime defensive tactics, democratic policing, first aid, patrol procedures, firearms (9mm and AK-47), and anti-terrorism. The Officer Transitional Integration Program (OTIP) course curriculum includes democratic policing, human rights, first aid, police ethics, supervision and leadership, use of force, firearms (9mm and AK-47), communications and problem-solving skills, anti-terrorism, patrol procedures, critical for officers, and police investigations. Some 41,051 police officers have graduated from the TIP and OTIP programs.

IPS Operations

The IPS constitutes the majority of MOI forces in the country. Each month, PTTs assess the operational readiness of a portion of the police forces, using the Transition Readiness Assessments (TRA) process. The TRA evaluates the police on the core functions required for effective law enforcement and community policing. Shortages of PTTs has limited observation of the IPS in Anbar, Babil, Basrah, Tamim, Wasit, Karbala, Maysan, Ninewah, Qadisiyah, Salah ad Din, Irbil, Dahuk, and Sulamaniyah provinces.

However, the recent arrival of five additional Military Police companies will greatly increase the ability to assess the IPS.

IPS Recruiting and Vetting

More than 230,000 MOI employees have been screened by the Iraqi Police Screening Service, which checks fingerprints against Ba'ath Party records and Saddam-era criminal records. Of these, 5,300 were reported as possible derogatory matches, and 74 have been dismissed. There is currently no screening process to ascertain militia allegiance. More than 54,000 police candidates have been screened for literacy by Morris & McDaniel, 73% of whom passed and were allowed to enter basic training. Currently, no method exists to track the success rates of these or other police officers.

IPS Equipment

The IPS is equipped with AK-47s, PKC light machine guns, Glock pistols, individual body armor, high frequency radios, small and medium pick-up trucks, and mid-sized SUVs. The IPS in Baghdad and the nine other key cities had been provided with 99% of their authorized equipment at the end of June 2006. They will have received 100% by mid-August 2006. The IPS in all 18 provinces have been provided with 66% of their authorized equipment and will receive 100% of their authorized equipment by the end of December 2006.

IPS Leadership

Leadership in the IPS is the cornerstone for success. The IPS currently has three leadership courses to develop high-quality leaders. The First Line Supervisor Course is designed for company grade officers. The Intermediate-Level Course is designed for field grade officers, and the Senior-Level Course is designed for General Officers. Each course is

two weeks long. Program topics are designed for the target audience and include human rights, discrimination, right to life, code of conduct, democratic policing, modern policing, the role of the supervisor, communication and the supervisor, delegation, change management, ethics, police corruption, problem employees, community policing, field training police leadership, history of management, modern supervision in today's law enforcement organizations, crime scene management, civil disorder, records management, budgeting, logistics, equipment and facilities management, group problem solving, mission values, six-step problem-solving models, overview of law enforcement planning, strategic planning, motivational theory, and analyzing employee performance problems. A plan is in place to develop a more extensive Intermediate-Level Officers course, slated to begin in the fall of 2006.

The Officer Education System has been successful in developing junior leaders loyal to the Iraqi people. However, certain senior leaders are products of the former regime and continue to view leadership as an entitlement, not a responsibility. As these officers are identified, they are removed.

National Police

Organized into a National Police Headquarters, two National Police Divisions, the 1st National Police Mechanized Brigade, and the Emergency Response Unit (ERU), the National Police are charged with maintaining law and order while an effective community police force is developed.

The National Police Headquarters provides command and control, staffing, equipping, training, and sustainment for these National Police Forces. It also commands the two training and professional development academies at Camp Solidarity and Camp Dublin.

The 1st and 2nd National Police Divisions reached 99% of equipping and authorized manning by July 2006 and will continue to progress through TRA levels, with the completion of force generation by December 2006.

Unprofessional and, at times, criminal behavior has been attributed to certain units in the National Police. This behavior and the decrease in public confidence in these forces has been the impetus for a National Police reform program. Each unit and its leaders will be assessed by a joint (Coalition and Iraqi) committee. Substandard leaders at all levels will be removed and units will undergo re-training.

National Police Training and Personnel

There are currently approximately 24,300 trained and equipped National Police, an increase of approximately 1,600 since the last report. They are trained in Iraqi law, human rights, the rule of law, and democratic policing techniques at the National Police Academy.

New recruits undergo six intense weeks of training at the academy in northern Baghdad. Training includes weapons qualification, urban patrolling techniques, unarmed combat apprehension, use of force, human rights and ethics in policing, introduction to Iraqi law, vehicle checkpoints, and IED characteristics and recognition.

National Police Operations

All National Police battalions are currently conducting counter-insurgency operations, with two battalions having security lead for their areas of responsibility. NPTTs are embedded at all levels of the National Police units, down to the battalion level. All National Police units work in Combined Operations

Areas (COAs) and partner with Coalition forces who provide support and advice.

National Police Recruiting and Vetting

The MOI recruits and vets the National Police force. Coalition forces provide advisors for the recruiting process, but neither actively recruit nor provide lists of names of recruits to the MOI. A National Police officer is recruited and provided an academy start date; upon arrival at the National Police academy, the candidate is interviewed by a senior staff officer (either a Colonel or Brigadier General). If he or she passes the interview, the officer is admitted to the academy. The individual's personnel file is then forwarded to the MOI, where a vetting team reviews it. If the officer is certified by the vetting process, he or she will be retained and allowed to complete the academy. If the candidate is disapproved, the officer is immediately removed from the academy.

National Police Equipment

The National Police have received 92% of their authorized equipment and will have received 96% of their authorized equipment by the end of November, missing its goal of 100% by a small margin. They will have received 100% of their authorized equipment by the end of December. The police are equipped with small arms, medium machine guns, and RPGs, and they patrol in light trucks. The mechanized battalions are equipped with Armored Security Vehicles and REVAs, a South African wheeled APC.

Department of Border Enforcement and Department of Ports of Entry

The DBE and the Department of Ports of Entry (POE) are collectively charged with controlling and protecting Iraq's borders.

DBE Training and Personnel

The DBE has 23,900 trained and equipped personnel, an increase of 1,800 since the previous report. The DBE is organized into 5 regions, 12 brigades, and 38 battalions, and includes the forces that staff 258 border forts.

Three academies, each with a capacity of approximately 800, train border patrol forces. The Iraqi Border Patrol Basic Training Course focuses on an introduction to law enforcement, human relations, human rights, weapons qualification, combat life saving, vehicle searches, Iraqi border law, arrest and detainee procedures, and small unit patrolling.

DBE and POE Operations

The DBE is supported by 27 Coalition Border Transition Teams (BTTs). The 11-man BTTs mentor and support the development of the border units. The BTT members are trained in various specialties, including logistics and communications, and provide critical assistance to the border force commanders in the areas of personnel management, intelligence, operations, budgeting, equipment accountability, and maintenance. Additional BTTs deployed in early June to support the development of the POE at critical high-threat border crossings. In February 2006, MNF-I supported the accelerated development of the POE through the deployment of a combined Border Support Team (BST), consisting of customs border protection agents and BTTs. In March 2006, most DBE units reached TRA Level 3, but remained short of equipment and key personnel. The DBE and POE are a higher priority for allocation of critical equipment; and cross-leveling of personnel has occurred to raise units to TRA Level 2. By November 2006, the DBE and POE are expected to have 28,360 trained and equipped personnel.

There are 14 land POEs, of which 13 are functional. Efforts continue to improve POE security. Progress in designation of POE standard organizations, delineation of responsibilities, and development of detailed policies and procedures has continued. The U.S. Department of Homeland Security, in coordination with Multi-National Security Transition Command-Iraq (MNSTC-I), has continued its rotation of Customs and Border Patrol Teams. These border security experts have had an important impact on the POEs, particularly along the Syrian border. The increased emphasis on BTTs and the Customs and Border Patrol Teams has improved DBE readiness levels, as the Coalition's expertise and mentorship affects the Iraqi border forces.

DBE and POE Equipment

Organizational equipment includes small and medium pick-up trucks, mid-size SUVs, generators, and radios. Personal equipment, including AK-47s, medium machine guns, and individual body armor, complete the outfitting of the border forces. The DBE currently has received 81% of its authorized equipment. They will have received 97% of their authorized equipment by the end of August, just short of the 100% goal for that date. They will reach the 100% goal one month later. Iraqi POEs will have received 100% of their equipment by the end December 2006.

Center for Dignitary Protection

Training and equipping of the Center of Dignitary Protection (CDP) is complete. The force of approximately 600 people has been prepared to serve as the Protective Security Details (PSDs) for Iraq's new government leaders. It is unknown how many of these personnel remain employed by MOI. An Iraqi training team assumed responsibility for training future PSD personnel in June 2006.

Facility Protection Service

In addition to the regular MOI forces, there are an estimated 145,000 Facility Protection Service (FPS) personnel who work directly for each of the 27 ministries. These forces act as security guards at government buildings and allow the IPS to police the communities. They are minimally trained and equipped, generally without Coalition oversight, and lack centralized control. FPS personnel have not always proven reliable, and some have been responsible for violent crimes and other illegal activity. Unfortunately, the FPS uniform looks similar to the police uniform, which causes many Iraqis to confuse the FPS with the better-trained IPS, undermining the reputation and credibility of the IPS. The Coalition and the Government of Iraq are establishing a program of reform to better regulate the FPS.

MOI Capacity Development

The MOI overall TRA remains at TRA 3-Partly Effective. The MOI Transition Team is working daily in the MOI, stressing planning and programming resources. The new Minister of Interior, Jawa al-Bulani, is embracing the need to reform the ministry. Logistics is the only essential system still assessed as ineffective. Improvement of the logistics system is a focal point for the next 90 days. All other major functional areas and systems are considered partly effective. Over the next 90 days, emphasis will also be placed on building a solid framework of plans, policies, and processes to ensure that the MOI can manage personnel efficiently, conduct policing operations effectively, and maintain and sustain capability.

MOI Logistics

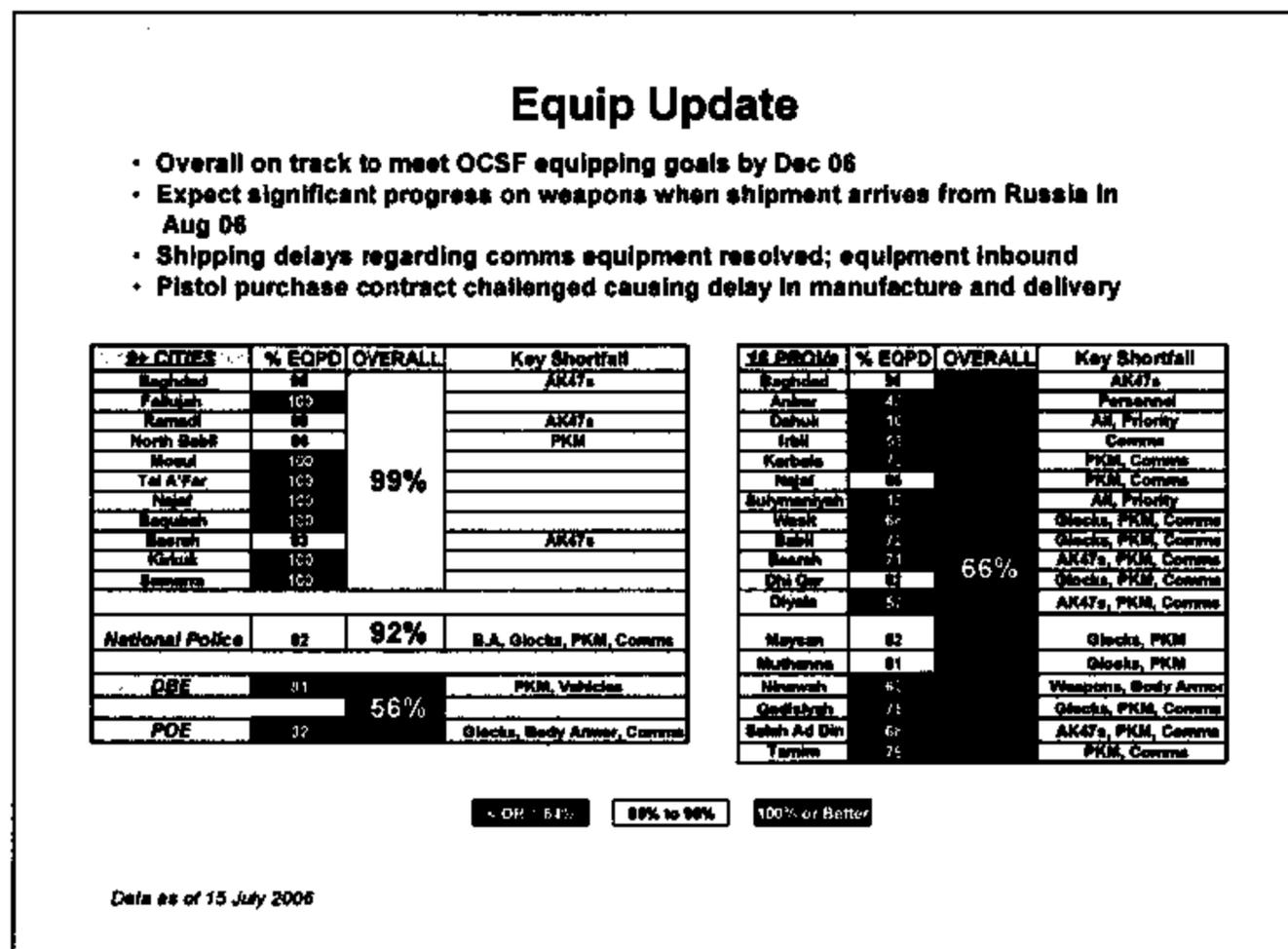
Logistics capabilities continue to be an area of significant concern for the IPS, particularly

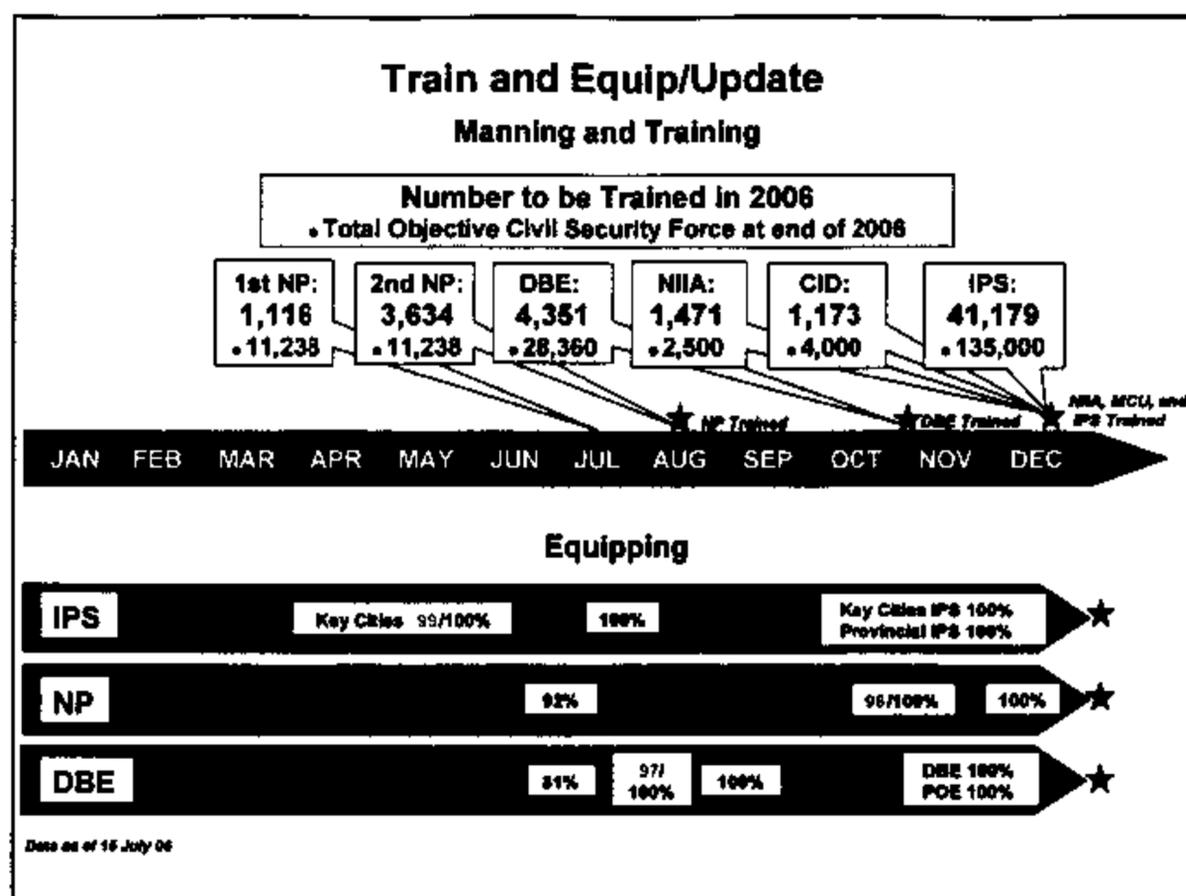
with respect to vehicle maintenance. However, accountability of equipment continues to improve as verified by reports submitted by PTTs. CPATT/MOI-TT continues to provide logistical support in both an advisory and financial capacity to assist with sustainment operations. Recently, a Director General for Logistics and staff were put in place. A 6-month vehicle maintenance contract for the National Police and the Baghdad IPS was agreed upon. Currently, there is a US\$950,000 vehicle spare parts contract for MOI forces, and a US\$350,000 vehicle spare parts contract for the National Police is in place. The average monthly logistical life support provided from April through June was US\$20,266,121, for a total of US\$60,798,363 during that timeframe. Construction of a MOI National Storage and Maintenance Facility was started in June 2006, with an estimated completion in December 2006. Currently, we are in the process of conducting a test case to hand over an LDI storage warehouse (one of seven) to

Iraqi control in August 2006. A plan is being formulated to hold a National Logistics Conference in September 2006.

MOI Equipment

MOI security forces are on track to reach December 2006 Objective Civil Security Force equipping goals. The following graph depicts the equipping status and key shortfalls of Baghdad and the 9 other key cities, 18 provinces, the National Police, the DBE, and the POEs. Equipment-issue priorities focused on equipping Baghdad, the 9 key cities, and the National Police, while simultaneously building initial functionality in the provinces, borders, and ports of entry. In general, these goals were met. However, the MOI does not currently have an effective equipment management system in place. As a result, it is unknown what percentage of the equipment issued to the MOI is still serviceable.





The equipping effort did experience unforeseen delays.

- Large shipments of Russian weapons were delayed clearing customs while exiting Russia and entering Iraq.
- Glock pistol delivery delays occurred when a U.S. manufacturer challenged the award of the pistol contract to a non-U.S. company.
- Communications gear was delayed due to shipping problems.

All matters have now been resolved and items have either arrived or are inbound. All equipment fielding goals are on track to be met by December 2006.

MOI Attrition and Absenteeism

The MOI does not currently have an effective personnel management system. As a result, it is unknown how many of the forces trained by CPATT are still employed by the MOI, or what percentage of the 146,000 police thought

to be on the MOI payroll are CPATT trained and equipped. CPATT estimates attrition to be at least 20% per year going forward. The MOI reports paying death benefits for more than 6,000 police officers since the fall of the Ba'athist regime in May 2003.

In addition to the overall number of police in Iraq, there are some issues with distribution of the police among the various provinces. For example, by the end of the year, Diyala Province will have recruited its authorized force, but will not have trained the entire authorized number. In the case of Diyala, the provincial leadership has resisted sending 100% of the force to training due to security concerns and the reluctance to take its police off the streets. Anbar, Basrah, and Ninewah may also miss their training targets for the same reason. Rather than let training seats go unfilled, other provinces were permitted to send some of their untrained personnel to training. As a result, those provinces will have more than the authorized force trained in their provinces.

As with the IPS, the National Police payroll is significantly larger than its authorized end-strength. There are currently more than 29,000 National Police on the MOI payroll, but it is unknown how many of these have been trained and equipped. Absenteeism among National Police units generally follows the same pattern as in the military. Leave policies and immature personnel management policies account for 30%–40% of personnel not present for duty. Absenteeism in the IPS is difficult to quantify because shift schedules preclude PTTs from ascertaining which police officers are absent and which are simply off-duty.

The DBE payroll is also larger than its authorized end-strength, with 25,832 DBE personnel on the MOI payroll. It is currently unknown how many untrained DBE personnel are on the rolls and how many of the trained and equipped border personnel have left the MOI. As with the other personnel issues, an effective personnel management system will help resolve these reporting and accountability deficiencies.

Sectarian Issues at MOI

The U.S. Government is committed to helping the Government of Iraq create an MOI that reflects the diversity of the Iraqi people. The goal is to create ethnically integrated units at the national level, while still allowing local police to reflect the ethnic composition of the communities in which they serve. The former Police Commandos, now part of the National Police, are becoming increasingly diverse. The former Public Order Battalions, also now part of the National Police, tend to be disproportionately Shi'a, due to a lack of Sunni participation when these units were being formed in preparation for the January 2005 elections. Merging the National Police Commandos and the Public Order Battalions into one National Police force has helped produce a more repre-

sentative National Police. Recruiting initiatives targeting Sunnis have improved the diversity. Unlike the National Police, local police forces tend to be of the same ethnic mix as the communities in which they live and work.

Corruption in MOI

In 2005, the MOI IG conducted 790 corruption-related investigations. Of these, 472 (60%) were closed. Of the 472 closed investigations, 118 (25%) were forwarded to the CPI or to a court for adjudication, 350 (74%) were closed because of "insufficient evidence," and 4 (1%) were handled as internal MOI discipline. To improve the IG's capability to investigate, the Specialized Advance Training Unit at the Baghdad Police College will train new MOI investigators. It will take approximately 18 months to train the Investigations Directorate at the basic investigator level. Beyond the IG training, improvements in leadership oversight, accountability, and reductions in sectarian and militia influence are required before Iraqis become confident that MOI forces can ensure security and uphold the rule of law in Iraq.

Foreign/Political/Militia Influence

Corruption, illegal activity, and sectarian bias have constrained progress in developing MOI forces. Inappropriate tolerance of and infiltration by Shi'a militias, some of which are influenced by Iran, is the primary concern of the Government of Iraq. A lack of effective leadership and policies to stem corruption through accountability for actions, equipment, and personnel have enabled the theft of pay and equipment, unlawful detentions, and reported cases of abduction and torture or execution of Sunnis. The minister is committed to changing corrupt leaders and instituting policies to eliminate corruption.

An additional 45 transition teams were deployed in July to increase PTT coverage across the country. As stations begin to reach TRA Level 2 in August, transition teams will expand their coverage of nearly 1,000 total stations across Iraq. This will limit infiltration by militias, improve adherence to the rule of law, and prevent complicity and participation in sectarian violence.

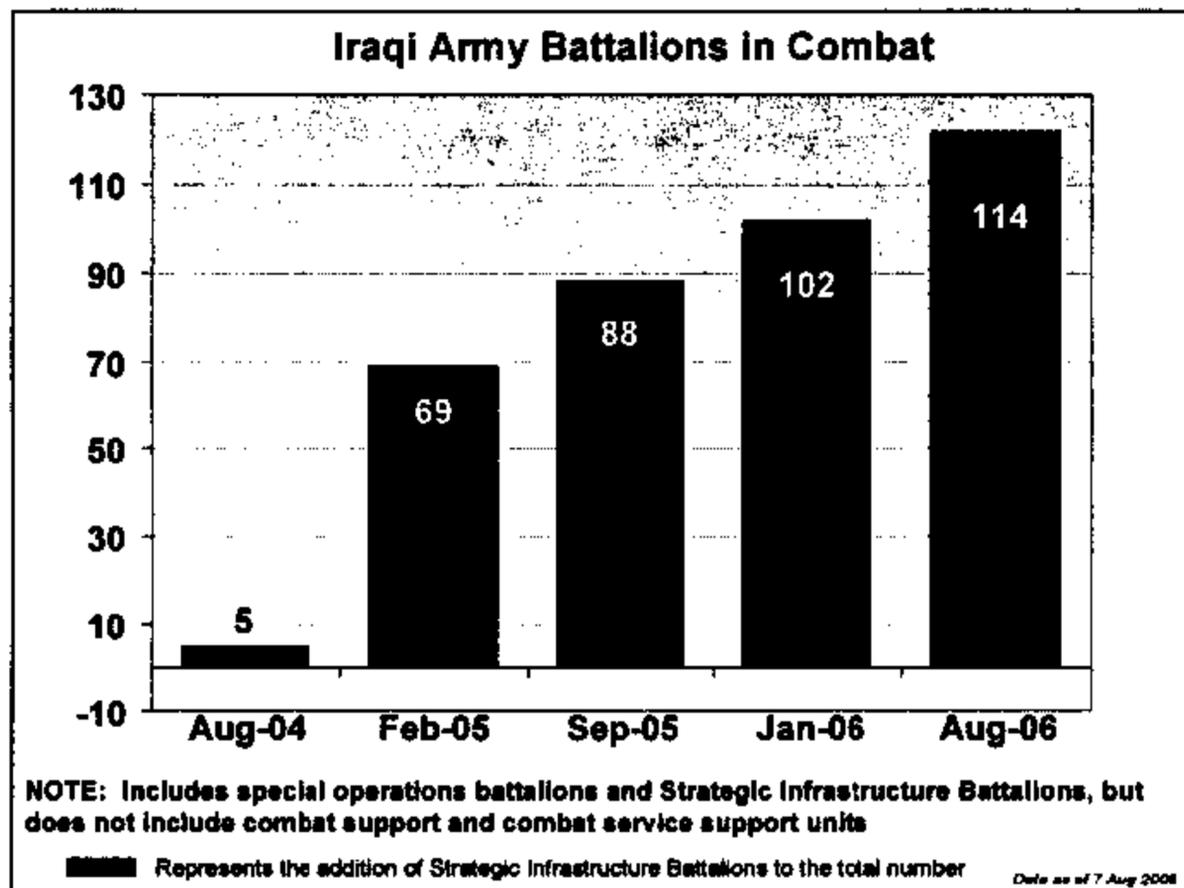
2.4 Ministry of Defense

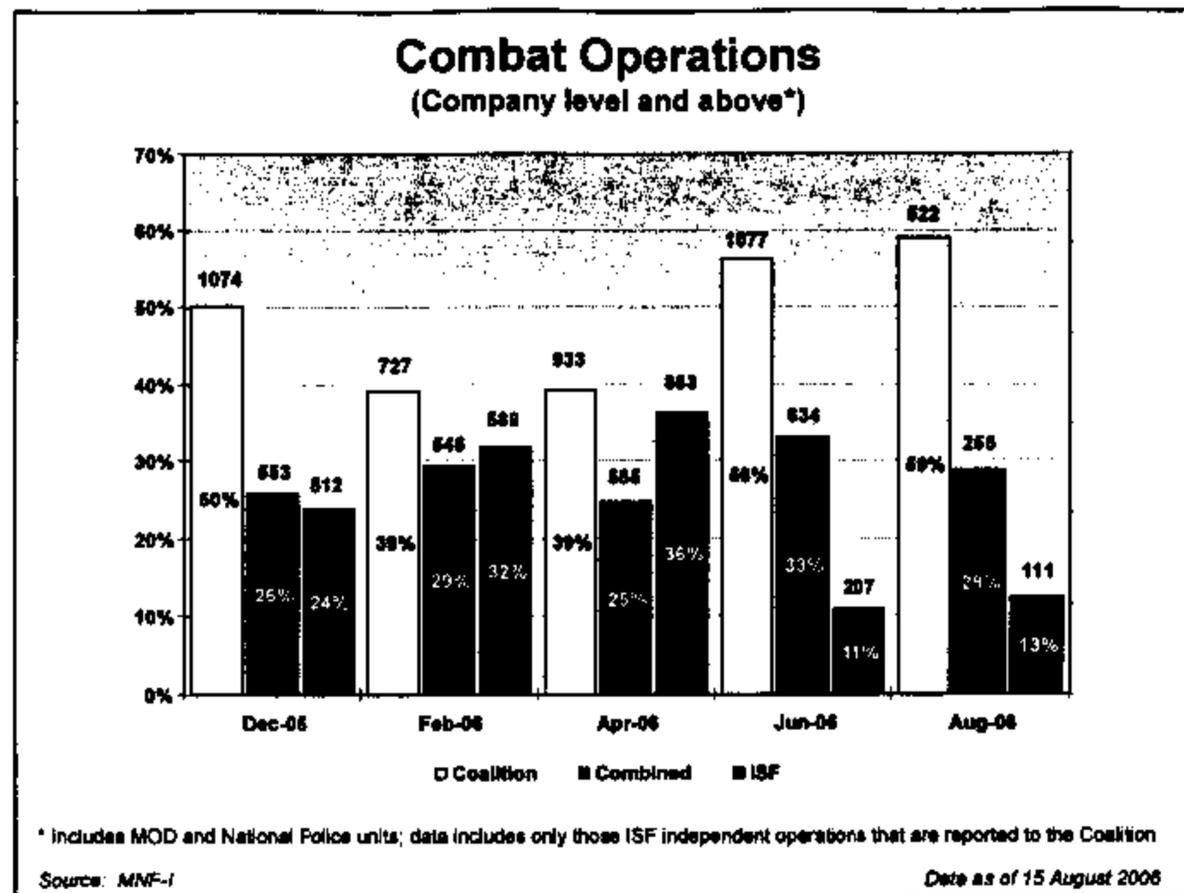
The Iraqi MOD forces consist of Army (including Special Operations Forces), Air Force, and Navy (including Marines) personnel. The end state of the Objective Counter-Insurgency Force will be an approximately 137,500-person force based around an Army with 9 infantry divisions and 1 mechanized infantry division consisting of 36 brigades and 112 battalions. Nine Motorized Transportation Regiments, 5 logistics battalions, 2 support battalions, 5 Regional Support Units (RSUs), and 91 Garrison Support Units (GSUs) are intended to provide

logistics and support for each division, with Taji National Depot providing depot-level maintenance and resupply. Each battalion, brigade, and division headquarters will be supported by a Headquarters and Service Company (HSC) providing logistical and maintenance support to its parent organization. The Army will also include 17 SIBs and a Special Operations Forces Brigade consisting of two special operational battalions. The Air Force will consist of six squadrons, and the Navy will consist of two squadrons and a Marine battalion.

Army

The Iraqi Army includes approximately 115,000 trained and equipped combat soldiers (including SIB personnel and around 9,600 support forces). The capability of Iraqi Army units continues to improve, facilitated by the mentoring by embedded advisors at the battalion, brigade, and division levels, and partnership with Coalition force units.





Force generation of Iraqi Army units is increasingly focused on combat enablers and continues in accordance with the force development plan. All three planned Iraqi Training Battalions are formed and fully operational. These battalions allow the Iraqis to train soldiers independently in sufficient quantities for force generation completion and replacement needs. New recruits attend a 13-week program of instruction. Upon graduation, soldiers receive additional training specific to their military occupation. Depending on their military occupational skill assignment, the length of training ranges from three to seven weeks. Other training initiatives, such as the Military Intelligence School, the Signal School, the Bomb Disposal School, the Combat Arms Branch School, the Engineer School, and the Military Police School, contribute to the growing professionalism of the Iraqi Army through teaching diverse specialties necessary to conduct and sustain counter-insurgency operations.

Three of the nine planned Motorized Transportation Regiments (MTRs) are approaching full operational capability. While a shortfall of fully competent maintenance personnel adversely affects full capability, these MTRs provide improved mobility and sustainment support for Iraqi forces. Progress has been made in establishing HSC units for each combat battalion, brigade, and division to provide transportation, communications, medical, supply, and maintenance support. Approximately 80% of the planned HSCs have been formed; one-third are operational, and the remaining planned HSCs are scheduled for completion by December 2006.

Currently, 17 SIBs are being trained and equipped. Although the Iraqi Army maintains operational control of the SIBs, at present only 1 SIB is capable of planning and executing independent operations, and all 17 require Coalition logistical support. Training of these battalions continues to employ a "train-the-

trainer" model that focuses specifically on squadron- and platoon-level tasks.

The capability of the SIBs is growing as they receive training and more modern equipment. MNC-I is partnering the more capable SIBs with locally deployed Iraqi Army units to provide them with counter-insurgency experience and to accelerate their leaders' professional development. Evaluation of their effectiveness in securing infrastructure, particularly oil pipelines in northern Iraq, is ongoing.

The Iraqi Armed Service and Supply Institute (IASSI) at Taji plays a critical role in training the officers and non-commissioned officers (NCOs) to fill support and combat service support positions in the Iraqi Army. The IASSI has trained more than 5,000 officers and NCOs who serve as leaders in the MTRs, RSUs, and HSCs. The IASSI continues to support the development of critical Iraqi Army support and combat support capabilities.

Special Operations Forces

The Iraqi Special Operations Forces (ISOF) are composed of approximately 1,600 soldiers organized into the Iraqi Counter-Terrorism Task Force, the Iraqi Commandos, a support battalion, and a special reconnaissance unit.

Navy

The Iraqi Navy is tasked with defending Iraq's coast, territorial waters, vital ports, and offshore oil platforms. The Iraqi Navy has more than 1,100 trained and equipped sailors and marines organized into an operational headquarters, two afloat squadrons, and five Marine companies. The Iraqi Navy is developing independent capabilities for surface surveillance, maritime interdiction, oil terminal protection, and support operations.

The Iraqi Navy Training Department continues to develop unit-level refresher training and naval skills improvements, including basic seamanship and maritime security operations. In June 2006, the Training Department independently conducted basic training and successfully graduated 324 naval recruits. Its training efforts range from mentorship, as conducted by the Naval Transition Team, to active skills training, as conducted by Coalition Navy, Marine, and Coast Guard Forces.

Air Force

The Iraqi Air Force continues to evolve toward supporting the counter-insurgency force, but progress has been slowed by difficulty in recruiting qualified applicants. There are currently 750 personnel in the Iraqi Air Force, with development plans calling for a concentrated recruitment effort over the next 18 months to at least double the personnel by the end of December 2007. This effort is intended to provide a satisfactory corps of professionals as a foundation for future growth.

The Intelligence Surveillance and Reconnaissance aircraft at Kirkuk Air Base (7th Squadron with five CompAir 7SLs) and Basrah Air Base (70th Squadron with two Seekers and six CH-2000s) are performing operational missions. These aircraft are primarily deployed to patrol oil pipeline infrastructure in the north and south, with occasional missions conducted in support of Iraqi Army units. There have been recent airworthiness issues with the CompAir 7SL aircraft, and the Coalition is working with the Iraqi Air Force to develop solutions and alternatives to continue supporting the mission.

Helicopter operations from Taji Air Base in central Iraq are still in their infancy, but the

next six months should see a marked improvement. The 2nd Squadron is expected to receive the first 6 of 16 Huey IIs from a modification factory in the United States by the end of January 2007 and the remainder before April 2007. The 2nd Squadron will primarily be used for casualty evacuation. It is expected to reach initial operational capability by the third quarter of FY2007.

Three C-130Es from 23rd Squadron at New Muthanna Air Base round out the Iraqi Air Force fleet. Early complications with low mission capable rates have been solved, and fleet-wide readiness was measured at 72% in July 2006. The Iraqi Air Force has requested an additional three aircraft from the U.S. Government to bring the fleet total to six. These additional aircraft reflect the Coalition Air Force Transition Team's force generation plan and efforts are under way to identify additional funding to meet this request.

Assessing MOD Capability

Operational/Unit Readiness

Embedded Transition Teams continue to provide monthly TRAs measuring the staffing, command and control, training, sustainment/logistics, equipping, and leadership of their partnered Iraqi units.

Personnel and Equipment Status

The total number of MOD military personnel trained and equipped is currently more than 115,000, approximately 84% of the objective end-strength.

With the generation of Iraqi Army battalions more than 92% complete, the focus of the Iraqi Army's train-and-equip effort shifted during this reporting period toward building combat support and combat service support forces. More than 65% of authorized per-

sonnel in the Iraqi Army's support forces are trained and equipped.

Equipping the Iraqi Armed Forces continues as planned since the May 2006 report, with 92% of authorized equipment issued to the 10 Iraqi Army Divisions and subordinate formations. MNSTC-I is on track to issue all currently authorized equipment by the end of December 2006. Equipment is distributed and filled according to the commander's operational assessment: MNSTC-I is currently working with the MOD to transition maintenance capabilities to the Iraqi Army. To date, two Regional Support Units facilities have been transitioned to the Iraqi Army.

Leadership

The lack of junior officers and NCOs continues to be one of the biggest factors impeding development of MOD forces. There is a shortage of school-trained officers and NCOs to fill lower-level staff and leadership positions. The shortage of leaders will abate as officer recruits are commissioned and they join their units. For NCOs, qualified soldiers are being "grown from within" through development and schooling to achieve promotion to NCO leadership positions.

The Regional Training Centers (RTCs) and the NCO Academy focus on junior leader development that is critical to building a professional force. The RTCs conduct Squad Leader and Platoon Sergeant Courses. Newly formed Sergeants Major and Chief Warrant Officer Courses have been added to the NCO Professional Education System. Specialized leadership courses, such as Logistics Supervisor, are being conducted at the Iraqi Army Service and Support Institute at Taji. Three Iraqi Military Academies at Zahko, Qalachwalan, and Ar Rustimiyah continue to train future officers.

The institutional leadership courses are complemented and reinforced through partnership with Coalition Military Transition Teams. These teams, embedded with every Iraqi battalion, brigade, and division, provide daily guidance and mentorship. In addition, Iraqi units are partnered with Coalition force units. These partnerships, combined with the expertise and leadership taught through the institutional base, are critical for development of both unit proficiency and leadership essential to increased operational effectiveness.

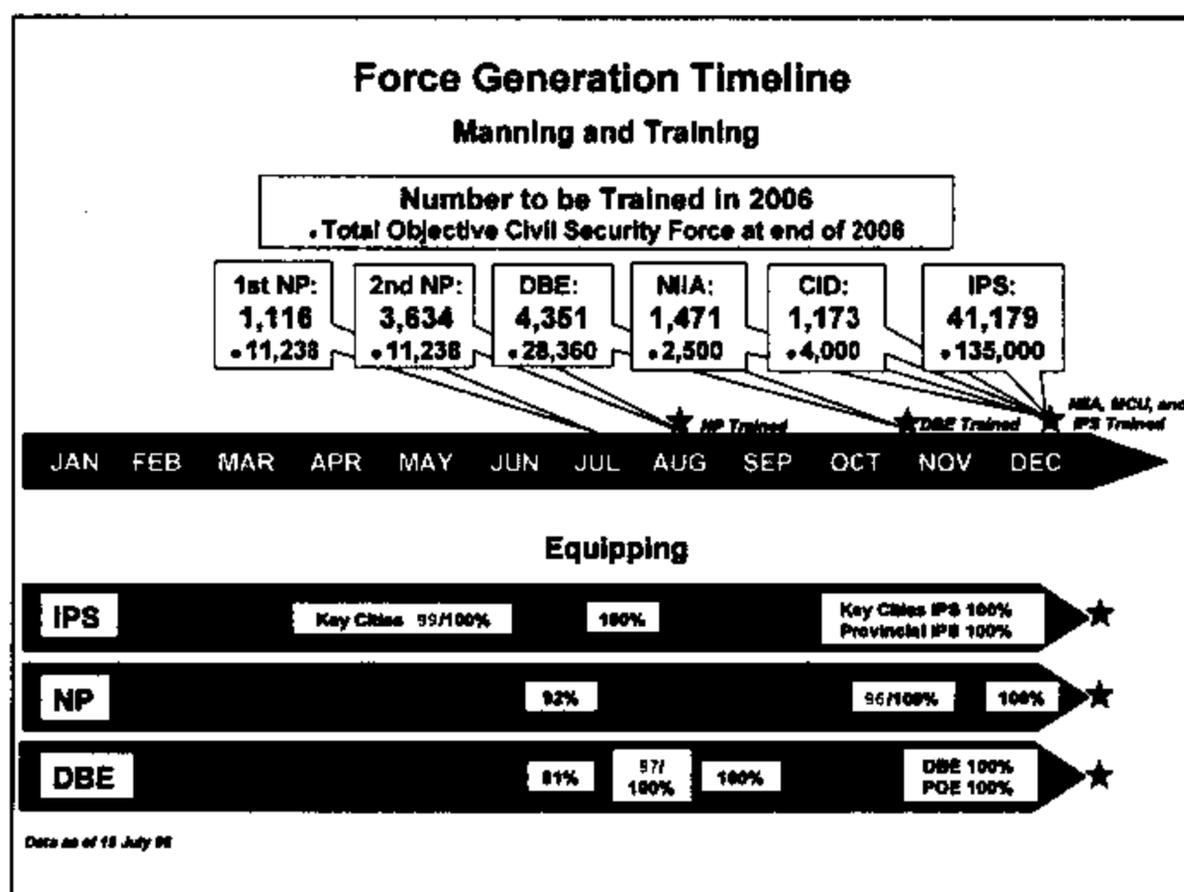
The importance of ethics, human rights, and leadership in the Iraqi Armed Forces has engendered a concept for a Center for Ethics and Leadership to provide institutional oversight for ethics education, training, and assessment.

A promising trend is that military leadership has become more involved with civic leaders and sheiks in their areas of operation. This activity will continue to reinforce and establish the importance of Iraqis leading and

taking responsibility for their own security and interests.

MOD Capacity Development

The new Minister of Defense, Abd al-Qadr Muhammad Jassim al-Mufraji, is confronting the challenges he faces and is already making his mark. Previous logjams in acquisitions and contracting are being eased, and he is working closely with MNSTC-I to proceed on force development, force expansion, and logistics support. The MOD Transition Team grew to meet this accelerated pace of business and expanded to more than 50, half of whom are Military Professional Resources Incorporated contractors. Close and effective relationships are being forged by team members with all senior MOD headquarters officials, and the confidence, and thus capacity, of these officials is strengthening. The ministries and the Joint Headquarters are expected to be in the lead with Coalition support by the end of 2006. However, a partnership with these institutions will be



required through at least the first peaceful transfer of power in 2010.

Coalition Support Requirements

MNC-I continues to provide logistical support to the Iraqi Armed Forces where the established system falls short. Although there has been some success with Iraqi Army units using their own processes, there is still a great deal of institutional development remaining. MNF-I is working with both MNC-I and MNSTC-I to aid the Government of Iraq in developing a defense logistics system, but in the absence of a self-reliant system, MNF-I must provide extensive support to Iraqi forces.

MNSTC-I processed life support contracts in a total amount of approximately US\$7.8 million for the months of May and June 2006. Currently, all life support contracts have been transitioned to the MOD. MNSTC-I has formed a Transition Working Group tasked

with ensuring that the MOD properly supports all Iraqi Army life support requirements.

DOD requested US\$151 million for MOI sustainment in the FY2007 Budget Amendment request, but did not ask for funding for MOD sustainment.

Coalition forces are also supporting the Government of Iraq with fuel. In June 2006, all Iraqi Army units submitted requisitions for fuel; MTRs provide the majority of the fuel distribution. Storage capacity will not be fully fielded until December. Additionally, the GSUs will not be fully on-line until March 2007. Until the MTRs and GSUs are in place, the Iraqi Army units will not be fully self-sufficient in terms of bulk fuel transportation and storage.

Coalition forces supported the Iraqi Army units with the combined fuel report listed below.

APRIL 2006		MAY 2006		JUNE 2006		TOTAL	
Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons
DIESEL	133,590	DIESEL	964,598	DIESEL	352,042	DIESEL	1,450,230
MOGAS	89,935	MOGAS	83,956	MOGAS	73,613	MOGAS	247,504
JP8	42,347	JP8	29,101	JP8	34,955	JP8	106,403
Quarterly Subtotal	265,872		1,077,603		460,610		1,804,085

Obstacles to Progress

Absenteeism

In the Iraqi Army, approximately 15% attrition is the norm for initial training. When a unit is fully trained and employed in combat operations, some soldiers find that they do not like the particular location or they cannot cope with dangers of the counter-insurgency. Absent-without-leave rates are typically about 1%–4% for most Iraqi Army divisions, although deployments to combat sometimes cause absentee spikes of 5%–8%. However, soldiers in units in this final stage of development are less likely to abandon the service. As with any organization, the units with strong, competent leaders tend to have higher present-for-duty rates than those with weak leaders. However, there is currently no judicial punishment system within the Iraqi Army. Therefore, Iraqi Army commanders have little legal leverage to compel their soldiers to combat, and soldiers and police can quit with impunity.

Sectarian Issues

The U.S. Government is committed to creating an Iraqi military that reflects the ethnic and religious fabric of Iraq, with diverse units loyal to the nation and not sectarian interests. Although competence and merit are the deciding factors when selecting recruits, particularly leaders, the ISF are developing so that they generally mirror the demographic make-up of Iraq. Sectarian lines remain drawn, however, along geographic lines, with Sunni, Shi'a, or Kurdish soldiers mostly serving in units located in geographic areas familiar to their group. These divisions are even stronger at the battalion level, where

battalion commanders of one particular group tend to command only soldiers of their own sectarian or regional backgrounds. The Minister of Defense, through an Officer Selection Committee, has used the normal transitions to continue to diversify the senior leadership in the Iraqi Army. This continuing process strives to ensure that the Iraqi Army is led by competent leaders who are representative of the national fabric. In the aggregate, Sunni, Kurd, and Shi'a are well and appropriately represented in senior leadership positions. The Sunni and Kurds are slightly over-represented, while the Shi'a are slightly under-represented, though Shi'a commanders still hold a large majority of command positions. The percentage of Sunni leaders at each level remains constant. At the battalion level, the echelon in which the Shi'a have the highest percentage of commands, they are appropriately represented when compared to the demographics of the Iraqi population. The relatively high percentage of Sunni and Kurds in higher-level commands is a result of the requirement for experienced military leaders, of which few were Shi'a. Generally, Shi'a and Kurds were excluded from higher-level positions in the former regime. The Kurds, however, benefited from years of experience in the *Peshmerga*. Nationally recruited Iraqi Army divisions are otherwise representative of the ethno-religious composition of the country. The even-numbered divisions were originally formed as National Guard units, with the intent that these units would serve in the respective local regions. The composition of these units tends to be representative of the region in which they serve. Over time, replacements from the national recruiting pool will increase the diversity of these divisions.

3. Transition

3.1 Transitioning Security Responsibility

Process for Implementing Provincial Iraqi Control

The transfer of security responsibility from Coalition forces to the Government of Iraq is an objective of the security track outlined in the National Strategy for Victory in Iraq. Such transfers reflect the capability of the Government of Iraq to fulfill its sovereign responsibility in the most fundamental, vital interest of any state—to protect its citizens and safeguard its territory. As Iraqis take on more responsibility for security, Coalition forces will increasingly move to supporting roles in most areas. This may allow for future personnel reductions or a delay in previously scheduled deployments. The Coalition's military posture on the ground will remain responsive and flexible. As the security situation evolves, MNF-I will maintain sufficient forces on the ground to help Iraq consolidate and secure its gains on many different fronts. The recent agreement between Prime Minister al-Maliki and President Bush to increase force presence in Baghdad is indicative of this flexibility.

Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and civilian-controlled Iraqi Police Service. Muthanna is the first of Iraq's 18 provinces to be designated for transition to Provincial Iraqi Control, which represents the successful development of Iraq's capability to govern and protect itself as a sovereign and democratic nation.

The joint decision between the Government of Iraq and MNF-I to hand over security responsibility is the result of Muthanna's demonstrated ability to take the lead in man-

aging its own security and governance duties at the provincial level. The transition decision also reflects a joint assessment of the overall threat situation in Muthanna, the capabilities of the IPS and the Iraqi Army, and the provincial leadership's ability to coordinate security. Transition Teams are in place to smooth the transfer process, and multinational forces stand ready to provide assistance if needed.

Dhi Qar Province appears to be ready to assume security independence within the next 45 days, and several other provinces should meet the transition criteria before the end of the year. The Government of Iraq and the MNF-I will continue to transfer security responsibilities in other provinces as prerequisite conditions are met.

In concept, security transition is a four-phased process.

1. **Implement Partnerships**. MNF-I and its Major Subordinate Commands establish and maintain partnerships across the entire spectrum of ISF units, from battalion to ministerial level.
2. **Iraqi Army Lead (IAL)**. Process during which Iraqi Army units progress through stages of capability from unit formation to the ability to conduct counter-insurgency operations.
3. **Provincial Iraqi Control (PIC)**. Iraqi civil authorities satisfy the conditions required to assume control and to exercise responsibility for the security of their respective provinces.
4. **Iraqi Security Self-Reliance**. The Government of Iraq achieves PIC (or a combination of PIC and IAL) throughout Iraq, and the government, through its security ministries, is capable of planning, conducting, and sustaining security operations and forces.

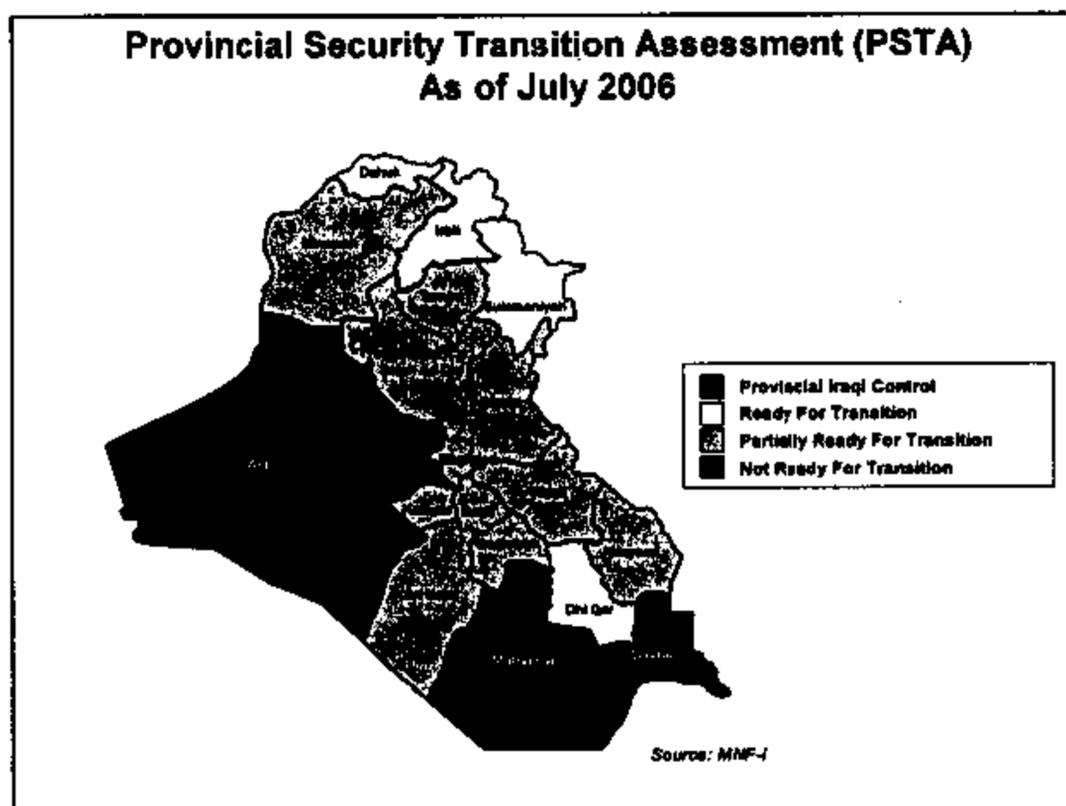
These phases are not strictly sequential. For example, the Iraqi Army does not have to assume the lead in a province before Coalition forces may begin transfer of provincial control. This was the case in Muthanna.

Phase 1 of the security transition concept—implementing partnerships—is already complete. As described above, the second phase, Iraqi Army lead, is well under way in many provinces. The third phase, establishing provincial Iraqi control over security, will be implemented on an area-by-area basis. The Government of Iraq, jointly with military and political leadership of the United States and Coalition partners in Iraq, will assess when conditions permit handing over security responsibility for specific areas from Coalition forces to the Iraqi civil authorities. The Joint Committee to Transfer Security Responsibility (JCTSR) has developed criteria to guide the transfer of security responsibility. Recommendations for transfer include an assessment of conditions in four categories:

1. Threat Assessment
2. ISF Readiness
3. Local Governance Capability

4. MNF-I Ability to Respond Quickly to Major Threats, if Needed

The recommendation to transfer security responsibility is based on the specific situation in any one province or provincial capital in the context of the overall security environment. The appropriate Multi-National Force Division Commander and Provincial Governor, assisted by representatives of the Iraqi Ministries of Interior and Defense and U.S. and United Kingdom Embassies, conduct monthly assessments of provinces and of provincial capitals. The JCTSR working group meets monthly to review the assessments and to present recommendations to the JCTSR principals regarding which provinces are ready to be transferred. Once a decision is made, the JCTSR working group will provide oversight of the development of transition directives, develop a public affairs plan, and arrange a post-transfer security agreement between MNF-I forces and provincial governors. Every transfer will ensure an effective and successful handover of security responsibilities. Moreover, the transition and reduced presence of MNF-I forces will be plainly visible to the Iraqi people.



Detainee Operations

Releases

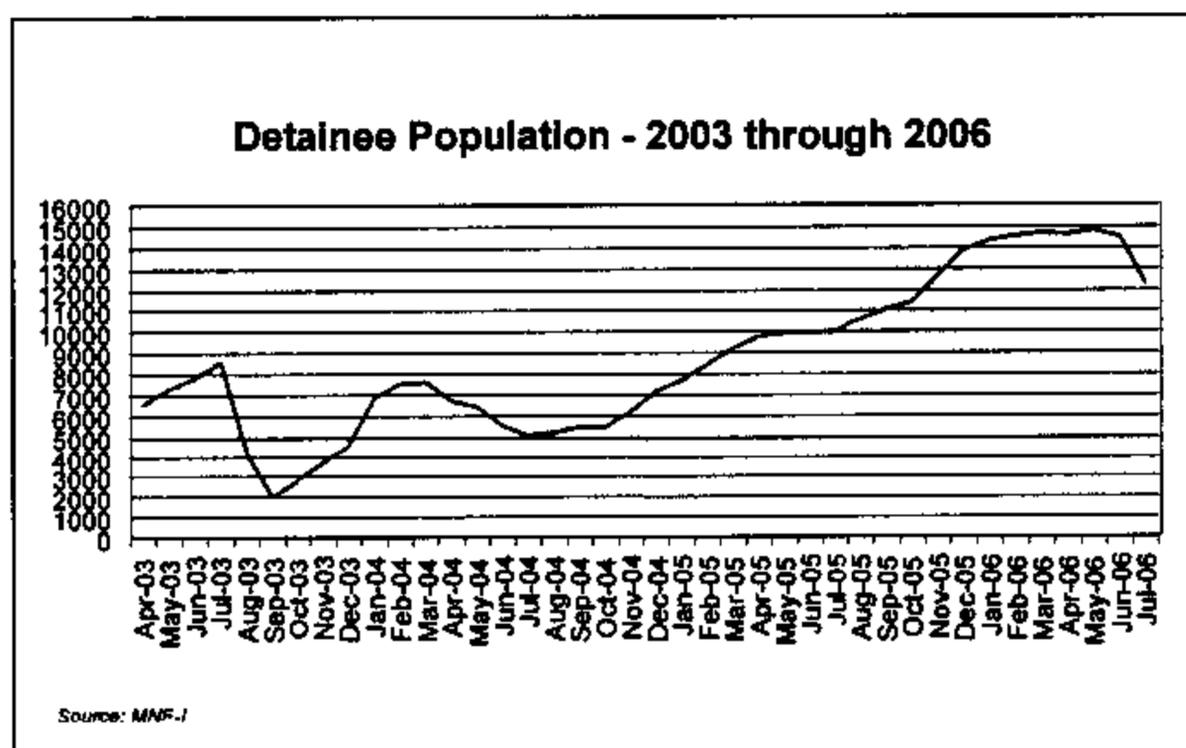
In June 2006, MNF-I, in coordination with the Government of Iraq, conducted a large-scale release of detainees in support of the newly formed national unity government. The release served as a visible symbol of the government's commitment to national unity and reconciliation in the progress toward democratic governance and the rule of law. MNF-I released 2,500 low-risk detainees over a period of three weeks. Coupled with the 500 detainees from the normal Combined Review and Release Board process, MNF-I had a net reduction of more than 2,000 detainees in June. A MNF-I special board reviewed approximately 6,500 records to identify the low-risk detainees. Each file was also reviewed by the MNF-I Deputy Chief of Staff for Intelligence to consider any additional intelligence reports. Detainees involved in violent acts, IED making/placement, financing insurgent operations, identified as key insurgent leaders, or who have been recaptured were not considered for release.

Transition of Coalition Detention Facilities and Detainees to the Government of Iraq

MNF-I has begun training Iraqi guards for a potential transition of the Coalition detention facilities and detainees. Transitioning detainee operations is a three-phase process.

1. Phase 1 consists of individual and collective training of Iraqi guards and leaders, including training alongside their U.S. counterparts inside the facility.
2. Phase 2 consists of the removal of U.S. guards and establishment of a U.S. transition team to supervise Iraqi Security Forces and to maintain legal custody of detainees.
3. Phase 3 consists of the final removal of all U.S. personnel and turnover of the facilities and legal custody of the detainees to the Government of Iraq.

The criteria for transfer includes the requirement for the Government of Iraq to possess the legal authority to hold security detainees, each facility demonstrating the ability to meet the care and custody standard, and the MOJ



having effective oversight of the program. MNF-I is currently in Phase 1. Significant challenges exist to ultimately meeting these criteria. The Iraqi Corrections System has not demonstrated the capacity to effectively resource and run a major facility, such as Camp Bucca. Additionally, based on the composition of the guard force, serious questions remain as to whether they would be able to maintain the required standards of care and custody. The most significant obstacle remains establishing the legal authority to hold security detainees. There is widespread opposition inside the Sunni political leadership to providing this authority to the Government of Iraq.

3.2 U.S. Force Adjustments

In consultation with the military commanders in Iraq, the Government of Iraq, and Coalition partners, the Secretary of Defense continues to advise the President on the appropriate level of U.S. forces in Iraq and the surrounding theater of operations based on current conditions. These conditions include, but are not limited to, key elements of the MNF-I Campaign Plan, such as the increasing responsibility of the ISF in counter-insurgency operations and ownership of areas of responsibility and progress in the political process.

Arbitrary deadlines or timetables for withdrawal of Coalition forces—divorced from conditions in Iraq and the region—would be a serious strategic error, as they would suggest to the terrorists, the Rejectionists, and the various illegal armed groups in Iraq that they can simply wait or stall to win. The absence of a specific timetable does not mean that the Coalition's posture in Iraq is static. On the contrary, the Coalition continually reviews the situation in Iraq and adjusts its posture and approaches as conditions evolve and Iraqi capabilities grow.

As security conditions improve and as the ISF becomes more capable of securing their own country, Coalition forces will move out of the cities, reduce the number of bases from which they operate, and conduct fewer visible missions. However, they will remain postured to assist, including supporting the ISF with transition teams. Although the Coalition military presence may become less visible, it will remain lethal and decisive, able to confront the enemy wherever it may gather and organize.

The Coalition retains the ability to quickly reinforce the Iraqi Army as required and to provide critical enablers as Iraqis develop their own capabilities. Coalition personnel levels will increase, if necessary, to defeat the enemy or to provide additional security for key events, like the 2005 referendum and elections. But the goal, over time, is to reduce Coalition forces as Iraqis continue to assume more of the security and civilian responsibilities themselves. This process is already under way.

The Government of Iraq has agreed to form a Joint Committee with MNF-I and the U.S. and UK Embassies to develop a conditions-based roadmap for the full transition of security responsibility to the ISF. This roadmap will consist of recommended conditions intended to lead to the eventual and gradual withdrawal of multi-national forces from Iraq.

The Joint Committee for Achieving Iraqi Security Self-Reliance (JCAISSR) will base its roadmap on much of the successful work that has already gone into developing the strategy for transition of security responsibility in Iraq:

Governance

The seating of the new Government of Iraq's, based on its Constitution, sets the conditions

for continuing progress toward Iraqi security self-reliance. Toward this end, the government's program calls for speeding up plans for completing the preparation of the ISF; speeding up the process of transferring security responsibilities and powers to the Iraqi Army, police, and security forces; and cooperation with the multi-national forces in a way that will allow the handover of security responsibilities to the ISF, the completion of the mission, and the exit of the multi-national forces.

Development of the ISF

Efforts to develop the capacity of the ISF have been successful. In November 2005, the Iraqi Army had 4 brigades and 23 battalions in the lead. As of August 7, 2006, the Iraqi Army has 6 Division Headquarters, 25 brigades, and 85 battalions that have assumed responsibility. MOI forces also grew significantly, from approximately 93,000 trained and equipped members in November 2005 to more than 160,000 today.

Provincial Iraqi Control Plan

The Government of Iraq and MNF-I have already developed a conditions-based framework for the transition of security responsibility from multi-national forces to Iraqi leadership. As a result of this work, security responsibility for Muthanna Province transitioned to the provincial governor on July 13, 2006. Security responsibility for as many as nine of Iraq's provinces could transition to Government of Iraq authority by the end of 2006.

The JCAISSR will comprise the Iraqi Prime Minister, the Iraqi National Security Advisor (Chair), the Minister of State for National Security Affairs, the Ministers of Defense and Interior, the Director of the Iraqi National Intelligence Service, the U.S. Ambassador,

the UK Ambassador, and the Commanding General and Deputy Commanding General, MNF-I. This committee will be supported by a working group of direct subordinates.

Conditions recommended by JCAISSR will, at a minimum, include consideration of the threat situation across Iraq, security force readiness, capacity of key security and supporting ministries, and development of the overall Iraqi national security processes.

MNF-I Basing Construct

MNF-I will efficiently consolidate its footprint in Iraq to reduce its military basing requirements progressively. The MNF-I basing strategy is an integral part of the Campaign Plan. MNF-I uses a conditions-based process to synchronize basing requirements with Coalition force structure and projected command and control structure. Several factors are considered when employing this process, including cost-effective use of resources, maintaining security presence where required by the mission and maintaining only those bases required, transition of operations to the ISF as they continue to assume the lead in security operations, and other factors. Specifically, MNF-I seeks to minimize its presence in major cities while building the flexibility required to support other elements in Iraq, including Coalition partners, PRTs, Transition Teams, Department of State activities, and other supporting units and entities. This process will culminate in the transition through Operational and Strategic Overwatch, which will leverage and maximize support through a minimum number of strategically located FOBs and Convoy Support Centers.

As of August 7, 2006, MNF-I has closed 48 of its 110 FOBs, handing over 31 to ISF, MOD/MOI; and 17 to the Ministry of Finance. Thirteen more FOBs are scheduled for closure and handover by January 2007.

Strategic Communication Plan
5th Stability and Security Report to Congress

Background/Analysis: Section 9010 of the Department of Defense Appropriations Act 2006 requires the SECDEF to provide a quarterly report to Congress that measures the progress toward achieving stability and security in Iraq. Media attention of the previous report focused on sectarian violence (high attack trends and casualty stats), opinion polls regarding coalition forces, ISF numbers and operations, and report data in context of events of the day (increase in US troop levels).

Media focus for this quarter's report will likely focus on discussion of civil war, and the rise in attacks and increased civilian/ISF casualties.

Top Line Messages:

- We have a comprehensive and coherent strategy for unity, security and prosperity in Iraq
- The Iraqi security forces are better equipped, better trained and more experienced than they were three months ago.
- This metrics report helps us keep Congress informed, but it is only one aspect of our assessment for progress in Iraq
- Metrics help us achieve our strategy by focusing efforts on accomplishing actions that support a secure, stable Iraq with a democratic system supported by all Iraqis and accepted by the international community

Talking Points:

- There is a qualitative difference between civil war and sectarian violence, and we are not in a civil war.
 - The majority of Iraq's provinces remain in relative peace, but Baghdad, in particular, draws global attention and is the target for sensational attacks that exaggerate the impact of terrorists, illegal armed groups, and violent extremists.
 - Central institutions such as the government and security forces are functioning, and violence is geographically defined, not resulting in the mass movement of population.
- ♣ This is a decisive time in Baghdad and it requires decisive Iraqi action with our clear support.
 - In Operation Together Forward, Iraqi security forces, with coalition in support, are focusing on key neighborhoods in Baghdad.
 - Since mid-July, statistics measuring levels of violence have trended down. While a positive indication, it is far too early to call this a continuing trend.
 - Lots of hard work remains for Coalition forces, Iraqi security forces, the Iraqi government and the Iraqi people.
 - The security situation is at its most complex state since OIF began, so the results of the stepped up effort will take time.
 - The Baghdad initiative's initial phases demonstrate that the combination of security forces, government action, and cooperation of citizens can accomplish a great deal.
- The first truly representative government is in place and dealing with the security issue.

- Prime Minister al-Maliki's government and Coalition forces are adapting the Baghdad security plan to meet the changing conditions on the ground.
- ♣ While terrorists and extremists continue to destroy innocent life in Iraq, they have not shaken the determination of the Iraqi people to build a free country.
- ♣ The political process continues
- ♣ Polls show Iraqis have confidence in their government to improve the situation (approximately 80% of Baghdad, Kurdish, Mid-Euphrates and southern citizens said in June they have great deal or fair amount of confidence new Iraqi gov't can improve situation in Iraq) (p8)
- ♣ While the majority of the population is concerned about an increase in sectarian violence, their concern that a civil war might happen has decreased since March (p40)
- ♣ Confidence in the Iraqi Army has stayed stable or increased (p43)
- ♣ Iraqis must choose to end sectarian strife that has potential to be self-sustaining
- ♣ The Iraqi security forces continue to progress
 - ♣ 5 Iraqi divisions, 25 brigades and 85 Iraqi army battalions are in the lead (32 percent increase since last report)
 - ♣ More than 84 percent of MOD end-strength have been trained and equipped
 - ♣ More than 92 percent of authorized Iraqi Army battalions have been generated

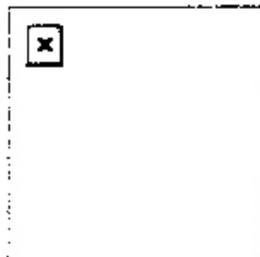
(b)(6)

From: McCausland, Jeffrey (b)(6)
Sent: Friday, September 01, 2006 11:36 AM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

I will be on the call.

Jeff

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thu 8/31/2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: **Conference Call with Senior DoD Officials**

We invite you to participate in a conference call, **FRIDAY, September 1, 2006, from 11:45-12:15.**

Assistant Secretary of Defense for International Security Affairs Peter Rodman (bio at: <http://www.defenselink.mil/Bios/BiographyDetail.aspx?BiographyID=89>) and Vice Director for Strategic Plans and Policy Rear Admiral William Sullivan (bio at: <http://www.navy.mil/navydata/bios/bio.asp?bioID=276>) will brief you on the Quarterly Report on Iraq Stability and Security. This call will be On Background.

To participate in this conference call, please dial (b)(2) and ask the operator to connect you to the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

12/3/2007

We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1486

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Friday, September 01, 2006 11:23 AM
To: (b)(6) CIV, OASD-PA
Subject: FW: August 2006 Measuring Stability and Security in Iraq Report
Attachments: August 2006 Measuring Stability and Security in Iraq Report.pdf; Security Stability Comm Plan (August 06).doc

Gentlemen,
Please find attached Iraq Stability and Security Report for your review. The report will be on DefenseLink this afternoon, but we wanted to provide you with a copy in advance. In addition, I have attached a portion of the communications plan with background, top line messages and talking points. We hope you find this helpful.
Thank you and have a great weekend,

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1487

Measuring Stability and Security in Iraq

**August 2006
Report to Congress
In accordance with the
Department of Defense Appropriations Act 2006
(Section 9010)**

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This report to Congress on measuring stability and security in Iraq is submitted pursuant to Section 9010 of the Department of Defense Appropriations Act 2006, *Public Law 109-148*. This is the fifth in a series of reports on this subject and the third under Section 9010. The most recent report was submitted in May 2006.

Executive Summary

This report is divided into three sections. The first section, "Stability and Security in Iraq," describes trends and progress toward meeting goals for political stability, strengthened economic activity, and a stable security environment in Iraq. The second section, "Iraqi Security Forces Training and Performance," describes progress in the training, development, and readiness of the Iraqi Security Forces (ISF), including the forces of the Ministry of Defense (MOD) and the police and paramilitary forces of the Ministry of Interior (MOI). The third section, "Transition," describes the transfer of security responsibility from Coalition forces to the Iraqi government, including prerequisite conditions and criteria for assessing the readiness of provinces to assume responsibility for security.

A classified annex to this report provides data concerning security force training and performance and addresses possible U.S. military force rotations.

The information in this report is made available with the assistance of many departments and agencies of the U.S. Government, the U.S. Embassy in Iraq, Multi-National Force-Iraq (MNF-I), and the Government of Iraq. The report complements other reports and information about Iraq provided to Congress and does not replace them. The intent of this document is to report on the measures of stability and security specified in Section 9010.

Measures of Stability and Security and the National Strategy for Victory in Iraq

The President's National Strategy for Victory in Iraq lays out the goals and general framework to achieve security and stability in Iraq. The goal of the strategy is to help the Iraqi people build a new Iraq with a constitutional

and representative government that respects political and human rights and with sufficient security forces both to maintain domestic order and to prevent Iraq from becoming a safe haven for terrorists. To this end, the United States is pursuing an integrated strategy along three broad tracks:

- **Political:** Helping the Iraqi people forge a broadly supported compact for democratic government
- **Economic:** Assisting the Government of Iraq in establishing the foundations for a sound market economy with the capacity to deliver essential services
- **Security:** Contributing to an environment where Iraqis are capable of defeating terrorists and neutralizing insurgents and illegal armed groups

Each track is integrated with the other two, and success in each affects success in the others. Security depends, in part, on a democratic political process, which in turn depends, in part, on economic opportunity. Economic progress depends on securing the Iraqi infrastructure against sabotage and attack and protecting the Iraqi people from violence that undermines individual participation in economic development and the political process.

Although the National Strategy for Victory in Iraq is not a detailed plan for achieving specific objectives, consistent with the public nature of that document, it delineates measurable trends along each of these tracks to indicate where programs are achieving success and where it is necessary to increase efforts or adjust implementation of the strategy.

Major Milestones Toward a Democratic Iraq

Oct 15, 2005	National Referendum on the Constitution
Dec 15, 2005	National Elections under the New Constitution
Mar 16, 2006	First Session of Council of Representatives
Apr 22, 2006	Election of Presidency Council by Council of Representatives Nomination of Prime Minister by Presidency Council
May 20, 2006	Naming of Cabinet by Prime Minister Designee Vote of Confidence for Prime Minister, His Cabinet, and His Program
Jun 8, 2006	Nomination and Approval of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs
Jul 13, 2006	Transfer of Muthanna to Provincial Iraqi Control
Jul 26, 2006	Prime Minister al-Maliki Addresses Joint Session of U.S. Congress

The President's strategy also identifies eight objectives, or pillars, of the integrated political, economic, and security strategy:

- Defeat the terrorists and neutralize the insurgency
- Transition Iraq to security self-reliance
- Help Iraqis forge a national compact for democratic government
- Help Iraq build government capacity and provide essential services
- Help Iraq strengthen its economy
- Help Iraq strengthen the rule of law and promote civil rights
- Increase international support for Iraq
- Strengthen public understanding of Coalition efforts and public isolation of the insurgents

Key indicators of progress since the last report are discussed below.

Political Progress. This report marks the first 90 days of the first representative government

in Iraq. The appointments of the Ministers of Interior, Defense, and State for National Security Affairs, on June 8, 2006, marked the completion of a national unity government. Within one month of seating this government, Prime Minister Nouri al-Maliki presented a "National Reconciliation and Dialogue Project" to the Iraqi Council of Representatives (CoR). This project is a broad initiative aimed at reconciling past inequities; rallying Iraqis around a principle of equality, devoid of sectarian divisions; firmly establishing the basis of national unity via a democratic political process; and creating the conditions for Iraq to assume a leading role both in the region and internationally. Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the 24 Council Committees have formed and named chairs. The CoR is making some progress on key legislation required to implement the provisions of the Iraqi Constitution.

Economic Activity. The Iraqi economy continues to show progress, but still needs to overcome serious challenges. As the Government of Iraq was formed just 90 days ago, its institutions are still forming or are immature and consequently struggle with many macro-economic issues. The new government has affirmed its commitment to programs supported by the Stand-By Arrangement with the International Monetary Fund (IMF) by taking important and decisive measures, notably price increases for refined petroleum products that meet IMF targets. The Executive Board of the IMF subsequently completed its first and second reviews of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Iraq continues to make progress reducing its Saddam-era debt. As of July 2006, 17 of 18 Paris Club creditors have signed bilateral agreements to forgive 80% of Iraq's sovereign debt. Russia is the only Paris Club creditor that has not yet signed a bilateral agreement with Iraq. It has, however, agreed in principle on debt relief terms and will finalize an agreement shortly. Middle Eastern creditors, which hold the majority of the present debt, have not signed bilateral debt reduction agreements.

Average peak electrical generating output increased 15.8% this quarter to 4,573 megawatts (MW) and continued to increase over the quarter. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter.

Crude oil production for the second quarter improved 18% to 2.2 million barrels per day (mbpd), and exports improved by 20%, to 1.6 mbpd. Also during this quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005. However, oil production and exports still fell short of the Iraqi goals of 2.5 mbpd and 2.0 mbpd,

respectively. Approximately 90% of the Government of Iraq's revenue comes from oil exports, and higher prices for Iraqi oil continue to somewhat offset lower than desired export volumes.

The Security Environment. Setbacks in the levels and nature of violence in Iraq affect all other measures of stability, reconstruction, and transition. Sectarian tensions increased over the past quarter, manifested in an increasing number of execution-style killings, kidnappings, and attacks on civilians, and increasing numbers of internally displaced persons. Sunni and Shi'a extremists, particularly al-Qaeda in Iraq and rogue elements of Jaysh al Mahdi (JAM), are increasingly interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their existing areas of influence. Concern about civil war within the Iraqi civilian population and among some defense analysts has increased in recent months. Conditions that could lead to civil war exist in Iraq. Nevertheless, the current violence is not a civil war, and movement toward civil war can be prevented. Breaking the cycle of violence is the most pressing goal of Coalition and Iraqi operations.

In the current reporting period the average number of weekly attacks increased 15% over the previous reporting period average, and Iraqi casualties increased by 51% compared to the previous quarter. Much of this violence occurred in Baghdad, as terrorists, insurgents, and illegal armed groups recognized and exploited the political and economic significance of conducting operations in the capital city. However, the Coalition and the Government of Iraq continued to make progress this quarter, improving the security environment in Fallujah and some parts of northern Iraq. Although sectarian violence threatens the effectiveness of the Government of Iraq, terrorists have failed to derail Iraq's political

process, or to widen their political support among the Iraqi people. Polling data continue to show the confidence of most segments of the Iraqi people in the Iraqi Army and their rejection of al-Qaeda's vision of Iraq's future.

Iraqi Security Forces. MOD and MOI security forces continue to increase in size and capability and are increasingly assuming the lead combat responsibility from Coalition forces.

Training, equipping, and fielding security forces continues. Approximately 277,600 Iraqi soldiers and police have completed initial training and equipping, an increase of more than 14,000 in the three months since the last report. As of August 2006, approximately 84% of the objective end-strength of MOD forces have been trained and equipped, while more than 92% of authorized Iraqi Army battalions have been generated. Remaining train-and-equip efforts will focus on building combat support and combat service support forces.

More Iraqi units are able to take the lead in combat operations against the insurgency and

to assume security lead in their territory. The number of counter-insurgency operations conducted independently by Iraqi forces as a percentage of total combat operations continues to increase steadily. Approximately one-third of the company-sized operations in Iraq during the reporting period were conducted independently by Iraqi forces. As of August 7, 2006, there were 85 Iraqi Army battalions (5 divisions, 25 brigades) that have assumed the lead for counter-insurgency operations, a 35% increase since the last report. All 27 National Police battalions are currently conducting counter-insurgency operations, and 2 National Police battalions have the security lead for their areas of responsibility.

Transition. Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and the civilian-controlled Iraqi Police Service (IPS). Moreover, since the May report, MNF-I has transferred an additional 10 Forward Operating Bases (FOBs) to the Government of Iraq. Forty-eight of 110 FOBs are now under Iraqi control.

1. Stability and Security in Iraq

1.1 Political Progress

The goal of the political process in Iraq is to help the Iraqi people forge a broadly supported national compact for democratic government, thereby isolating enemy elements from the broader public. The United States is supporting this effort by:

- supporting Iraqi leaders in their efforts to include all Iraqis in the political process, through dialogue and inclusive institutions;
- offering advice and technical support for effective governance;
- helping build national institutions that transcend regional, sectarian, and tribal lines; and
- assisting Iraqis in replacing the corrupt and centralized Ba'athist system with effective government bodies at local, provincial, and national levels.

Measures of political progress and stability include:

- achievement of political goals set forth in the Iraqi Constitution, as well as those in United Nations Security Council Resolution 1546 and the Transitional Administrative Law;
- formation of a national unity government representative of all Iraqi communities;
- participation in the political process by all Iraqi communities and evidence that they view the process as legitimate and effective;
- adherence to rule of law institutions; and
- expansion of international support.

With the seating of its constitutional government, Iraq, with the support of the Coalition, completed all the milestones required under United Nations Security Council Resolution 1546.

The National Strategy for Victory in Iraq lays out a specific three-pronged political plan to assist the Government of Iraq in building a broadly supported national compact for democratic governance. The plan seeks to:

- ✓ *Isolate* enemy elements from those who can be won over to the political process by countering false propaganda and demonstrating to all Iraqis that they have a stake in a democratic Iraq;
- ✓ *Engage* those outside the political process and invite in those willing to turn away from violence through ever-expanding avenues of participation; and
- ✓ *Build* stable, pluralistic, and effective national institutions that can protect the interests of all Iraqis, and facilitate Iraq's full integration into the international community."

Building a Government of National Unity

After successful national elections in December 2005, Iraqis made the commitment to establish a broad unity government. Rather than allocating all government positions to the majority party or coalition, this unity government sought to provide fair representation in the ministries and other government posts among all major parties that won seats in the CoR. Consistent with this commitment, Prime Minister al-Maliki announced and won CoR approval for his cabinet, which draws minis-

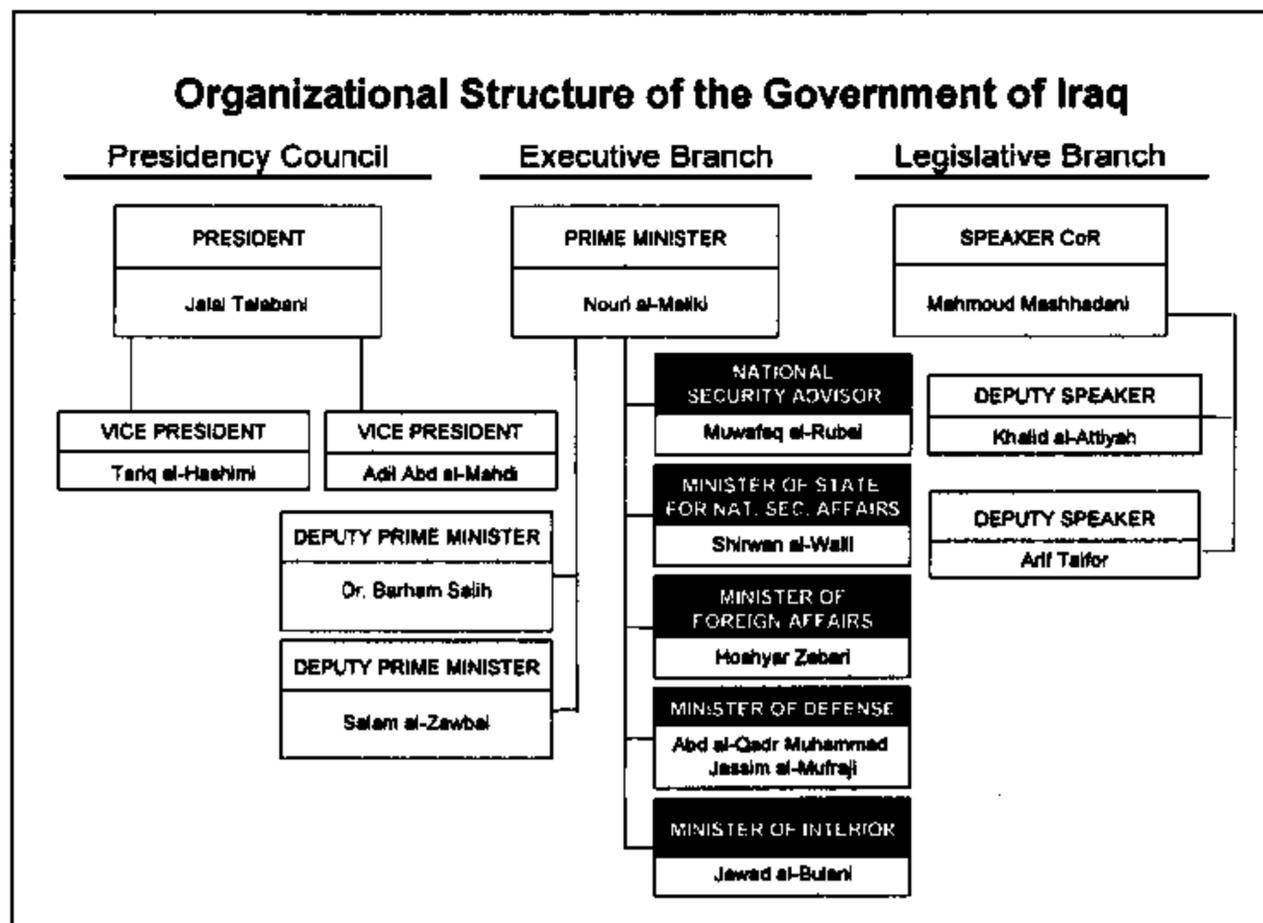
ters and senior officials from parties representing all regions, sects, and ethnic groups. The announcement met the constitutionally mandated deadline, but Prime Minister al-Maliki opted to delay filling the positions of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs to ensure broad support within the CoR for these sensitive positions.

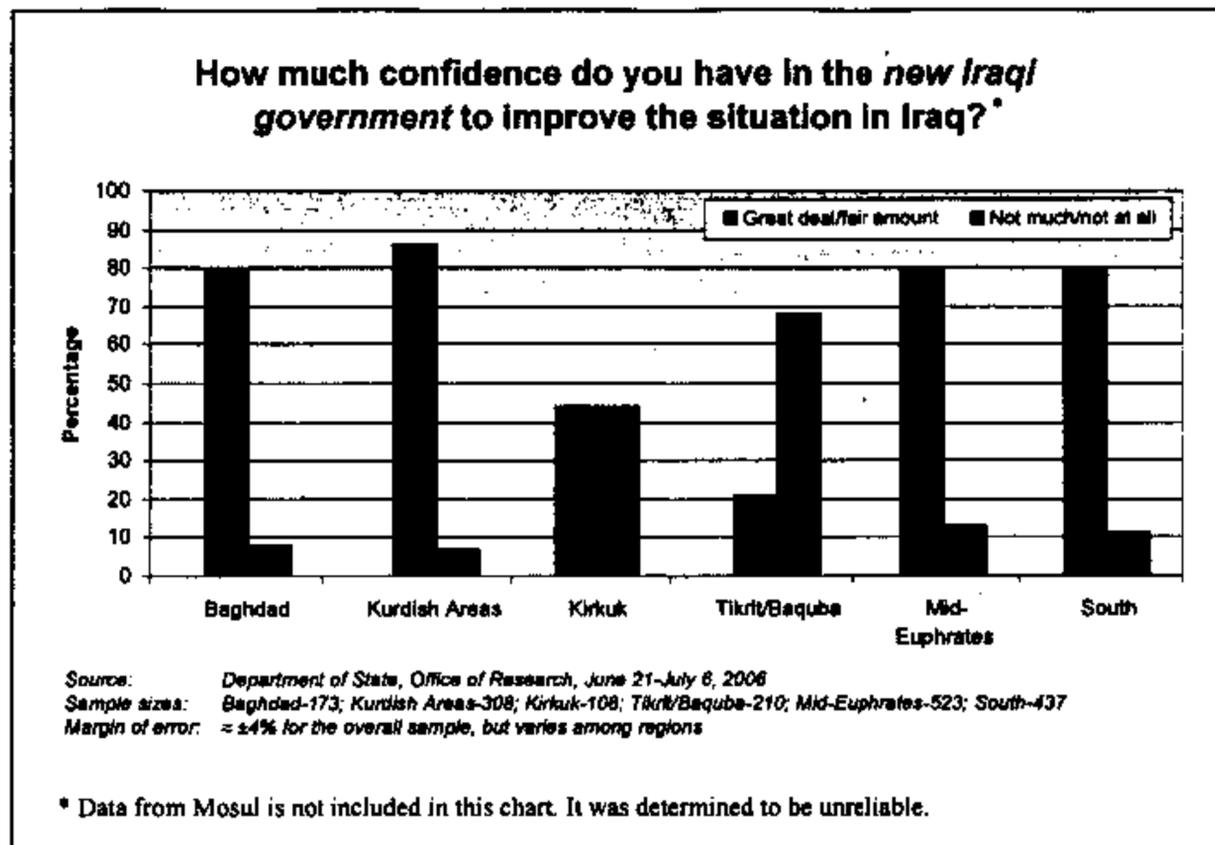
On June 8, 2006, after additional negotiations and compromise, the Prime Minister presented his nominees for the two security ministries. The CoR approved the appointments by a majority, confirming Jawad al-Bulani as Minister of Interior and Abd al-Qadr Muhammad Jassim al-Mufraji as Minister of Defense. The CoR also approved

the appointment of Shirwan al-Waili as Minister of State for National Security Affairs.

The appointment of the Ministers of Interior, Defense, and State for National Security Affairs marked the completion of Iraq's first representative government. The resulting cabinet is remarkably inclusive. The new government reflects the diversity of the Iraqi people and, with a freely elected parliament and a popularly ratified constitution, is a striking contrast to the oppressive, one-man rule of Saddam Hussein just three years ago.

Poll data indicates that the majority of Iraqis have confidence in the new government; notably, however, confidence levels are lowest in mixed and predominantly Sunni areas, such as Kirkuk and Tikrit/Baquba.



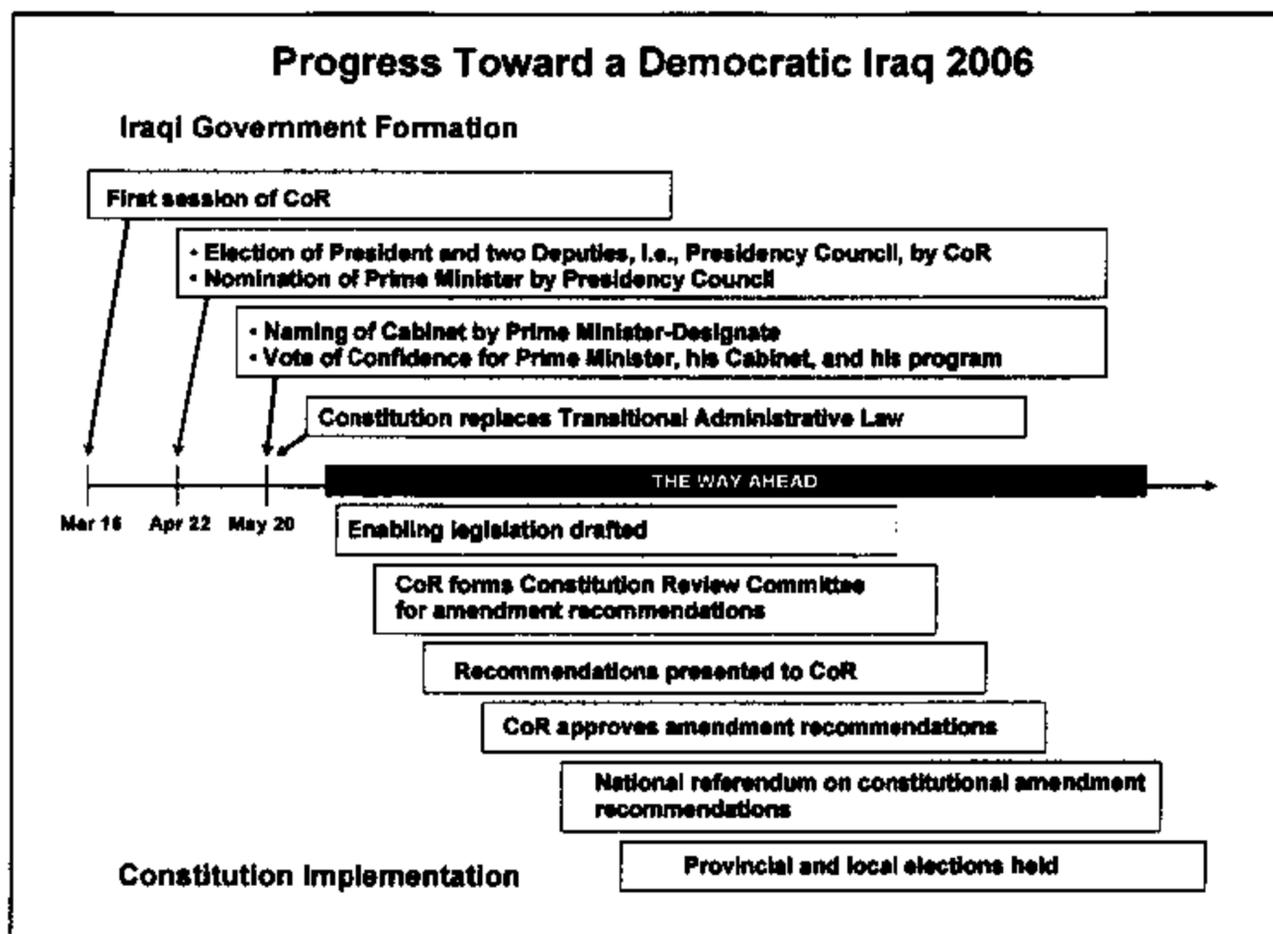


The Iraqi Constitution, adopted by popular referendum on October 15, 2005, requires approximately 55 enabling or implementing acts, in such significant and broad areas as judiciary development and economic reform, to make the Constitution operative. Passing and enforcing this legislation will be a key indicator of progress for the new Government of Iraq.

Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the Council Committees have been

formed and have named chairs. The CoR has made some progress on key legislation, including progress toward new Electoral Commission legislation, the first step on the path to provincial elections. However, little substantive legislation was passed in the session that ended in July.

The two critical political events facing the CoR and the Government of Iraq over the next few months are the constitutional amendment process and provincial elections.



The National Reconciliation Process

On June 25, 2006, Prime Minister al-Maliki presented to the CoR a "National Reconciliation and Dialogue Project," a 24-point initiative aimed at reconciling past inequities, rallying Iraqis around a principle of equality devoid of sectarian divisions.

The National Reconciliation and Dialogue Project is intended to open dialogue, reduce sectarian tensions and violence in Iraq, and increase commitment to the democratic process and the new national unity government.

The project will operate on three levels. At the national level, the High National Commission of the National Reconciliation and Dialogue Project will be composed of representatives from a diverse cross-section of political, religious, ethnic, tribal, and cultural groups under the leadership of the Minister of State for National Dialogue. The second level will be provincial subcommittees, and the third

level will be field committees, which will focus on key components of national reconciliation and will evaluate progress.

As part of the National Reconciliation and Dialogue Project, a conference of tribal leaders took place on August 26, 2006, in Baghdad that resulted in a statement condemning sectarian violence, and endorsing the reconciliation plan. In the coming months, the government will convene a conference of religious scholars. The government is supposed to convene a conference of political parties to encourage the democratic process and to solidify support for the Government of Iraq.

Government Institutions

To achieve unity, security, and prosperity, Iraq must develop the capacity to deliver government services to its citizens at the national, provincial, and municipal levels. The Government of Iraq must transform the country from

a centralized state, with delivery of essential services traditionally controlled by powerful bureaucrats, to a responsive federal government with decentralized control. This change will take time, consistent mentorship, and an emphasis on both promoting transparency and reducing corruption. The Coalition is supporting these efforts at all levels of the Government of Iraq.

National Institutions

National institutions and forces are essential to displace illegal armed groups and to serve moderate sectarian and local loyalties. The United States supports the development of non-sectarian institutions and the growth of independent media and civil society institutions, while continuing to encourage the Government of Iraq to proceed with the

announced and planned national reconciliation process.

The diagram below shows the organizations currently helping Iraq develop its capacity to govern effectively. Ministerial capacity development is the main focus of the U.S. Embassy's Ministerial Assistance Teams (MATs). These teams, composed of civilian and military experts in governance and organizational development, mentor and train both the Iraqi ministers and their senior staffs in such areas as budget development and execution, inter-ministry coordination, personnel management, and procurement. Iraq Reconstruction Management Office (IRMO) officials provide expertise in key sectors, such as oil, electricity, and health, to Iraqi ministers and other high-level government officials.



Assistance to Provincial Governments

Provincial Reconstruction Teams (PRTs) work with provincial governors and elected councils to improve execution of provincial government responsibilities and to increase citizen participation in governmental decision-making processes. The teams are intended to develop core competencies in public administration, finance, budgeting, planning, and accountability by boosting government capacity and transparency at the provincial level. Four U.S.-led PRTs are fully operational: PRT Tamim (Kirkuk), PRT Ninewah (Mosul), PRT Babil (Hillah), and PRT Baghdad. The security situation in some provinces hampers interaction between the team and provincial leaders.

Promoting the Rule of Law

Political stability in Iraq is predicated on the effective rule of law in the country. (Note: Police and associated institutions are discussed in Section 2 of this report.) Effective rule of law in Iraq, as in any country, requires four conditions to be met: effective laws, police to enforce them, courts to administer them, and prisons to incarcerate offenders. If any one of these institutions fails, or cannot work with the others, the Iraqi regime will be unable to enforce the rule of law. The United States, its Coalition partners, and international agencies are helping Iraq strengthen the rule of law. Although there have been some positive developments, delay in the formation of the Government of Iraq resulted in a loss of momentum; rule of law initiatives slowed, which contributed to the growth of crime, corruption, and illegal armed groups.

Legislation

The Iraqi Constitution sets forth a comprehensive list of rights and freedoms, but additional legislation is needed to implement those guar-

antees. The Constitution maintains the independence of the judicial branch, but vests considerable authority in the CoR to define the functions of the courts, raising the risk of undue influence by political or religious groups. Iraq's criminal legal framework is not presently robust enough to adequately address contemporary criminal activity, such as organized crime, trafficking, and some technology-related crimes. Legal experts from the U.S. Government are assisting Iraqi legal scholars in creating a legal system that can balance the requisites of modern international law with Iraqi cultural and legal traditions. The Coalition continues to provide administrative support as well as technical and legal assistance in drafting legislation.

Judiciary

The Coalition has helped the Government of Iraq improve the judicial system in several areas, including building or renovating courthouses, expanding the Central Criminal Court of Iraq (CCCI), and improving security. The CCCI, for example, now has 12 panels operating throughout Iraq. It processes, on average, 118 insurgency-related cases each month. Due to the limited capacity of the 11 panels outside Baghdad, the Baghdad CCCI is the primary facility for hearing insurgency cases.

Poor security for judges and judicial facilities, an insufficient number of judges, and an inadequate court infrastructure undermine advancements in the rule of law in Iraq. Judges are subject to intimidation and in many areas are afraid to prosecute insurgents. The U.S. Government, through the U.S. Marshals Service, responded by providing secure housing, personal security details, courthouse protection, and personal protection firearms to some members of the Iraqi judiciary. In Baghdad, the Coalition has provided facilities for 22 judges to reside in the

International Zone. Working in conjunction with MNF-I, the U.S. Marshals Service has begun training an Iraqi Marshals Service. The U.S. Department of Justice, along with the U.S. Department of State and the U.S. Department of Defense, is proceeding with plans for the renovation and construction of Iraqi courthouses and other related court facilities, including witness protection buildings. As of July 21, 2006, approximately 20 projects to improve judicial capacity have been completed, and 13 more are under way. Five additional projects are planned.

The U.S. Department of Justice estimates that Iraq needs 1,500 judges, yet only about 740 judges are currently serving. The Iraqi Ministry of Justice's (MOJ) Judicial Training Institute has enrolled a new class of 180 students (40 judges and 140 prosecutors) in a 2-year program to train new judges and prosecutors. When this class graduates in the fall of 2007, there will still be a significant shortfall in judges. To help address this need, the Iraqi Chief Justice recently nominated 200 lawyers to serve as investigative judges. If these judges are confirmed, the number of judges will rise to 940. By the fall of 2007, approximately 980 judges will be serving in Iraq, an increase of 32%, but still well short of the requirement.

Prisons

The MOJ is responsible for imprisoning convicted criminals and insurgents in Iraq. MOJ prisons generally meet international standards, but are already at maximum capacity. As a result, many detainees spend time in MOI or MOD facilities, which generally fall short of internationally accepted standards. To address this issue, the U.S. and Iraqi governments are funding construction of seven new MOJ prison facilities, one each in Basrah, Khan Bani Sa'ad, Nasiriyah, Dahuk, and Baladiyah, and two in Rusafa. Work has

stopped at Khan Bani Sa'ad and Nasiriyah due to problems with the primary contractor. Bridge contracts have been awarded to local Iraqi contractors to provide site security and to perform some continuing construction work. The Gulf Region Division of the U.S. Army Corps of Engineers anticipates that contracts will be issued to a new contractor in September and that both facilities will be completed in April 2007. Construction at the two Rusafa facilities has been delayed due to a title dispute between the Ministers of Justice and Interior. The title dispute is currently in litigation in the Iraqi courts. Dahuk, a 1,200-bed facility in the Kurdish region, is scheduled for completion in February 2007. Construction at Baladiyah was completed and the prison facility there has been activated and is currently in use by the Iraqi Corrections Services. Upon completion in mid-2007, all of these facilities will add a combined 4,800 beds. Even with these additions, however, projections show another 20,000 beds will ultimately be needed. Thus, the Government of Iraq must address insufficient bed space, enactment of custody transfer laws, abuses in MOI and MOD detention facilities, and the need for more guards and trained supervisors. The Government of Iraq also faces the problem of prisoner-detainees awaiting adjudication/resolution of the charges against them. The MOI and MOD are believed to be detaining between approximately 2,000 and 10,000 people in pre-trial status, many in crowded, substandard facilities.

Security Internees

In addition to criminal detainees and convicts held by the Government of Iraq, MNF-I holds security internees (or detainees) under the authority of United Nations Security Council Resolution 1637. As of July 16, 2006, Coalition forces held 12,388 such security internees outside the Iraqi criminal system. Detainees in MNF-I custody are treated in accordance with

Geneva Convention principles. The U.S. Government has initiated a dialogue with the Government of Iraq in an effort to transfer these internees to Iraqi custody. However, Iraq currently lacks the legal authority to hold security internees outside of the judicial system. Therefore, neither MNF-I-held detainees nor MNF-I-run detention facilities can presently be transitioned to MOJ control. The Coalition continues to urge the Government of Iraq to accept transfer of security internees in a way that ensures their humane treatment. Those detainees who do not pose a serious threat to the citizenry are released as promptly as possible. (The detainee release program is described in more detail later in this report.)

Anti-Corruption Institutions and Programs

The Government of Iraq has made a public commitment to eradicate corruption and to empower anti-corruption institutions. Coalition support for this effort is focused largely on the three main anti-corruption institutions in Iraq: the Board of Supreme Audit (BSA), the Commission on Public Integrity (CPI), and the Ministerial Inspectors General (IG). Both the BSA and CPI have new constitutional status, and the CPI has become the lead Iraqi anti-corruption agency. The CPI has investigated 1,158 cases this year.

The CCCI, which has jurisdiction for public corruption cases, does not have the capacity to process all its corruption cases. There are 826 criminal cases pending or under active prosecution. Over the past 20 months, 56 officials in Iraq's ministries were either convicted or subject to arrest warrants. The fact that there is a functioning process for investigating and prosecuting corruption, and that some corrupt officials are being brought to justice, is a positive sign. However, the ability of the government to prosecute corruption cases successfully is hampered by the lack of enabling

legislation, lack of CCCI capacity, and intimidation of investigators and judges.

Obstacles to Political Progress

Since the liberation of Iraq, there have been significant successes in the development of legitimate political institutions and processes. The unfolding of the democratic electoral process over the course of 2005 was a crucial success. Despite these achievements, however, the political process has encountered obstacles.

Violence

The nature of violence in Iraq is multifaceted. Illegally armed groups that reject the political process often do so because of long-standing grievances, extremist beliefs, tribal affiliations, and/or personal vendettas. No one strategy can address every grievance. A vocal minority of Iraqis (e.g., religious extremists) fundamentally opposes the idea of a democratic Iraq. Further, some Iraqis who have joined the political process are condoning or maintaining support for violent means as a source of political leverage.

The continued violence in some areas, especially in Baghdad, hampers the formation of legitimate national institutions. In some towns and neighborhoods, local illegal armed groups are seen as the primary providers of security and basic social and essential services. With the extended delay in formation of the national government and capable ministries, these armed groups have become more entrenched, especially in some primarily Shi'a sections of Eastern Baghdad and certain Sunni neighborhoods in Western Baghdad.

Security issues (e.g., the attempted kidnaping of a deputy minister and threats to ministry personnel who work with Embassy teams) have made some ministers reluctant to have

U.S. personnel visit them. This reluctance hampers coordination between the Coalition and some ministry personnel. Internal politics (e.g., political party affiliation) is also an obstacle to progress in some ministries.

Inexperience

Some Iraqi ministers tend to focus on near-term performance, rather than on long-term capacity building. A lack of effective procedures within the ministries, such as policy development, procurement, and budgeting, was endemic to the Iraqi government under Saddam Hussein, and three years is not enough time to reverse decades of organizational incapacity. This situation should improve with time.

Lack of proper "tools," such as information technology, finance systems, and planning capabilities, inhibit the governing of complex issues. The result is that Iraqi planning, budgeting, and execution processes are less than fully effective. IRMO is currently procuring and developing these tools, but it will take time—years rather than months—before Government of Iraq staff is able to use these tools fully and to manage the ministries to full effectiveness.

Foreign Interference

Iran and Syria undermine the Government of Iraq by providing both active and passive support to anti-government forces that tend to fuel ethno-sectarian tensions. The Coalition and the Government of Iraq have acted to counter the Iranian and Syrian influence by tightening security at the borders. However, the borders are porous, and eliminating the transfer of illegal material and foreign fighters into Iraq is a formidable challenge.

Corruption

Corruption in the ministries has further hampered their capabilities. Experienced or talented employees are often purged and replaced with party elements/cronies as a result of a spoils system. Many of Iraq's political factions tend to view government ministries and their associated budgets as sources of power, patronage, and funding for their parties. Ministers without strong party ties often face significant pressure from the political factions, and sometimes have little control over the politically appointed and connected people serving under them. Still entrenched in the culture of the former regime, some ministry personnel are reluctant to exercise independent initiative or to take any bold action to address Iraq's problems of corruption.

1.2 Economic Activity

The National Strategy for Victory in Iraq underscores three objectives in helping the Iraqis build their economy:

- Building the capacity of Iraqi institutions to maintain infrastructure, rejoin the international economic community, and improve the general welfare of all Iraqis
- Reforming Iraq's economy, which has been hindered by war, dictatorship, and sanctions, so that it can be self-sustaining in the future
- Restoring Iraq's neglected infrastructure so that it can meet an increasing demand and the needs of a growing economy

This strategy rounds out the National Development Strategy (2005-2007) of the

Government of Iraq, whose national economic objectives are:

- Strengthening the foundations of economic growth
- Revitalizing the private sector
- Improving the quality of life
- Strengthening good governance and security

Building the Iraqi Economy

The formation of a new government allowed Iraq to refocus on its economic agenda. In the second quarter, the new government affirmed its commitment to the reform program supported by the Stand-By Arrangement and is moving forward with implementation of that program. The new government maintained fiscal discipline, raised domestic fuel prices to the targeted levels in the Stand-By Arrangement, sent a fuel import liberalization law to the CoR, and increased targeted support for the poor. The Executive Board of the IMF subsequently completed its first and second review of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Although the Government of Iraq missed the March 2006 deadline for the state fuel-price increase required by the Stand-By Arrangement for refined petroleum products, on July 1, 2006, the new Government of Iraq increased prices (reducing subsidies) for regular and premium gasoline, benzene, liquefied petroleum gas (LPG), kerosene, and diesel products, thus meeting or exceeding the IMF Stand-By Arrangement-mandated price increases.

Inflation threatens the overall macroeconomic stability that Iraq has maintained since the war ended. Ongoing violence and supply disruptions are pushing prices higher. The Central Bank of Iraq (CBI) must further tighten monetary and exchange rate policy to

prevent high inflation from becoming entrenched.

Iraq continues to make progress reducing its Saddam-era debt. Iraq's debt was estimated at US\$125 billion after the war. This was almost five times the gross domestic product (GDP) in 2004, an unsustainable burden on the Iraqi economy. The historic November 2004 debt relief agreement with the Paris Club members and subsequent agreements with commercial and other official creditors, as well as some non-Paris Club creditors, are helping bring Iraq's debt to sustainable levels.

As of July 2006, all 18 Paris Club creditors except Russia had signed bilateral agreements to forgive 80% of Iraqi sovereign debt owed. Russia is expected to sign an agreement with Iraq soon. In addition, Iraq has completed its program to restructure commercial claims from commercial and other official creditors.

- Paris Club – US\$41.7 billion owed before signed bilaterals; US\$34.2 billion will be forgiven under Paris Club terms, including a future Russian agreement.
- Non-Paris Club sovereign debt – approximately US\$63 billion owed (US\$2.75 billion worth of debt relief agreed to on US\$3.3 billion worth of debt, thus far).
- Commercial and other official creditors – debt relief deals completed on US\$19.7 billion of commercial and other official debt.

As long as Iraq continues its progress on implementing the economic reforms in the IMF Stand-By Arrangement, the country will remain eligible for the final 20% of debt reduction agreed under the Paris Club terms. Sixty percent of the Government of Iraq's debt to Paris Club members has already been forgiven, and continued successful comple-

tion of the Stand-By Arrangement will qualify Iraq for a final tranche of 20% in late 2007 or early 2008. The United States forgave all of Iraq's debt (US\$4.1 billion) and is encouraging other creditors to follow this example. Debt relief from non-Paris Club creditors is expected in accordance with Paris Club terms or better, and Iraq is beginning to approach these creditors to ask for debt forgiveness. The Gulf countries hold the largest amount of Iraq's non-Paris Club debt, estimated to be US\$45 billion.

In addition to loans, Iraq owes nearly US\$32 billion in war reparations (as of May 1, 2006). These reparations are the result of claims against Saddam's regime following the Gulf War in 1991. Every year, 5% of Iraq's oil revenue goes to repayment of war reparations. As of May 2006, Iraq had paid more than US\$20 billion in reparations. The United Nations Compensation Commission, which oversees the payment of reparations, awarded US\$21.5 billion in compensation to oil companies, which lost profits and equipment during the Gulf War. Paying these reparations each year, while simultaneously attempting to rebuild its economy, places a significant strain on Iraq's limited resources.

Building the Capacity of Iraqi Institutions

The economic institutions of the new Iraqi government are still developing. On July 12, Prime Minister al-Maliki outlined his vision for economic reform to build a prosperous Iraq based on private sector activity and investment, economic diversification, and integration into the global economy. The Coalition is working with the Government of Iraq to appoint an Ambassador to the World Trade Organization (WTO) and to complete the necessary documentation to hold its first WTO Working Party. In addition, the United States continues to work with the Ministry of Finance to implement a Financial Manage-

ment Information System (FMIS) that will provide greater transparency and accountability in the government's budget and expenditure processes.

As of July 1, 2006, halfway through Iraq's fiscal year, the Government of Iraq's ministries have spent far below their planned capital budget expenditures. Iraq's new ministries do not have experience executing ministerial budgets, and lack of a modern electronic transfer system, which has hampered transferring funds in locations around the country, compounded by security problems, contributes to an under-expenditure. The Government of Iraq's continued inability to execute its budget places delivery of basic services, as well as future economic expansion, at risk, and demonstrates the need for continued joint U.S.-Iraqi capacity development efforts. IRMO will soon develop contracts to install government-wide budgeting and procurement modules to add to the FMIS, which was installed approximately two years ago; however, the Government of Iraq is just now starting to use this system. These new modules will increase the transparency of the financial system and will improve the effectiveness of in-year and forecasted budgeting. It is proposed that the Minister of Finance require all Government of Iraq financial transactions to use this enhanced FMIS system. Budgets are not effectively delegated from the Ministry of Finance (MOF) to other ministries and provinces. The procedures to enable contracts through the MOF are proving too cumbersome, and officials are not willing to risk applying perceived "incorrect procedures," as several officials have been detained with investigations pending into possible breaches of regulations. Communications between the CBI and the MOF have all but stopped; several employees at the CBI have been intimidated and have therefore failed to show up for work.

Integrating Iraq into the World Economy

The United States is working with the Government of Iraq to engage Iraq's neighbors and the international community on the future of Iraq and the stability of the region. A sustained dialogue with key international partners remains a critical element in assisting Iraq's nascent democracy. In this context, last month Prime Minister al-Maliki traveled to Saudi Arabia, Kuwait, and the United Arab Emirates to promote his national reconciliation plan and to encourage international support for Iraq.

In late July, the Government of Iraq and the UN, with the strong support of the United States, the United Kingdom, and other donor states and international financial institutions, launched an International Compact with Iraq. The International Compact will, over the next five years, bring together the international community and multilateral organizations to help Iraq achieve its national vision. The government's vision is that, five years from now, Iraq will be a united, federal, and democratic country, at peace with its neighbors and itself, well on its way to sustainable economic self-sufficiency and prosperity, and well integrated in its region and the world.

The International Compact will provide assistance to Iraq under a contractual agreement; Iraq will undertake specific economic and political reforms designed to bring it into the global economy. In return, international donors will increase their financial support for Iraq's reconstruction. Meanwhile, the Government of Iraq will continue to enact political and security measures to achieve national reconciliation and to build an economic environment conducive to sustained economic

growth. The UN now occupies its compound in Irbil, and a UN Liaison Detachment has been established in Kirkuk.

The Arab League issued a strong statement following its November 2005 "Preparatory Meeting for the National Accord Conference," calling for all Iraqi parties and Arab states to support Iraq and respect the political will of the Iraqi people. The United States welcomes the planned Arab League-sponsored Iraqi National Accord Conference (to be scheduled) as an opportunity for Iraqis inside and outside of government to discuss the many crucial issues facing their country and to support a process of national reconciliation. Since the November 2005 conference, the Arab League has opened its office in Baghdad and has appointed Mukhtar Lamani as its envoy.

Macroeconomic Indicators

Economic indicators are collected and published regularly, largely through the Iraqi Ministry of Planning and Development Cooperation and international organizations, such as the World Bank, the UN, and the IMF, although gathering accurate statistics on which to base such indicators in the present security situation in Iraq is a challenge. As outlined in the table below, projections from the IMF assume that economic growth over the medium term will remain dependent on the performance of the oil sector, as it accounts for more than two-thirds of Iraq's GDP. The outlook also assumes that the Government of Iraq's investment in the oil sector will generate increased oil production and strong GDP growth over the medium term.

GDP Estimates and Projections, 2004-2008					
	2004	2005 e	2006 p	2007 p	2008 p
Nominal GDP (in USD billion)	25.7	34.5	47.0	61.0	71.0
Government Oil Revenue (in % of GDP)	69.6	69.4	66.9	66.5	67.4
Per Capita GDP (USD)	949.0	1,237.0	1,635.0	2,060.0	2,319.0
Real GDP (% change)	46.5	3.7	4.0	14.4	12.9
Primary Fiscal Balance (in % of GDP)	-40.6	9.8	-6.1	-2.1	-0.8
Consumer Price Inflation (annual %)	32.0	32.0	30.0	17.0	10.0

Source: IMF Estimates (e) and Projections (p), July 7, 2006

Estimates of unemployment in Iraq vary widely. The UN World Food Program's 2005 estimate is 13.4%; other estimates are as high as 50%–60%. As of July 2006, the Government of Iraq Central Organization for Statistics and Information Technology (COSIT) estimated that unemployment was 18% and underemployment was 34%. The COSIT estimates were corroborated by a 2005 United States Agency for International Development (USAID) survey and recent nationwide polling. This year, the Government of Iraq budgeted to increase employment from 1.1 million to 1.9 million civil servants. State-owned enterprises are expected to add another 100,000 people to their rolls. Although this hiring will reduce unemployment, government and state-owned-enterprise employment is not a long-term panacea; for example, most state-owned enterprises are operating under capacity or are closed. The key to long-term, sustained reduction in unemployment can be achieved only through private sector-led growth. The U.S. Government is working with the Government of Iraq to develop the Iraqi private sector by reforming the banking system, providing micro-credit lending and vocational training, and enacting legislation in

such areas as privatization and investment to spur economic growth.

Using data collected in 2004, the UN World Food Program estimates that 15.4% of the surveyed population in Iraq lacks adequate food. Including both severe and moderate forms, about 25.9% of the Iraqi children examined were stunted in their physical growth, a symptom of chronic malnutrition. The lowest rate observed (14.2%) was in Sulamanyah Province, while the highest (36.5%) was in Salah ad Din Province.

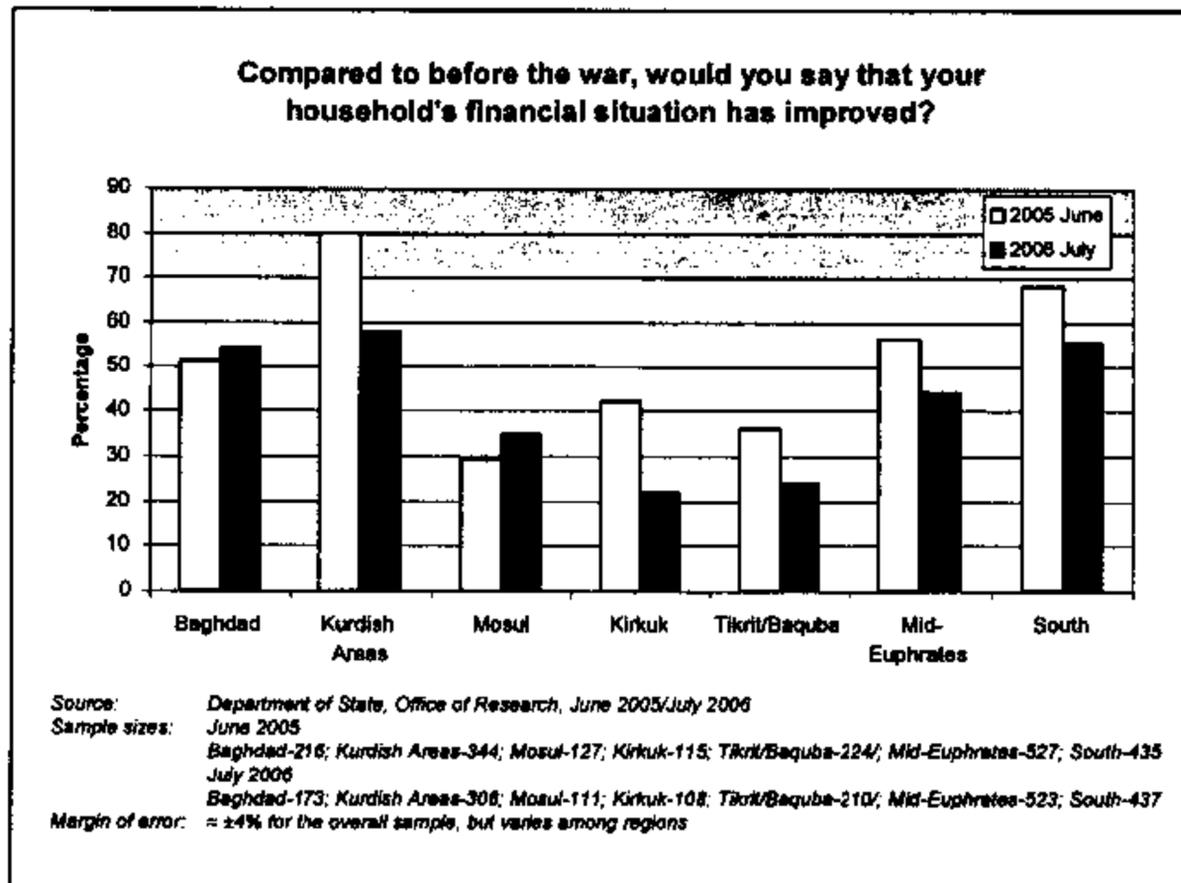
With support from USAID, the Ministries of Finance, Labor, and Social Affairs have developed a more effective social safety net for Iraq's poorest citizens. This initiative helps low-income families manage the effects of subsidy reform, using needs-adjusted cash benefits and services that help families raise themselves above the poverty level. The social safety net program is an essential step in reforming national subsidies as required by the IMF Stand-By Arrangement. The Government of Iraq is still registering eligible households in a continuing effort to reach those Iraqis most in need of help. To date, the

Government of Iraq has enrolled more than 520,000 people in the social safety net program.

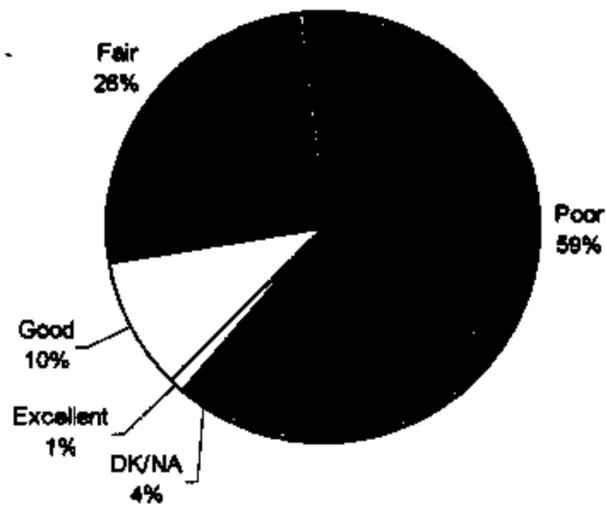
High inflation is threatening Iraq's overall macroeconomic stability. Inflation continues to be volatile, with spikes generally caused by commodity shortages and seasonal variations. The annual inflation rate from June 2005 to June 2006 was 52.5%, according to COSIT. The CBI needs to take steps to control inflation. Polling data indicate that the Iraqi public's perceptions of the household financial situation are mixed, although public

perceptions are generally more pessimistic than they were a year ago.

There is evidence that Iraqi private sector activity continues to expand. The IMF estimates that non-oil GDP growth in 2006 will be 10%. Various U.S. Government agencies are attempting to spur private sector activity with microfinance loans, bank lending to small- and medium-sized enterprises, capital market development, business skills development, vocational training, investment promotion, business center support, and creation of economic zones.

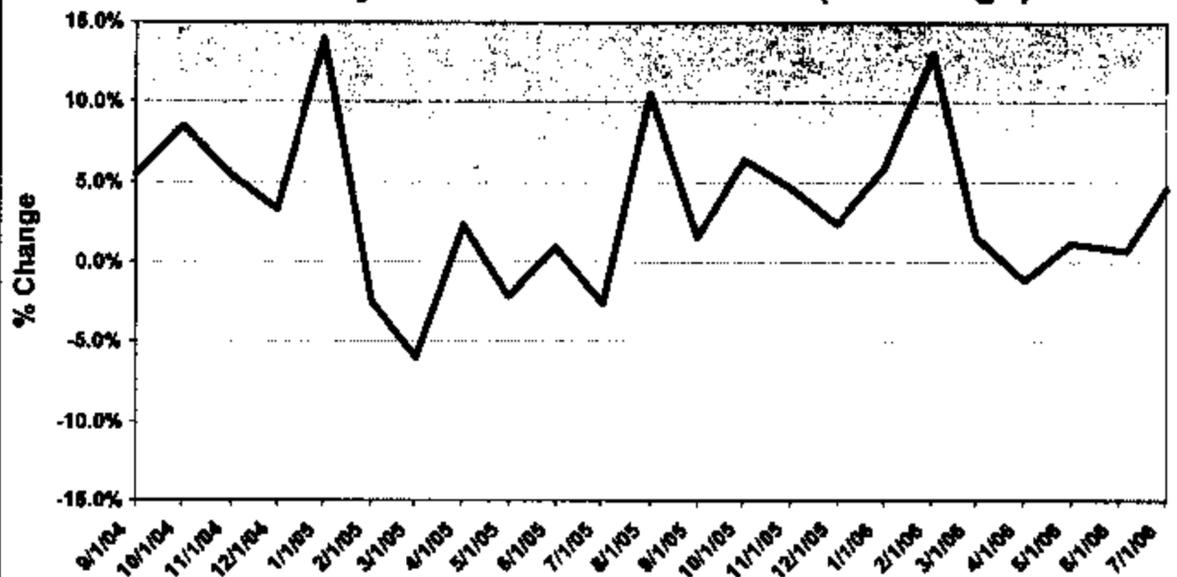


How would you rate economic conditions in Iraq today?

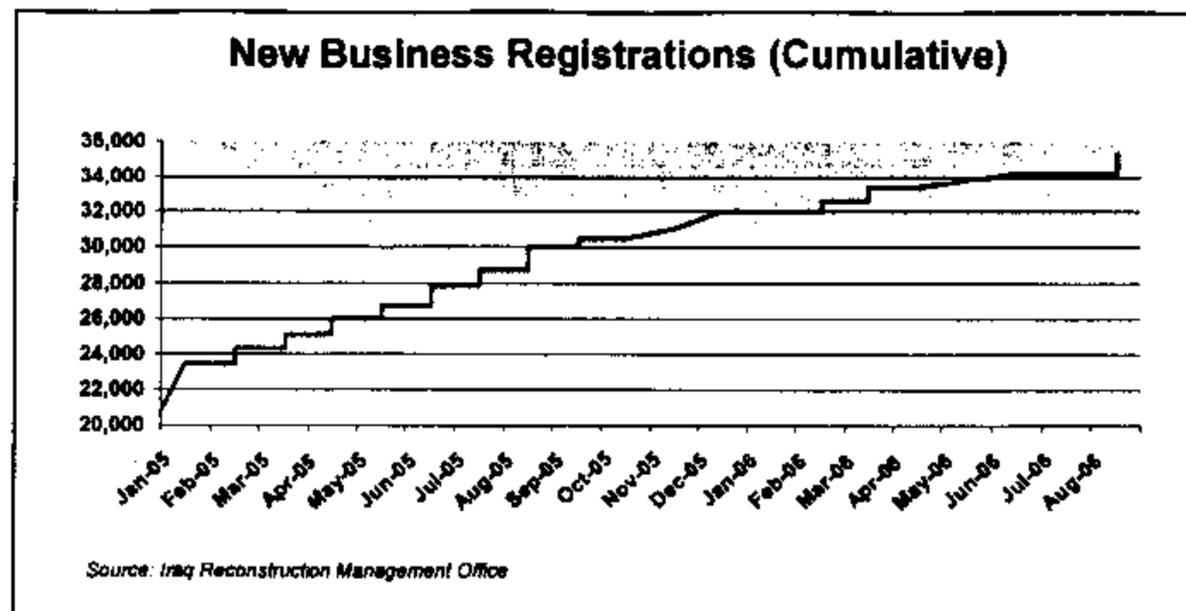


Source: Derived from International Republic Institute Polling Date, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)

Monthly Consumer Price Index (% Change)



Source: U.S. Treasury estimates



Sector Indicators

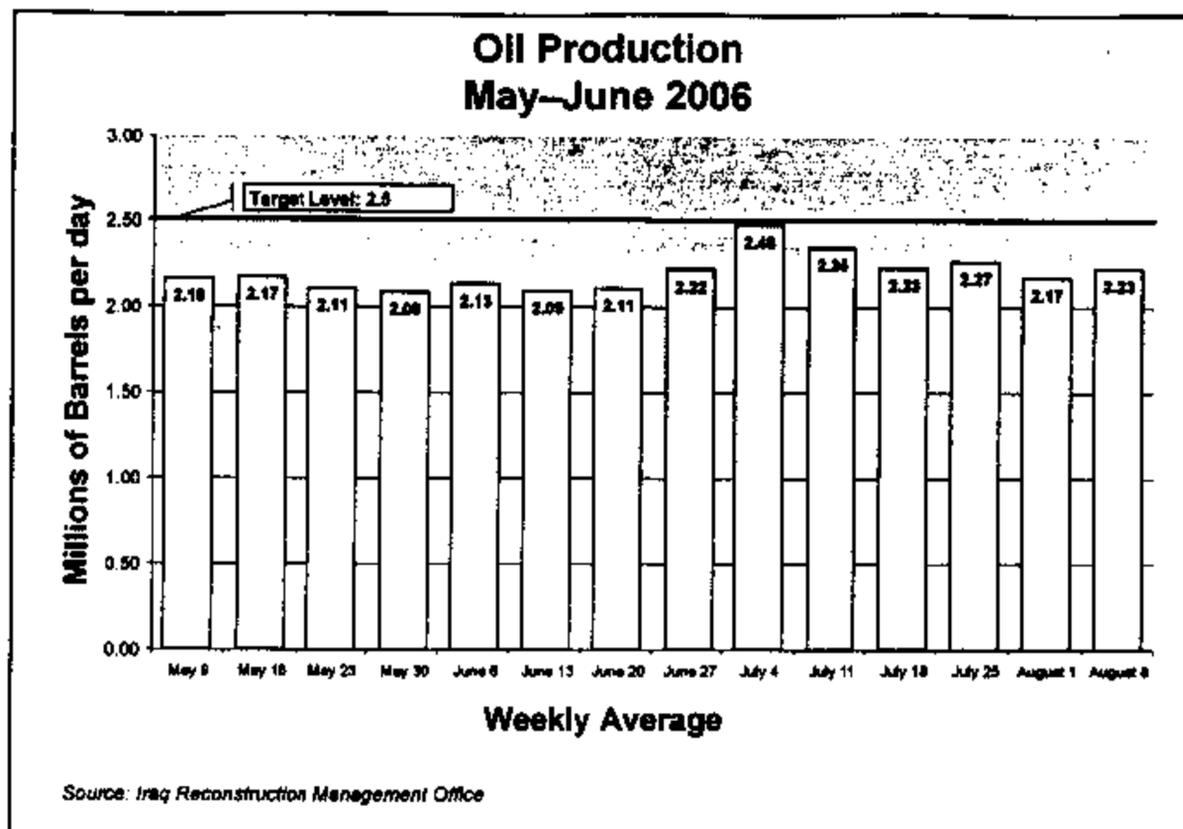
Oil Production, Distribution, and Export

When Coalition forces began Operation Iraqi Freedom, they entered a country whose energy infrastructure had deteriorated over many years. The Coalition set out to help the Government of Iraq restore oil facilities, increase production, improve refining of natural gas production, and maintain pipeline facilities. Poor maintenance, insurgent attacks, slow repair, and corruption have slowed progress. Beyond attacks on various worksites, terrorists have attacked crude export and petroleum product pipelines, impeding exports and the refining and distribution of petroleum products, such as gasoline and diesel.

Despite these challenges, crude oil production for the second quarter improved by 18% to 2.2 mbpd, and exports improved by 20% to 1.6 mbpd. Nevertheless, oil production and exports still fell short of the Government of Iraq's goals (2.5 mbpd and 2.0 mbpd, respectively). Due to a combination of increased exports and higher prices for crude, oil revenues improved in the second quarter, and will reach budgeted targets by August 2006.

During the past quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005, though on a very small scale. Exports are expected to increase once three major crude pipelines from Kirkuk, including a new 40-inch line, are put in service in September 2006.

Demand remains essentially unchecked for state-subsidized refined petroleum products. The Government of Iraq announced reductions in fuel subsidies on June 21, 2006; on July 1, 2006, in accordance with the Stand-By Arrangement, these subsidies started being phased in at government-run stations. In June 2006, the government increased prices for fuel sold through official outlets, in accordance with its commitments under its IMF reform program to decrease fuel subsidies. Regular gasoline (85 octane) in Iraq is currently regulated at about US\$0.55 per gallon, while premium gasoline (92 octane) is regulated at about US\$0.90 per gallon. The premium gasoline price is at the IMF target price. These prices are roughly equivalent to the pump prices in Kuwait and Saudi Arabia, but substantially less than in Turkey, where gasoline is heavily taxed. This disconnect between supply and demand leads to black market activities and corruption. Efforts are



under way to encourage the Government of Iraq to adopt legislation allowing private imports of premium fuels at market prices. This legislation should allow the refined fuel market to clear and help ease the frequent shortages. It should also help reduce the rampant crime and corruption associated with the current fuel production and distribution process.

The Bayji refinery in northern Iraq is a critical element in Iraq's national oil infrastructure. Built in the 1980s, the Bayji refinery is Iraq's largest and newest refinery. This refinery typifies many of the challenges Iraq faces as it attempts to modernize its aging infrastructure and increase its oil exports. Bayji has a nominal production capacity of 310,000 barrels per day. However, since May 2006, the refinery has not produced more than 170,000 barrels per day, and recent production has been as low as 7,500 barrels per day. Four primary factors have limited production at the Bayji refinery: maintenance issues with key components in the refinery, an inefficient refining

process, an unreliable flow of crude oil into the refinery, and security threats to personnel.

Maintaining the refinery's outdated equipment is a challenge. Two of the refinery's three plants have been shut down since May 2006 due to mechanical breakdowns, scheduled maintenance, power outages, and fires. One power outage damaged the refinery's US\$20 million hydrocracker, a critical piece of equipment used to convert heavy fuel oil to usable products.

A second factor limiting production at Bayji is inefficiency in its refining process. For every two barrels of crude oil brought into the refinery, Bayji produces about one barrel of usable product, for an efficiency rate of about 50%; modern refineries can have efficiencies of 90% or higher. The result of the inefficient refining process is a large amount of heavy fuel oil (HFO) byproduct. Bayji does not have adequate facilities to refine further, store, or dispose of this byproduct; the excess HFO thus interferes with production and storage of usable products.

Production at Bayji is also affected by the interrupted flow of crude oil into the refinery from Kirkuk through three key pipelines. The flow has been periodically halted by corrosion, fires, maintenance, and attacks, all of which serve to hamper production of refined products and crude oil for export. Construction of a new 40-inch line is scheduled to be completed in September 2006.

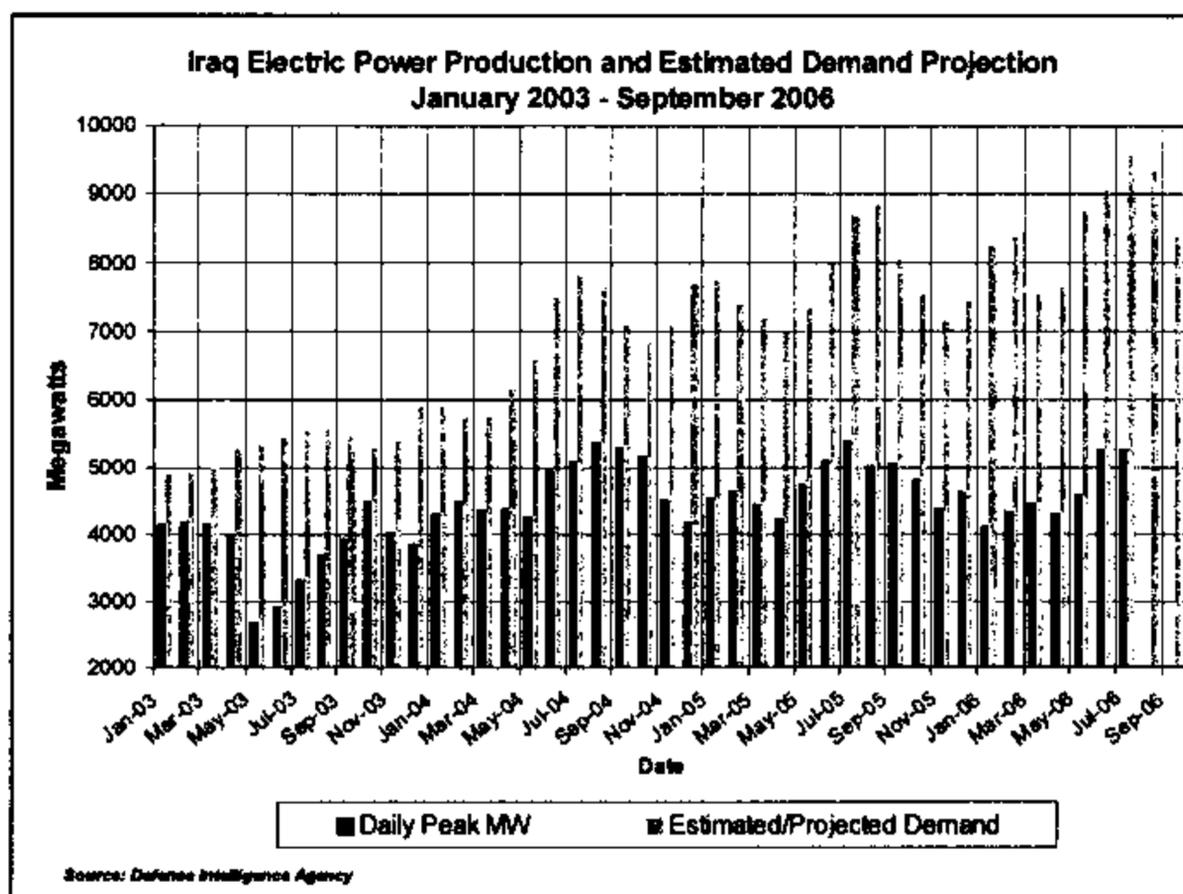
Electricity Production and Distribution

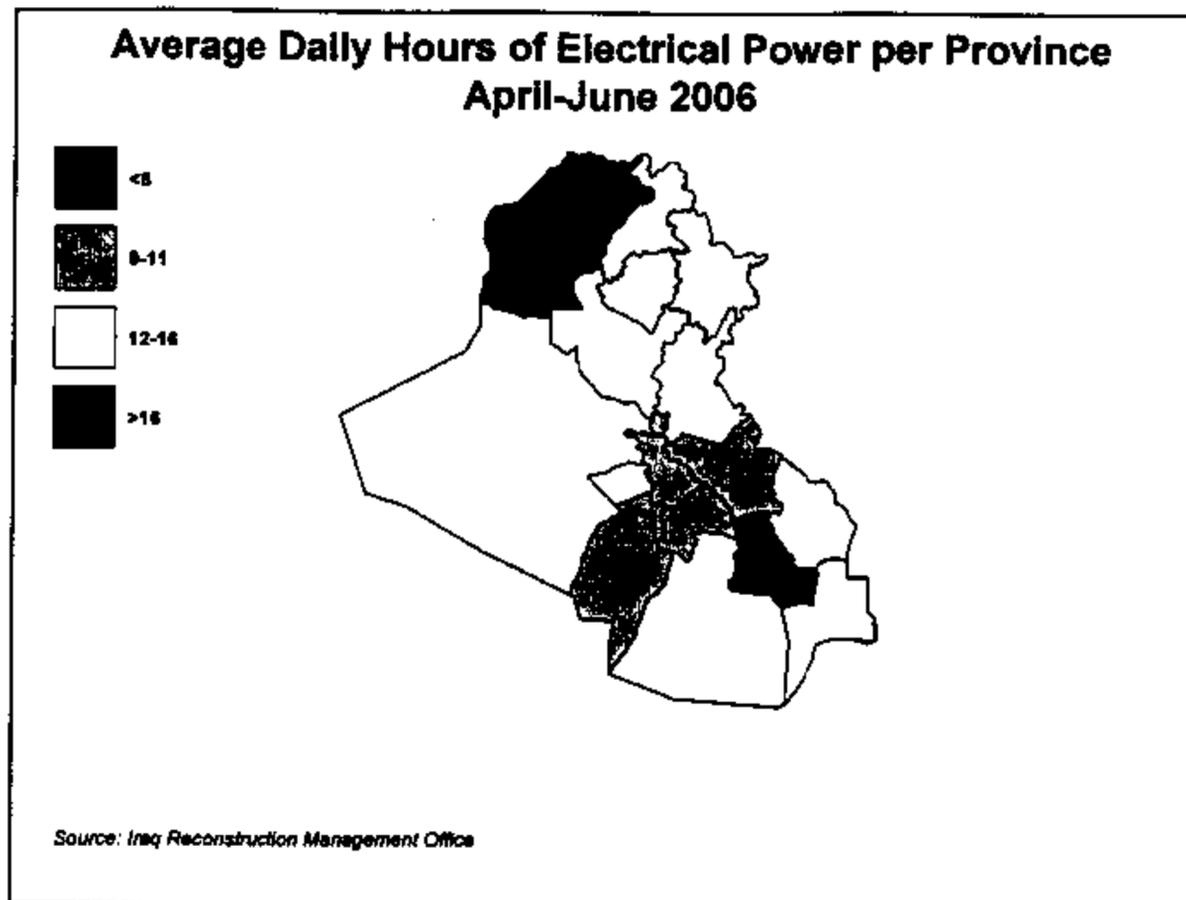
The electrical generation and distribution system in Iraq suffers from unscheduled downtime due to the fragile condition of the electric grid, sabotage, and poor maintenance practices. In addition, shortfalls in petroleum production and distribution lead to occasional fuel shortages for electric generators.

Despite problems, peak capacity and hours of power continue to improve. During this reporting period, peak generating output was 5,283 MW on July 17, 2006, with an average peak generating output of 4,573 MW over the

period. This is an improvement of 15.8% over the previous reporting period. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter. Baghdad averaged 8 hours of power per day, twice what it had averaged six months earlier.

As Iraqis purchase additional electric appliances, demand for electricity continues to increase. Estimated demand over the 30-day period ending July 15, 2006, was 8,928 MW. To date in 2006, the highest daily peak supply was 5,283 MW, 2% below the 2005 peak of 5,389 MW. With all state-owned generators running, theoretical maximum output is 8,551 MW, or 96% of this estimated new demand. However, that level of output has not been achieved, nor could it be sustained if it were achieved. The Government of Iraq's goal for average peak generating output by the end of December 2006 is 6,000 MW per day. During times when state-generated electricity is not available, many Iraqis meet their electricity requirements through private





generators. Electricity usage in Iraq appears to be in accordance with or less than regional norms. Nonetheless, the data support the contention that the current connected capacity is not sufficient to support a growing economy.

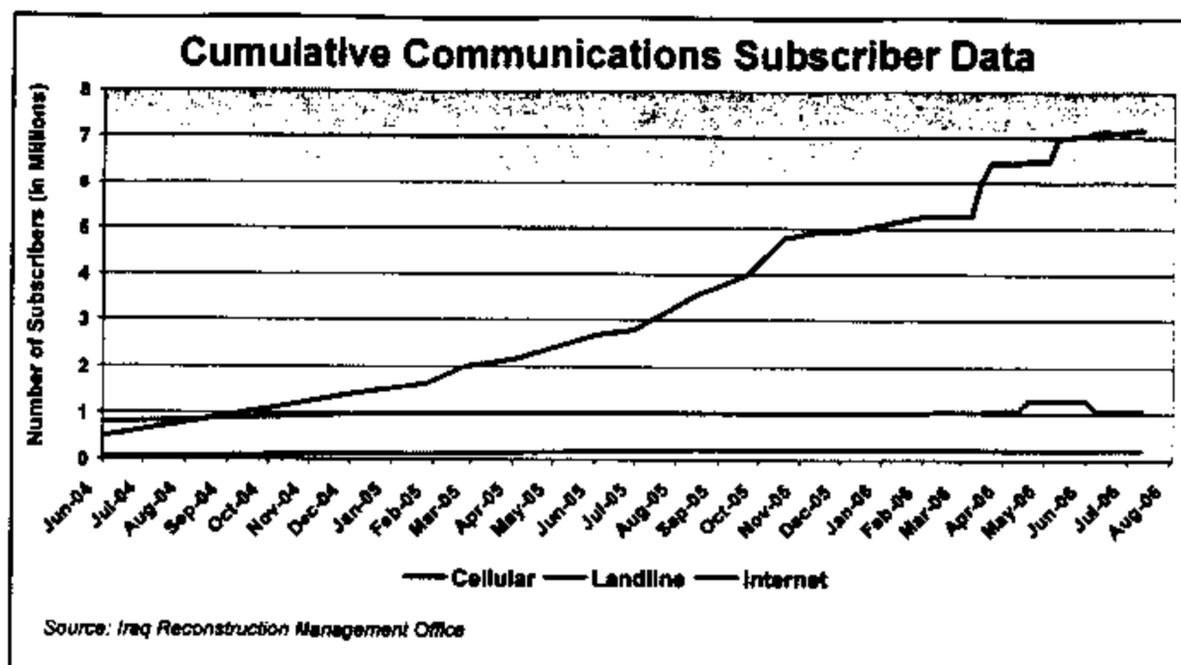
The subsidized state distribution rate affects electricity demand, and current electricity rates are nominal, well below regional averages. In addition, not all Iraqis pay for their state-supplied electricity. About 70% of homes have meters and are billed. Of those, about 70% pay their electric bills. The rate billed is equivalent to US\$.002/kwh. Owners of private neighborhood generators bill their customers at a rate about 40 times higher, around US\$.08/kwh.

Communications

The communications sector continues to expand, although this expansion is slowing down in comparison with its explosive growth immediately after the fall of the previous regime. Whereas the number of landline sub-

scribers is relatively stable, the three major cell phone companies continue to enroll subscribers. IRMO reports that, as of July 25, 2006, there were 7.1 million cellular telephone subscribers and 1 million landline connections. This reflects an increase in cellular subscribers since the last report. The number of cellular telephone subscribers has doubled over the last nine months. The state-owned Internet service provider (ISP) currently serves 197,310 subscribers, a slight decrease since May 2006. This figure excludes private ISPs and public Internet cafes. It is unknown whether expansions of private sector ISPs drew customers from the state-owned service.

U.S. Government projects continue to support improved communications among Iraqi ministries. Thirty-five of 42 government sites in Baghdad, the CBI, and two state-owned banks are now connected via the wireless broadband network. The U.S. Government continues to train Iraqi telecommunications engineers on proper operations and maintenance procedures to maintain and broaden this network.



Water

New projects have “added capacity to provide an estimated 4.2 million people with access to potable water—an increase of 1.2 million people since the May 2006 report—but direct measurement of water actually delivered to Iraqis is not available.”¹ Additional projects currently under way should increase infrastructure capacity to provide access to clean water to as many as 5 million more people.

Obstacles to Progress

There is significant black market activity in Iraq, much of it in oil products. Although crude oil can be sold on the black market, refined product requires less handling, can be sold almost anywhere, and is more difficult to trace, thereby making it more profitable. Much of the black market and corruption activity centers on refined products, such as gasoline, benzene, LPG, and diesel.

Although the increases in the official prices have reduced the economic incentive to smuggle fuel, smuggling fuel for resale inside

and outside the country remains a serious issue. Turkey, where high taxes keep gasoline priced near US\$5 a gallon, is a lucrative target for smugglers. However, a significant portion of illegal trade results in constraining the supply of gasoline in Baghdad, giving motorists few alternatives to purchasing black market fuel at increased prices. Some pipeline interdictions are due to insurgent attacks, while some are botched attempts to steal fuel by tapping into a flowing product line. Other incidents include deliberate acts of sabotage intended to manipulate the fuel supply to spur increased profits for black marketeers and corrupt officials.

Black market prices for fuel vary by refined fuel type: Benzene typically sells for 3–5 times the government established price, while LPG has recently been selling for 10–20 times the official price. This gap between the official price and the black market price provides a strong incentive for corruption. The U.S. Embassy has engaged the Government of Iraq to follow through on their stated commitment to encourage liberalization of the retail fuel market through enactment of the Fuel Import Liberalization Law being considered by the CoR. This reform will allow the private sector to import fuel and sell it at

¹ Special Inspector General Iraq Reconstruction (SIGIR) report, 30 April 06, <http://www.sigir.mil>.

market prices. This step is viewed with controversy in Iraq. Economists predict that private sector retail vendors of petroleum products would undercut the illegal market, thus driving them out of business once the Government of Iraq passes the import liberalization law.

1.3 The Security Environment

Defeating the enemy, breaking the cycle of violence, promoting reconciliation, and transitioning security responsibility to the Government of Iraq remain the top goals in the security track. To achieve these goals, the United States, its Coalition partners, and the Government of Iraq are focused on objectives that include:

- neutralizing enemy effectiveness, influence, and ability to intimidate;
- rapidly reducing sectarian violence and eliminating death squads;
- increasing the capacity of the Government of Iraq and its security structures and forces to provide national security and public order; and
- helping Iraq strengthen rule of law capabilities in the areas of law enforcement, justice, and the corrections system.

Indicators of the security environment include:

- composition, strength, and support for groups that threaten security and stability: anti-government and anti-Coalition forces (the "enemy");
- activity, support, and efforts to disband, disarm, and reintegrate militias;
- attack trends (including the number of attacks and their effectiveness);
- levels of sectarian violence;

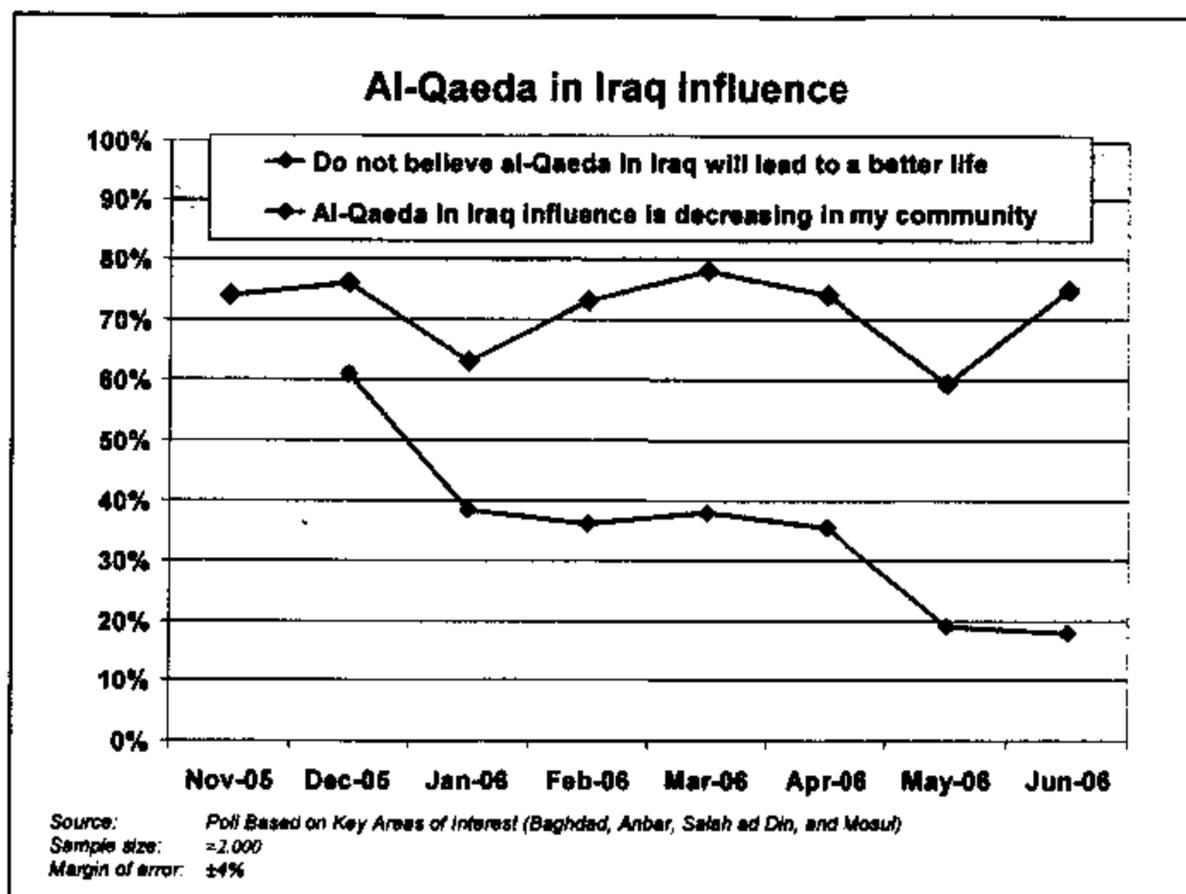
- Iraqi public perceptions of security and security institutions; and
- capabilities of the ISF and Iraqi institutions.

Information about the ISF is presented later in this report.

Overall Assessment of the Security Environment

During this reporting period, attacks and civilian casualties have risen, characterized by ethno-sectarian attacks and reprisals. Violence escalated notably in Baghdad, which, as the political, population, and media center of the country, is a high-value target for terrorists. Violence in Basrah also rose, partly in response to British actions against the JAM. The death of terrorist Abu Musab al-Zarqawi in June was a major success for the Coalition and the Government of Iraq, but al-Qaeda in Iraq remains able to conduct operations due to its resilient, semi-autonomous cellular structure of command and control. Terrorists have failed to advance their primary objectives, which include derailing Iraq's political process and widening their political support among the Iraqi people. The Iraqi Army took the lead in more counter-insurgency operations and assumed security responsibility in more areas since the last report. The Iraqi people continue to express confidence in the Iraqi Army to provide for their security and to reject al-Qaeda in Iraq's vision of Iraq's future, but they are increasingly turning to militias and neighborhood watch groups to provide security from sectarian violence.

Overall attack levels are higher than last quarter. In particular, attacks have increased in southwestern Diyala Province and in the cities of Mosul and Kirkuk. Extremists seeking to stoke ethno-sectarian strife have increasingly focused their efforts on civilians, inciting a cycle of retribution killings and



driving civilian casualties to new highs. Much of this violence is focused on Baghdad, as terrorists, insurgents, and illegal armed groups recognized the political and economic significance of the capital city. As described below, the Government of Iraq and the Coalition are taking significant steps to reverse the upward trend of violence in Baghdad.

Recent Developments in the Security Environment

Rising sectarian strife defines the emerging nature of violence in mid-2006. Since the last report, the core conflict in Iraq changed into a struggle between Sunni and Shi'a extremists seeking to control key areas in Baghdad, create or protect sectarian enclaves, divert economic resources, and impose their own respective political and religious agendas. Death squads and terrorists are locked in mutually reinforcing cycles of sectarian strife, with Sunni and Shi'a extremists each portraying themselves as the defenders of their

respective sectarian groups. However, the Sunni Arab insurgency remains potent and viable, although its visibility has been overshadowed by the increase in sectarian violence.

On June 14, 2006, Iraqi Prime Minister al-Maliki announced the government's plan to provide improved security conditions in Baghdad. Operation Together Forward, or *Amaliya Ma'an ila Al-Amam* in Arabic, consists of increased checkpoints, curfews, and enforced weapons bans to reduce sectarian violence in focused areas within Baghdad. Security forces are also conducting raids against terrorist cells and death squads. As part of this operation, Iraqi police, the Iraqi Army, and National Police, supported by Coalition forces, increased patrols and checkpoints in all areas of Baghdad, while concentrating on areas of the city that have witnessed increases in violence and sectarian killings. Security forces also worked to block terrorist entry into the capital city.

The confluence of high attack levels—many targeting civilians—and the increased sectarian violence, combined with the need to ensure that the Government of Iraq maintains momentum in political progress and counter-insurgency, made Baghdad security a decisive element in the campaign. Given the complexity of the security situation in Baghdad, the Iraqi government planned to execute and complete *Amaliya Ma'an ila Al-Amam* over a period of months, not weeks. After the first month of *Amaliya Ma'an ila Al-Amam*, the operation had arrested but had not reversed the high attack levels seen in May and June. The average of 23.7 attacks per day across Baghdad's 10 districts was virtually unchanged from the 23.8 average daily attacks that occurred the month prior to the operation. Moreover, the rate of sectarian-motivated murders and execution-style killings continued to rise, primarily in and around Baghdad.

In July, during the prime minister's first visit to the United States, Prime Minister al-Maliki and President Bush announced an adjustment to the Baghdad Security Plan. One of the key changes is an increase in security force levels in the city. Elements of the Call Forward Force were brought forward from Kuwait and other Coalition and Iraqi units were repositioned from less active areas of the country. In addition, the Secretary of Defense extended the 172nd Stryker Brigade Combat Team's deployment in Iraq for up to 120 days. Because the 172nd was largely successful in working with the ISF to improve security in northern Iraq, it has been repositioned into Baghdad.

In addition to increasing force levels in Baghdad, the Coalition and the Government of Iraq developed and refined tactics, techniques, and procedures designed to reduce the sectarian killings. A primary focus is eliminating the death squads responsible for the

predominance of the execution-style killings and other murders in the city. The death squads have fomented sectarian violence, as killings prompt further killings of revenge. Coalition forces and the ISF are also targeting the death squads and other illegal armed groups using checkpoints, patrols, driving bans, curfews, weapons-law enforcement, intelligence-driven operations, and other methods. The ISF will rely on their training, experience, and familiarity with Baghdad's milieu to focus on neighborhoods with the highest levels of violence. Coalition forces remain in a supporting role and will be employed as requested by Prime Minister al-Maliki and directed by the MNF-I commanding general.

The two primary objectives of the security operations in Baghdad are rapidly reducing sectarian violence by de-legitimizing the illegally armed groups and establishing the ISF as the dominant security presence. The changes described above represent a concerted, focused effort by the Coalition and the Government of Iraq. By strengthening the capacity of the Government of Iraq and spurring economic growth in Baghdad, the United States will help the Government of Iraq succeed in protecting its population and restoring the confidence of the Iraqi people in their future.

The Nature of the Conflict

Violence in Baghdad is the most prominent feature of the conflict in Iraq in this period, as Sunni and Shi'a extremist death squads pursue their sectarian agendas. The resulting violence overwhelmingly targets civilians, causing segments of the populace to tolerate or even endorse extremist actions on their behalf as an effective means to guarantee their safety, undermining both the Government of Iraq's ability to deliver security and its pursuit of a reconciliation program. Although

Baghdad remains the focus for sectarian and terrorist violence in Iraq, violence tied to the Rejectionist insurgency, terrorist intimidation, political and tribal tensions, and criminality continue in other regions. Sectarian violence is gradually spreading north into Diyala Province and Kirkuk as Sunni, Shi'a, and Kurdish groups compete for provincial influence. Conflict in Anbar Province remains centered on the Sunni insurgency. Although al-Qaeda in Iraq continues its intimidation to coerce passive Sunni support, tribes are pushing back to eject al-Qaeda in Iraq and re-establish their dominant role. In the southern, predominantly Shi'a region of the country, political and tribal rivalries are a growing motive behind violence, particularly in Basrah, with limited anti-Coalition forces attacks likely undertaken by rogue Shi'a militia with Iranian support.

The Enemy

Violence against the Iraqi people and Coalition forces is committed generally by a combination of both Sunni and Shi'a groups, who are overwhelmingly Iraqi but with a small yet significant component of foreign suicide operatives. Sunni groups include Rejectionists—many of whom were members of, or associated with, the former regime—and terrorists groups, including al-Qaeda in Iraq, Ansar al Sunnah (AS), and other smaller groups. Shi'a groups include elements of militias and illegal armed groups, many of whom receive Iranian support. The threat posed by Shi'a illegal armed groups, filling perceived and actual security vacuums, is growing and represents a significant challenge for the Iraqi government. The appearance and activity of death squads is a growing aspect of the violence in Iraq, with both Sunni and Shi'a death squads adding to the violence by targeting civilians and inciting reprisal. Al-Qaeda in Iraq and elements of JAM (nominally under the control of Muqtada

al-Sadr) are among most prominent groups engaging in a continuing pattern of attacks and reprisals against individuals or communities representing the other's sectarian affiliation. Thus, the violence in Iraq cannot be categorized as the result of a single organized or unified opposition or insurgency; the security situation is currently at its most complex state since the initiation of Operation Iraqi Freedom. Similarly, Iraqi or Coalition security strategies must be tailored for the different objectives, methods, and support structures of each particular threat.

Terrorists and Foreign Fighters

Al-Qaeda in Iraq and its affiliates in the Mujahadeen Shura Council consist of both foreigners and Iraqis motivated by an extremist Sunni Islamist ideology, which rejects the West, attacks moderate Islam, and seeks to establish an Islamic Caliphate in Iraq. AS is another significant, mostly indigenous terrorist group that objects to al-Qaeda in Iraq's wanton targeting of Muslim Iraqis. Foreign fighters continue to enter Iraq and constitute the majority of those conducting suicide attacks. Sunni extremists continue their efforts to force Coalition withdrawal, perpetuate sectarian violence, and make Iraq ungovernable as a means of establishing the Caliphate. The death of Abu Musab al-Zarqawi has dealt a significant blow to al-Qaeda in Iraq, though the cellular nature of its robust network allowed decentralized operations to continue. Since then, al-Qaeda in Iraq has fomented sectarian violence through high-profile attacks against Shi'a civilians and is engaged in a cycle of retaliatory violence involving elements of JAM. Al-Qaeda in Iraq recently announced that its "Umar Brigade" that would begin targeting JAM in retaliation for death squad activities in an effort to portray al-Qaeda in Iraq as a protector of the Sunni. Additionally, al-Qaeda in Iraq leadership is increasing convergent with al-Qaeda

senior leaders on goals and strategy following Zarqawi's death. The recent statement from Usama bin Laden on June 30, 2006, in which he addresses the Iraqi "jihadists," frames the conflict in terms of attacking those who support the Government of Iraq. He also warns Shi'a in "southern Iraq" that they are not safe, if they continue to support Coalition operations against Sunni urban centers in Anbar Province. This is a clear attempt to recast al-Qaeda in Iraq as the most effective defender of Sunni interests.

Sunni Rejectionists

Sunni Rejectionists use violence and coercion in an attempt to force withdrawal of Coalition forces, prevent Shi'a economic and territorial dominance, and reverse Sunni political marginalization by regaining a privileged or protected status within a unified Iraq. The 1920s Revolutionary Brigade is the most prominent of these Rejectionist groups. Sunni Rejectionists continue to target Coalition forces at rates higher than Sunni extremist or Shi'a militia groups. The bulk of the Rejectionist insurgency will likely continue to attack Coalition forces while they remain in Iraq. Some elements are indicating an interest in Prime Minister al-Maliki's new reconciliation effort, while still employing violence against the Coalition forces and the ISF from a sense of honor and as a means to force meaningful political accommodation. Moderates say they will accept reconciliation inducements and disarm only after death squads are eliminated; Shi'a militias are disarmed; and key security, amnesty, and political demands are met. Other hard-line elements of Rejectionist groups provide professional military skills to al-Qaeda in Iraq and other extremists to achieve common tactical objectives. Other Rejectionists, including some in Anbar and Baghdad, are weary of al-Qaeda in Iraq's violent intima-

tion tactics and actively oppose al-Qaeda in Iraq, sometimes mounting their own anti-al-Qaeda in Iraq attacks and raids.

Death Squads

Death squads are armed groups that conduct extra-judicial killings. Death squads are formed from terrorists, militias, illegal armed groups, and—in some cases—rogue elements of the ISF. Both Shi'a and Sunni death squads are active in Iraq, and are responsible for the most significant increases in sectarian violence. Death squads predominantly target civilians, and the increase in death squad activity is directly correlated with the increase of civilian casualties. Coalition forces and the ISF are actively targeting elements that participate in death squad activity.

Militias and Other Armed Groups

Militias and small, illegally armed groups operate openly and often with popular support. This is especially true in areas where the Government of Iraq is perceived as unable to provide effective social and security services for the population. Militias—whether legal or illegal—provide an element of protection for select portions of the populace, usually on an ethno-sectarian basis, resulting in, overall, a more dangerous environment for the Iraqi community. Some militias also act as the security arm of organizations devoted to social relief and welfare, lending these armed groups further legitimacy. Whether operating within or outside the law, these armed groups operate separately from formal public safety structures. Their continued existence challenges the legitimacy of the constitutional government and provides a conduit for foreign interference. An effective disarmament, demobilization, and reintegration program is essential to meeting near- and long-term security requirements for Iraq.

Although a number of militias and illegal armed groups have operated in Iraq since before the liberation, the groups that are affecting the current security situation the most are the Badr Organization and JAM.

The Badr Organization is an authorized militia under the Iraqi Transitional Administrative Law that pre-dated the present Constitution, and the organization actively participates in the Iraqi government. The Badr Organization has not engaged in active violence against Coalition forces or the Government of Iraq; it attacks Sunni targets and in the past has also confronted JAM in an effort to prevent its expansion of power and influence among the Shi'a. The Badr Organization receives financial and materiel support from Iran, and individuals from Badr have been implicated in death squads.

JAM is not a legal militia under Iraqi law. However, it is well known and supported popularly in Baghdad and the southern provinces of Iraq, and has achieved a measure of tolerance from elements of the Government of Iraq. JAM is closely associated with the Office of the Martyr Sadr and is nominally responsive to his direction. Most, but not all, JAM elements are following Sadr's order not to engage Coalition forces or the ISF except in self-defense. Still, violence between JAM, the Iraqi Army, and to a lesser extent Coalition forces, is frequent. Rogue JAM elements are among the main perpetrators of sectarian violence, and JAM members frequently participate in death squad activities. As described above, JAM and Badr Organization members have periodically attacked one another in the past and are political rivals, but intra-Shi'a conflict has taken a back seat to the ongoing battle of violence and revenge between al-Qaeda in Iraq and elements of JAM. Like Badr, JAM receives logistical support from Iran.

The *Peshmerga* are, technically, not a militia, but have the status of an authorized armed force. The *Peshmerga* maintain security independently within and along the borders for the Kurdish Regional Government. Some elements are integrated into the IPS. The *Peshmerga* predominantly operate in Kurdish regions, but have also been employed in the private security company role outside of Kurdistan. The *Peshmerga* do not attack or oppose Coalition forces or the ISF. In some cases, *Peshmerga* provide security for Coalition reconstruction efforts. Over the long term, however, the perceived dual allegiance of the *Peshmerga* is potentially inconsistent with effective national security and governance.

Unlike the Kurdish and Shi'a militia groups, Sunni Arabs do not have formally organized militias, but rely on neighborhood watches, Rejectionists, and, increasingly, al-Qaeda in Iraq. The presence of *Peshmerga*, Badr Organization, and JAM individuals in the IPS and the National Police contributes to Sunni concerns about the potential for persecution and partisanship. The rise of sectarian attacks is driving some Sunni and Shi'a civilians in Baghdad and the mixed-ethnic provinces to support militias. Such support is likely to continue in areas where Iraqi institutions and forces are perceived as unable to provide essential services or meet security requirements.

Criminals

Without an apparent political motive, conventional criminal elements are also capitalizing on the instability in Iraq, although it is increasingly difficult to distinguish among activities conducted by criminal, insurgent, and terrorist groups, as all are engaged in kidnappings, extortion, assaults, and other illegal behavior. In some cases, criminal

gangs work with terrorist organizations, with the former abducting hostages and selling them to the latter, which can use their captives for publicity or to obtain ransom. The various groups involved in illicit activity are doing so to generate revenue, expand their influence, and facilitate further criminal, terrorist, or insurgent operations.

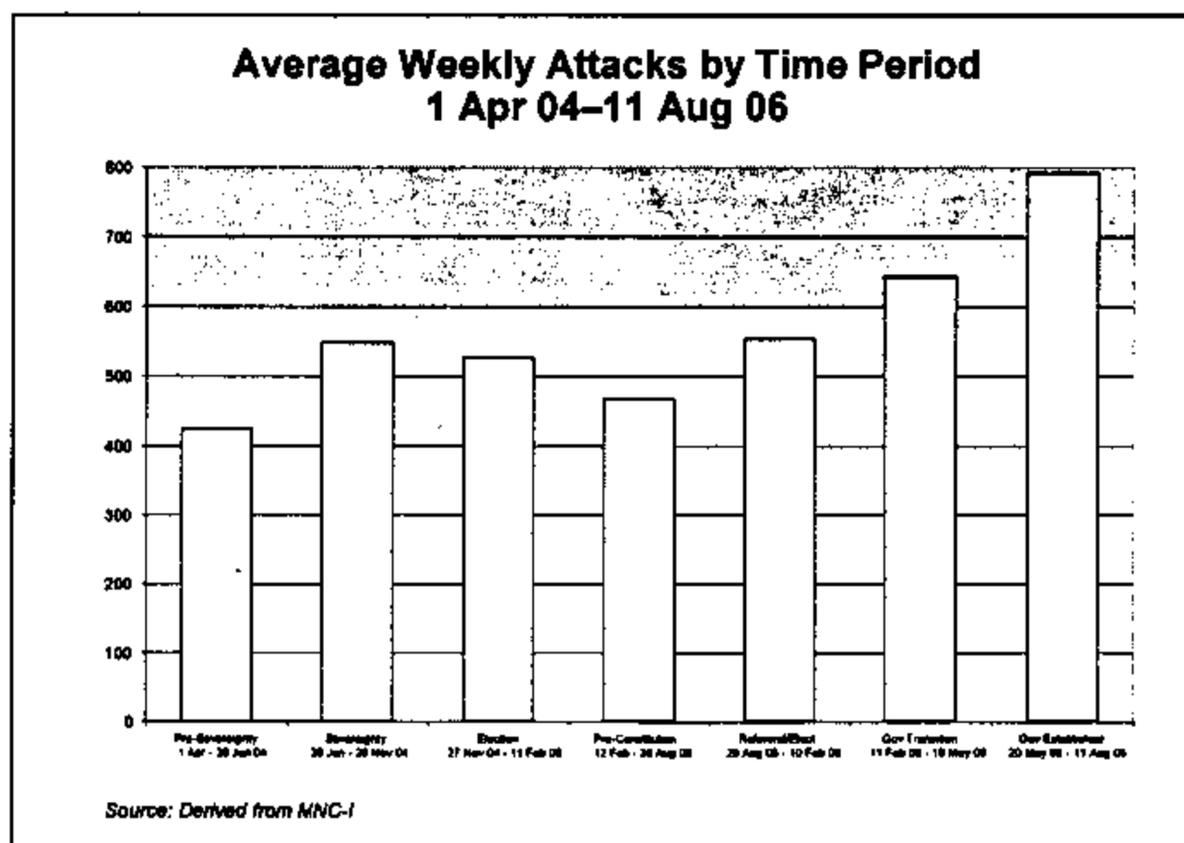
Attack Trends and Violence

For this report, the term “attacks” refers to specific incidents reported in the Multi-National Corps-Iraq (MNC-I) Significant Activities database. It includes known attacks on Coalition forces, the ISF, the civilian population, and infrastructure.

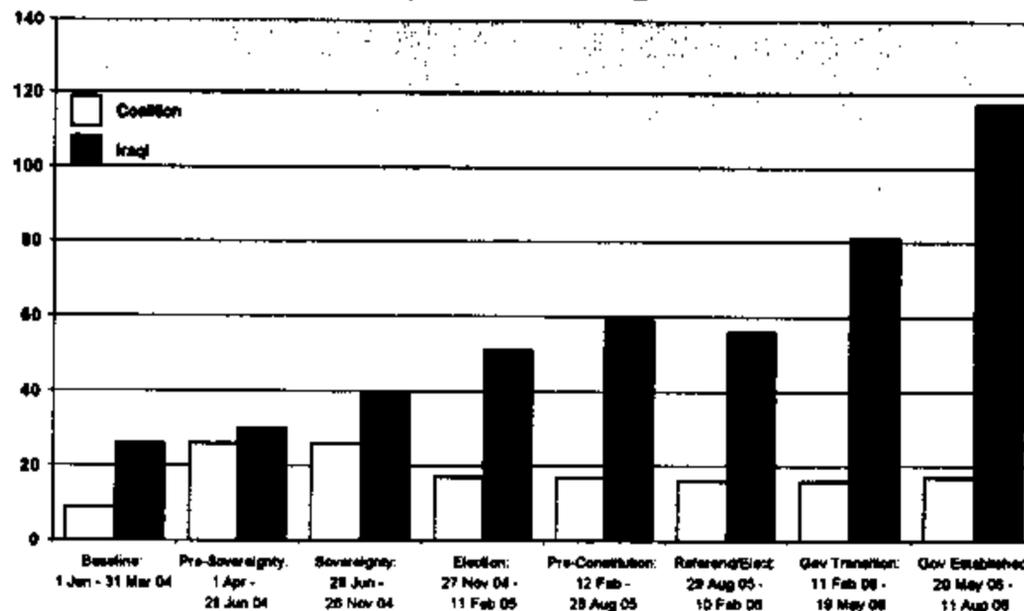
In the government establishment period beginning May 20, 2006, the average number of weekly attacks increased 15% compared to the previous reporting period. Weekly attack levels in July 2006 were the highest to date. Coalition forces continued to attract the majority (63%) of attacks. However, the ISF and civilians continued to suffer the majority

of casualties. Overall, Iraqi casualties increased by 51% compared to the previous quarter. Most attacks targeting Coalition forces were “stand-off” attacks, not involving close-up confrontations between Coalition forces and insurgents. Such attacks typically consisted of improvised explosive devices (IEDs), small arms fire, and indirect fire weapons. The number of car bombs this quarter increased to levels last seen in the summer of 2005. Over the last quarter, car bombs were largely centered on Baghdad, Mosul, Kirkuk, and the Western Euphrates valley, and primarily targeted civilians or ISF checkpoints.

Although the overall number of attacks increased in all categories, the proportion of those attacks directed against civilians increased substantially. Nationally, in April 2006, civilians were the target of 11% of attacks; this increased to 15% in June 2006. Baghdad showed a more pronounced shift in the targeting of civilians compared to the national trend. In Baghdad, civilian targets comprised 15% of total attacks in April and



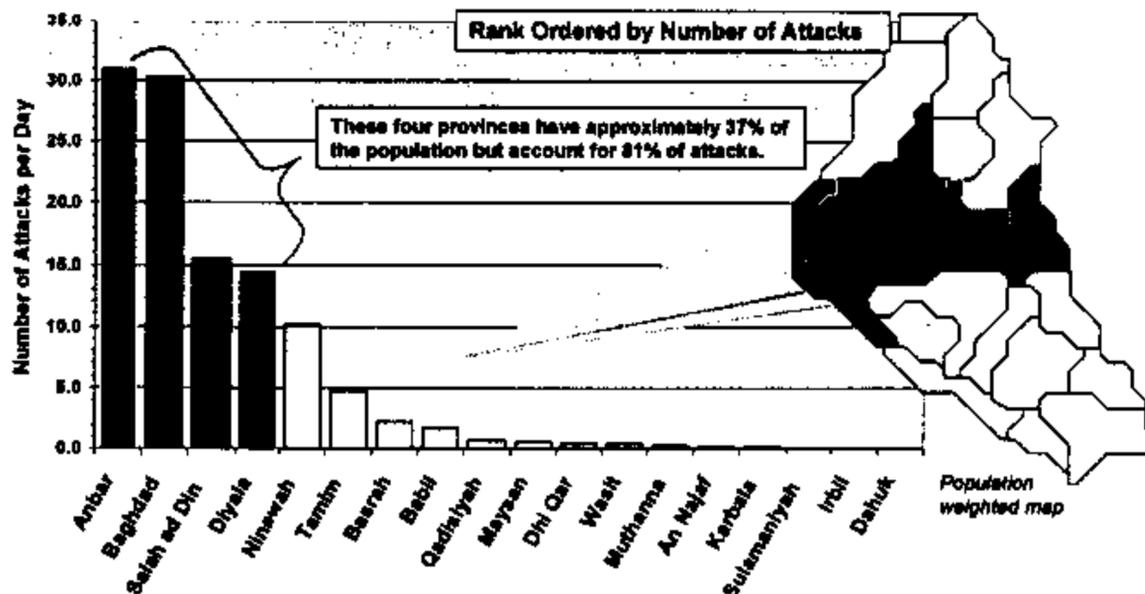
Average Daily Casualties* – Iraqi (including ISF) and Coalition 1 Apr 04–11 Aug 06



* Casualty data reflect updated data for each period and are derived from unverified initial reports submitted by Coalition elements responding to an incident; the inconclusivity of these numbers constrains them to be used only for comparative purposes.

Source: Derived from MNC-I

Total Attacks by Province 20 May–4 Aug 06



Source: Derived from MNC-I

22% in June. The increase in attacks over the past two quarters reflects heightened sectarian tension following the Golden Mosque bombing and increased death squad activity.

Four of Iraq's 18 provinces (Anbar, Baghdad, Diyala, and Salah ad Din) continue to experience the majority of attacks. Anbar and Baghdad are the worst affected provinces,

accounting for 55% of all attacks. Further, Ninewah and Tamim have seen significant increases in attacks over the last quarter.

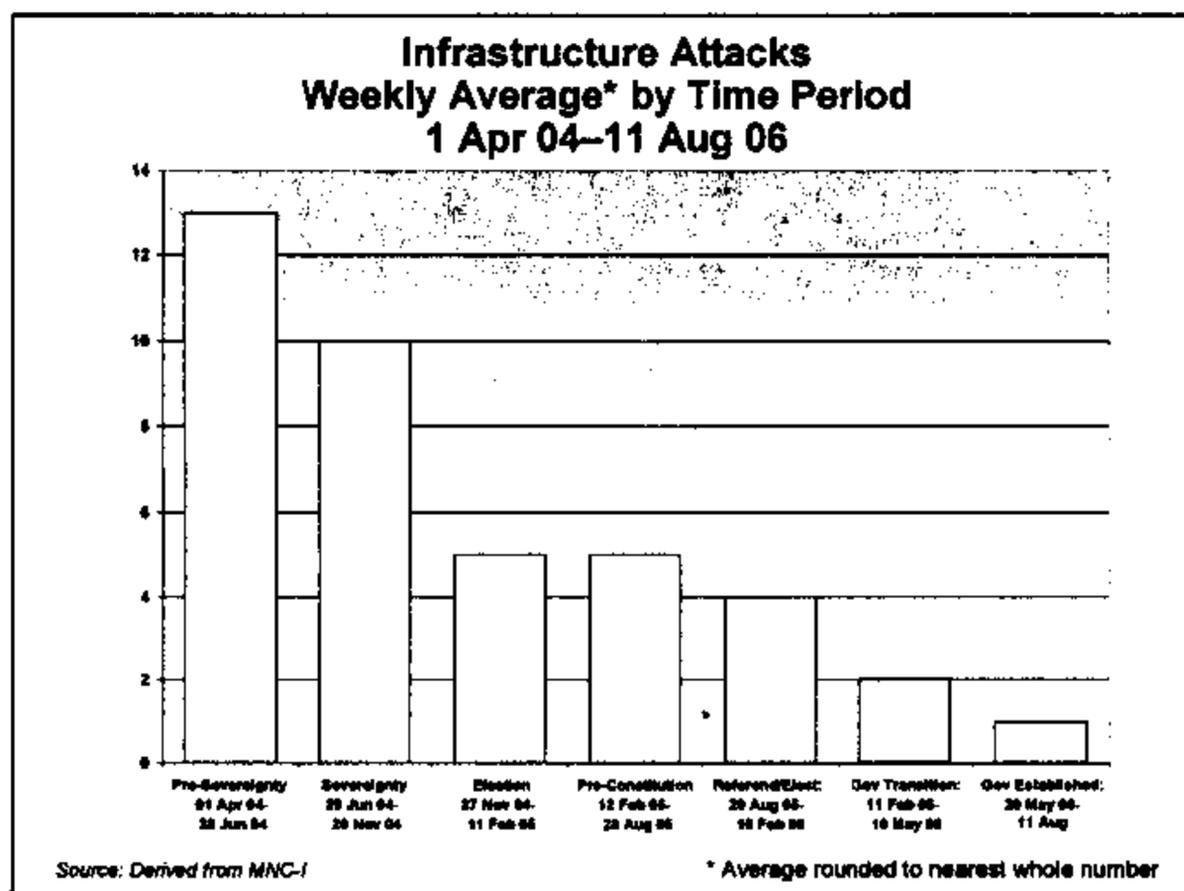
Infrastructure Attacks

The average weekly number of attacks on critical infrastructure providing essential services to the Iraqi people, such as electrical power, water, and fuel, continued to decline over the past quarter, decreasing from an average of five per week to an average of two per week. However, the effect of these attacks has been disproportionate to their numbers for several reasons. Most notable among these is the slow rate of repair to damage from previous attacks. At other times, Iraqi officials may be slow in initiating repairs. Infrastructure repair is often hampered by insurgent or other criminal intimidation of maintenance workers. Not all attacks and intimidation are the result of insurgent or other anti-government activity, as described in the economic section. Criminal activities, such as extortion and black marketeering, also have outlets in

disrupting public essential services. Although the number of attacks is decreasing, the essential services infrastructure will continue to be a high-value target for enemy elements. Successful attacks on the infrastructure adversely affect the legitimacy of government in the minds of the civil population by reducing the supply of essential services.

Concerns of Civil War

Sustained ethno-sectarian violence is the greatest threat to security and stability in Iraq. Breaking this cycle of violence is the most pressing immediate goal of Coalition and Iraqi operations. Conditions that could lead to civil war exist in Iraq, specifically in and around Baghdad, and concern about civil war within the Iraqi civilian population has increased in recent months. Notwithstanding this concern, there is no generally agreed upon definition of civil war among academics or defense analysts. Moreover, the conflict in Iraq does not meet the stringent international legal standards for civil war. However



defined, movement toward civil war can be prevented. The U.S. and Iraqi governments are continuing the military, diplomatic, and political actions needed to prevent a civil war and bring the situation in Baghdad under control. Sectarian violence is largely confined to the communal level. Furthermore, the Iraqi institutions of the center are holding. Iraqi leaders must take advantage of the popular support for democracy, a unified Iraq, and opposition to violence to form institutions that take responsibility for Iraq's security.

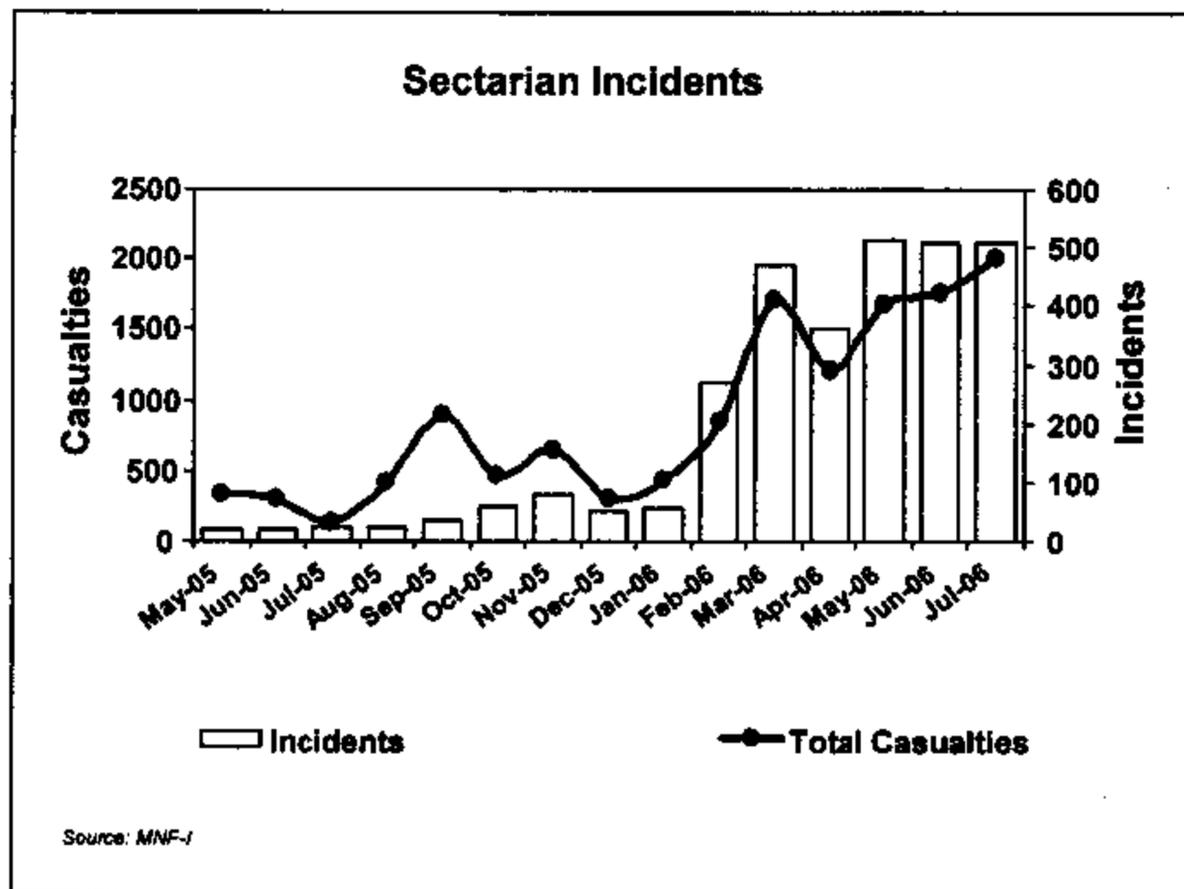
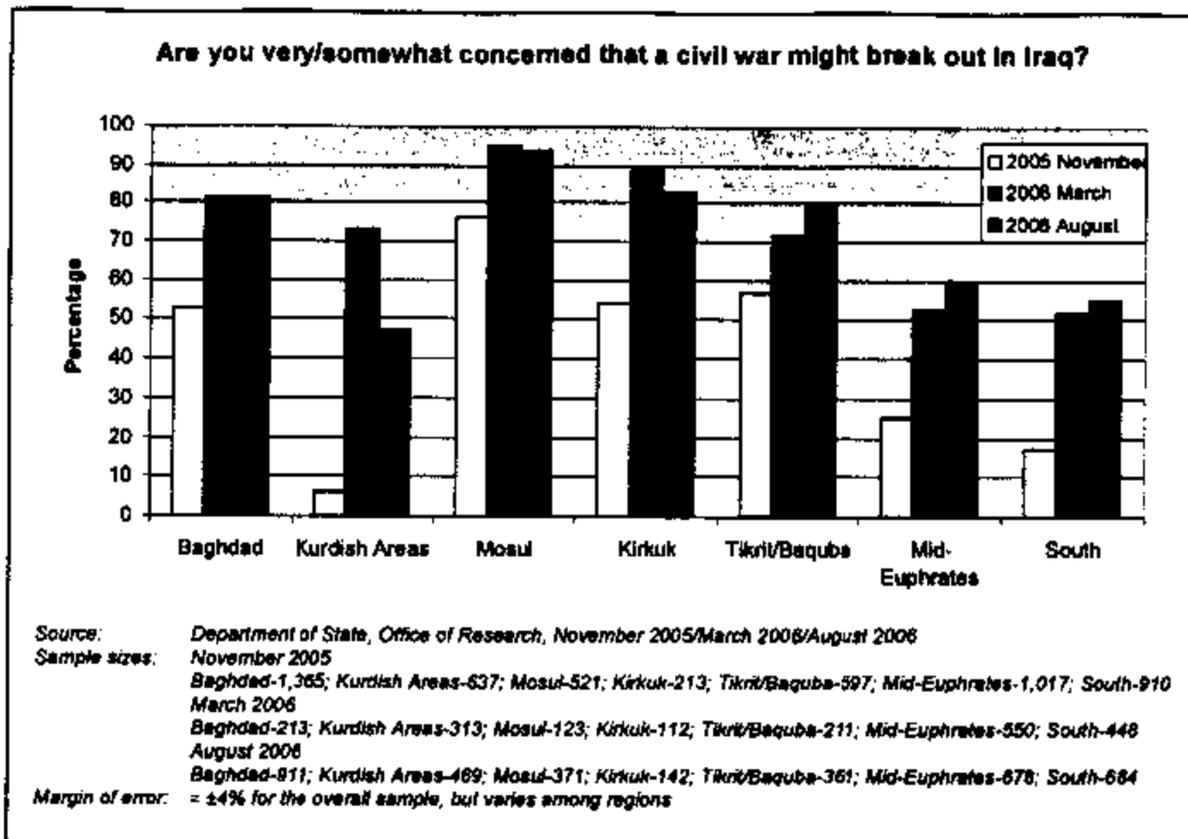
Sectarian tensions increased over the past quarter, demonstrated by the increasing number of executions, kidnappings, attacks on civilians, and internally displaced persons. According to an estimate by the United Nations, 22,977 families—137,862 individuals—have been displaced in Iraq since the February 22, 2006, Samarra Mosque bombing. Sectarian violence is concentrated on the boundaries of mixed and ethnically dominated areas of Baghdad and in southwestern Diyala Province.

According to MNC-I reporting, civilian casualties increased by approximately 1,000 per month since the previous quarter. Executions in particular reached new highs in the month of July. The Baghdad Coroner's Office

reported 1,600 bodies arrived in June and more than 1,800 bodies in July, 90% of which were assessed to be the result of executions. This is due to increased targeting of civilians by al-Qaeda in Iraq and the increase in death squad activity.

Sunni and Shi'a extremists, particularly rogue JAM elements and al-Qaeda in Iraq, are, as noted, interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their areas of influence. Throughout the past quarter, rogue JAM members continued a campaign of overt executions and mass kidnappings of Sunni civilians. At the same time, Sunni extremists continued to respond by carrying out large-scale and mass-casualty bombings of Shi'a gatherings and culturally significant sites.

Attacks on Shi'a by al-Qaeda in Iraq and other Sunni elements are apparently designed to inflame sectarian tension, which in turn generates and results in retaliatory attacks on Sunni civilians by rogue Shi'a elements. These rogue Shi'a actions increasingly appear intent on securing Shi'a enclaves and establishing control of contested areas of Baghdad. Coalition forces and the ISF are responding by increased targeting of both Sunni and Shi'a death squads.



Public Perceptions of Security

Ultimately, stability and security in Iraq depend on the support of the Iraqi people. In general, Iraqis have had an optimistic outlook on their future and the overall security situation. However, as time has passed, their optimism has eroded. The aftermath of the Golden Mosque bombing and the growing sectarian violence continue to shape their perceptions. As sectarian violence increases, the view of the security situation worsens. With the view that Baghdad is the key to Iraq, a similar sentiment toward security exists there.

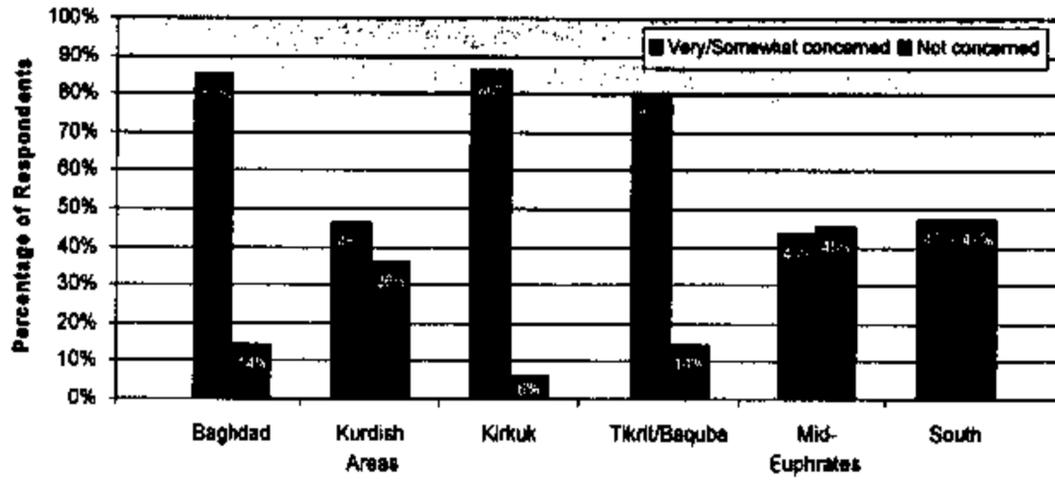
An indication of support for the Government of Iraq within the country is the level of confidence that the Iraqi people expressly place in the ISF Forces, especially when compared against militias or other illegal armed groups. Since the previous report, confidence in the Iraqi Army has remained generally constant, with the notable exception of Baghdad, where public confidence improved. Despite the increase in violence, confidence in the Iraqi Army rose from 69% to 78%. Despite the recent violence in Basrah, polling data that

include the Basrah area indicate increased confidence in both the police and the Iraqi Army over the last reporting period. Confidence in militias is mixed, with a rise in confidence in Baghdad countering an overall downward confidence trend elsewhere.

The perceptions of the Iraqi population will slowly respond to visible, effective actions performed by the IPS. It will take continued diligence on the part of the Iraqi Police to be seen as actively patrolling their areas and arresting individuals for criminal activity, while paying particular care to avoid the appearance of sectarianism.

Another indicator is Iraqi use of the intelligence hotline for providing tips to authorities about suspicious activity. The population has continued to demonstrate its willingness to report such activity and thereby support the government's efforts against terrorism. Since mid-March, the number of tips has increased (see following chart). Continued timely and effective response of the IPS to these tips should increase the confidence of the population.

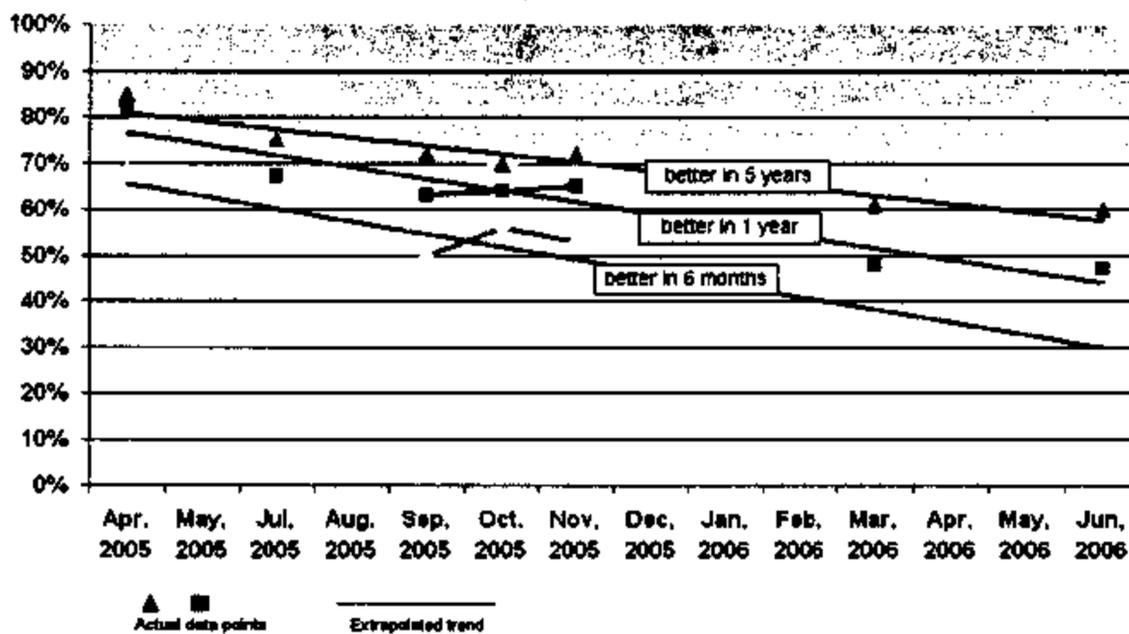
How concerned are you about an increase in sectarian or ethnic violence in Iraq?



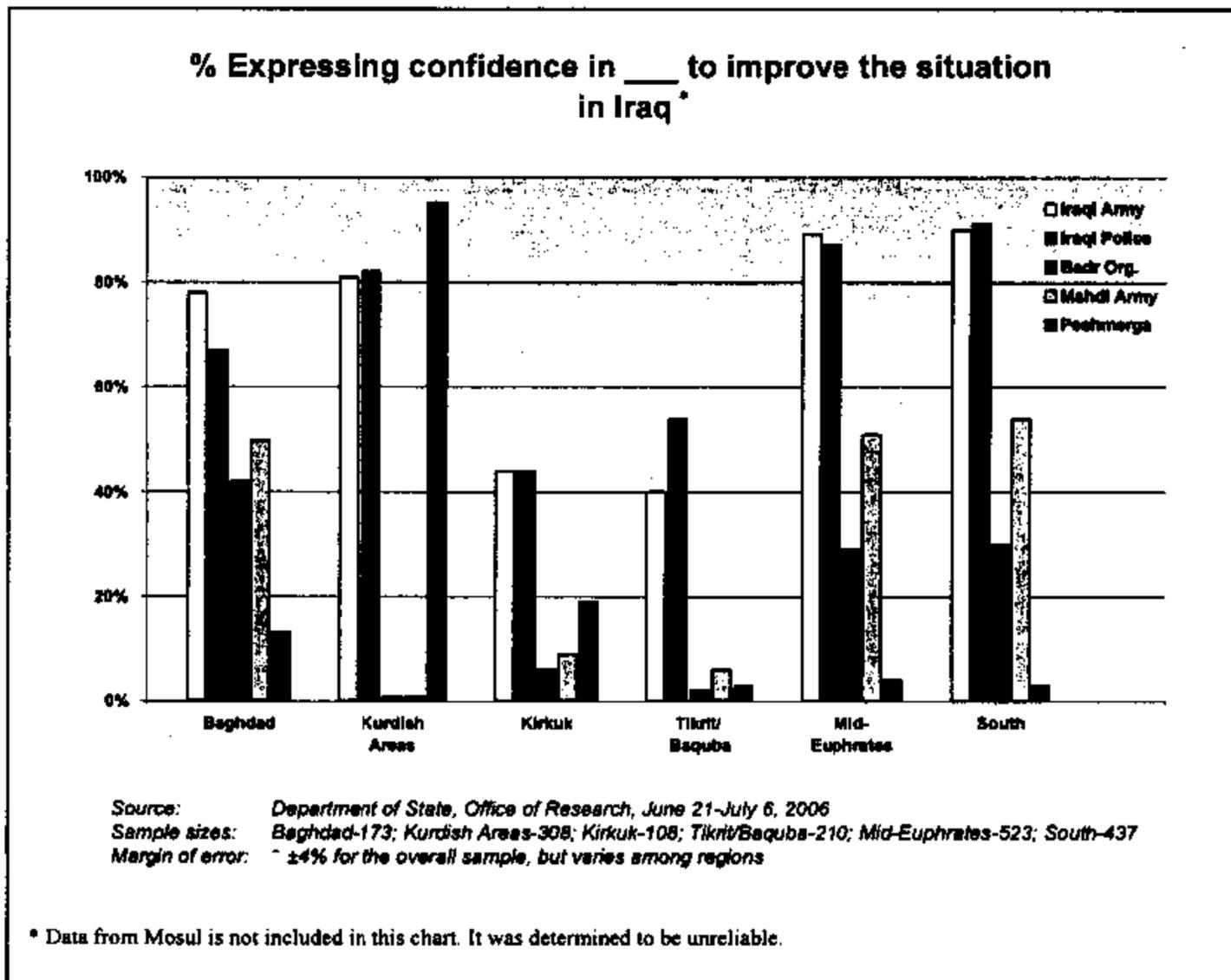
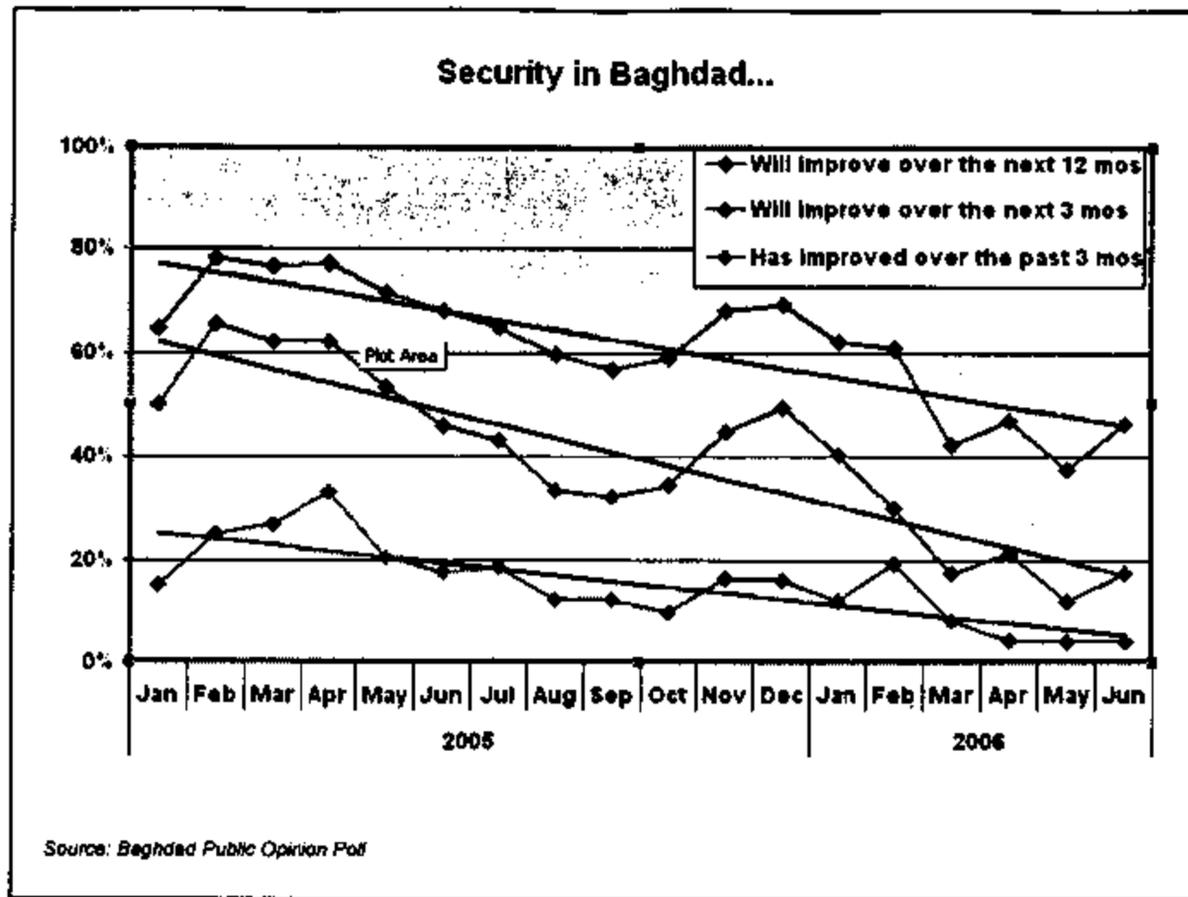
Source: Department of State, Office of Research, June 21-July 6, 2006
 Sample sizes: Baghdad-173; Kurdish Area-308; Kirkuk-108; Tikrit/Baquba-210; Mid-Euphrates-523; South-437
 Margin of error: ±4% for the overall sample, but varies among regions

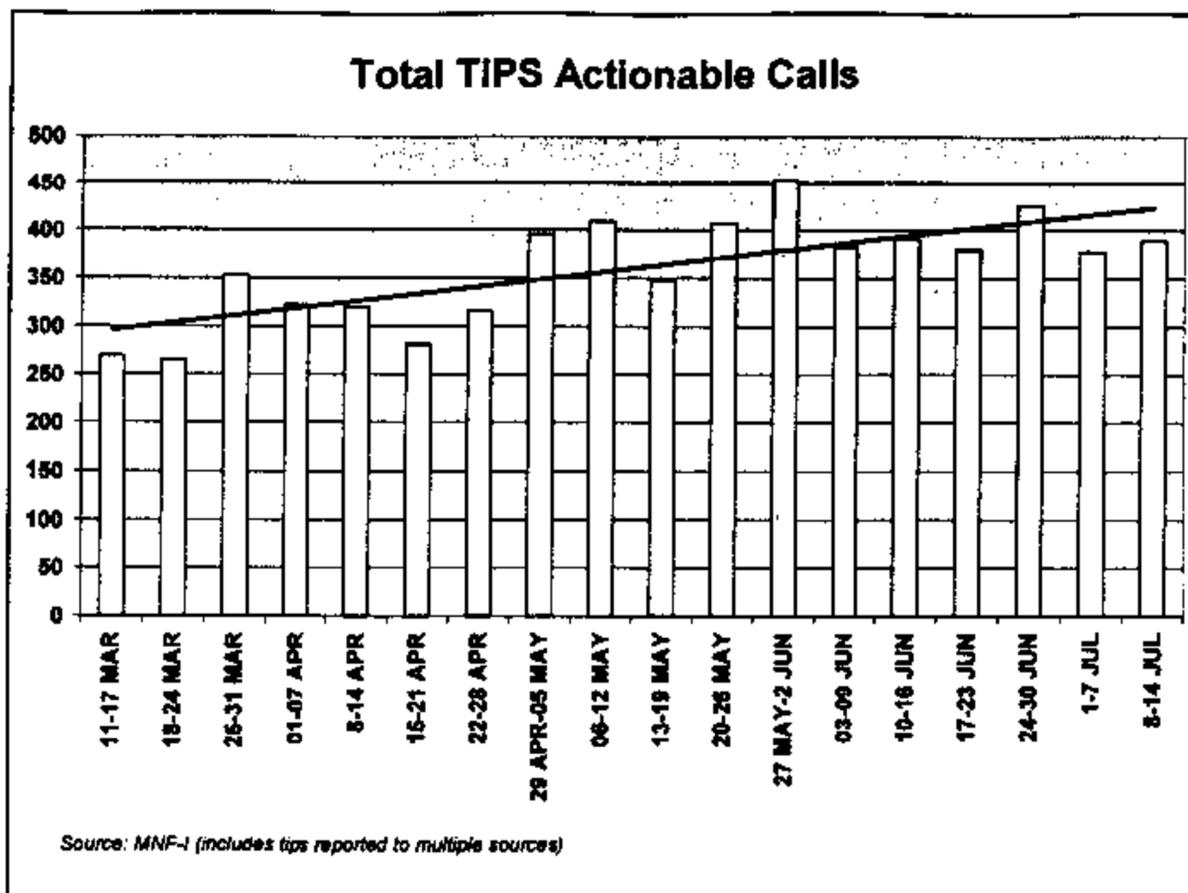
* Data from Mosul is not included in this chart. It was determined to be unreliable.

TREND: Thinking about the future, do you feel that things will be...



Source: International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)





2. Iraqi Security Forces Training and Performance

The ISF continue to grow in strength and capability as indicated by:

- progress in the training and equipping of ISF personnel;
- assessed capabilities of operational units; and
- progress in assuming responsibility for security of areas within Iraq.

Institutional capability within the MOD and the MOI is an increasingly important indicator of the transition to Iraqi security self-reliance. As the MOD and the MOI continue to staff, train, and equip forces, increased emphasis is placed on the development of institutional capacity to direct, support, and sustain the ISF.

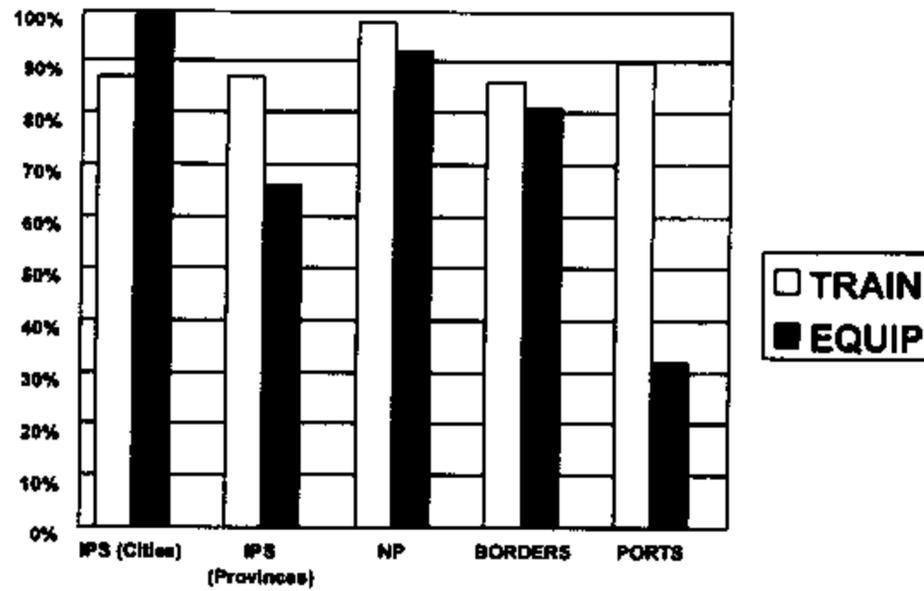
2.1 Progress in Training and Equipping the Iraqi Security Forces

Force generation continues on schedule this quarter. More than 14,000 additional Iraqi soldiers and police have completed initial training and equipping since May 2006, bringing the total number of ISF trained and equipped to 277,600.

More than 92% of authorized Iraqi Army battalions are assembled. Train-and-equip efforts remain focused on building combat support and combat service support forces providing key enablers to Iraqi combat forces. When fully established, these units will provide critical combat enablers, such as logistics and transportation support, intelligence, surveillance, and reconnaissance. More than 65% of authorized personnel in the Iraqi Army support forces have been trained and equipped. Logistics units and overall logistics capability continues to improve.

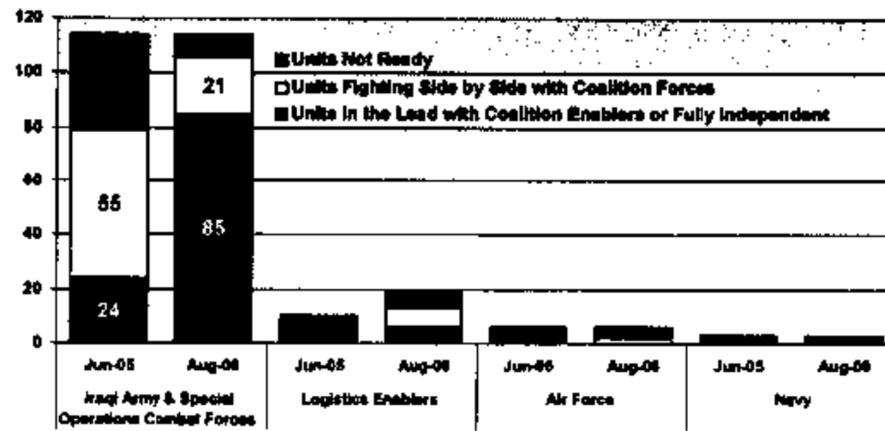
Current Status of Trained and Equipped Iraqi Security Forces			
Ministry of Defense Forces		Ministry of Interior Forces	
COMPONENT	OPERATIONAL	COMPONENT	TRAINED & EQUIPPED
ARMY*	~113,200	POLICE**	~113,800
AIR FORCE	~700	OTHER MOI FORCES	~48,800
NAVY	~1100	TOTAL	~162,600
TOTAL	~115000	OBJECTIVE	188,000
OBJECTIVE	137,600		
Total Trained & Equipped ISF:			
~277,600			
<small>* MBSTC-I expanded the train and equip mission from 4 to 11 Strategic Infrastructure Battalions (SIBs) on 28 Mar 06. This change is reflected in the adjusted Iraqi Army authorization. ** The Ministry of Interior dissolved the National Highway Patrol into the regular Police on 17 Mar 06. This change is reflected in the adjusted Iraqi Police trained and equipped numbers.</small>			
<small>Data as of 7 August 06</small>			

MOI security forces are overall 84% trained and equipped. Baghdad, the other 10 critical cities, and the National Police are at 90% trained and equipped and are expected to reach 100% next quarter. Progress continues to support achieving Objective Civil Security Force goals by December 2006.



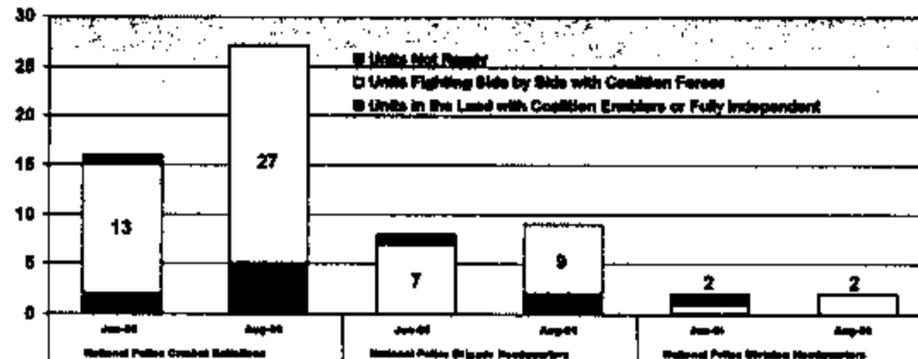
Date as of 15 July 2006

MOD Forces' Assessed Capabilities



Date as of 7 August 2006

MOI National Police Forces' Assessed Capabilities



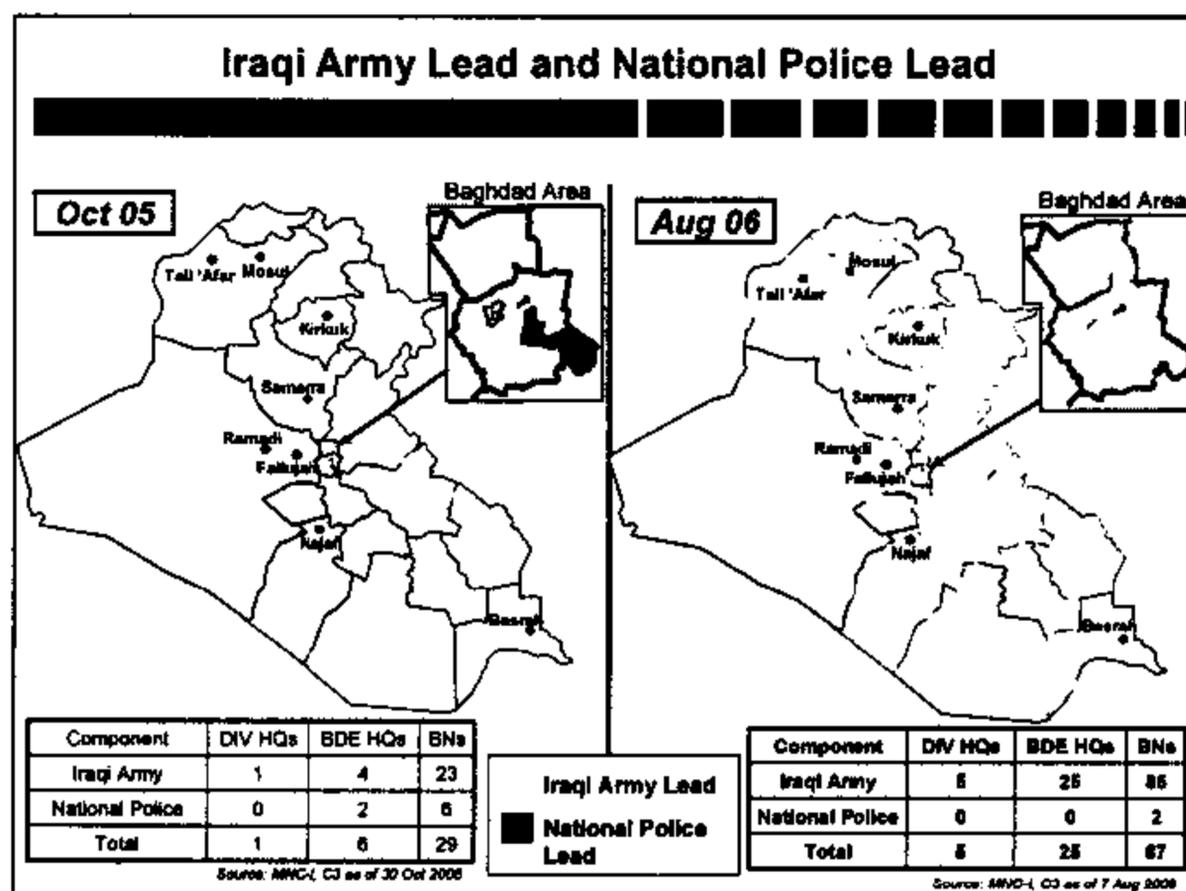
Date as of 7 August 2006

2.2 Progress in Assuming Leadership in Counter-Insurgency

The ISF are increasingly taking the lead in operations and assuming primary responsibility for the security of their nation, as Iraqi army and police forces demonstrate an increased capability to plan and execute counter-insurgency operations. The following charts depict this progress. As of August 7, 2006, 5 Iraqi Army divisions, 25 brigades, and 85 battalions, and 2 National Police battalions assumed lead responsibility for security in their areas of operation.

In total, there are 106 Iraqi Army combat battalions and 8 Strategic Infrastructure Battalions (SIBs) conducting operations at varying levels of assessed capability. Another three combat battalions are in the process of forming. In addition, 27 National Police battalions are now operational and active. The green shaded areas on the maps above depict areas where Iraqi Army units have assumed the lead for security responsibility. A unit can

assume the lead once it has been thoroughly assessed and has demonstrated that it is capable of planning and executing combat operations. Although these units lead security operations, most still require support from Coalition forces because their logistics, sustainment, and command and control capabilities are not fully developed. The Coalition's primary force development objective to date has been to produce trained, equipped, and capable combat units; there has been less emphasis placed on enablers, including logistics and command and control. Now that more than two-thirds of the Iraqi Army combat units are in the lead, the Coalition's focus will shift more toward helping the Iraqis develop these enablers. MNF-I will also continue to help improve the capacity of the MOD to organize, train, equip, sustain, and modernize its forces, with the goal of eventually eliminating the Iraqi Army's reliance on Coalition support.



2.3 Ministry of Interior

The objective for the MOI, in partnership with the Ministry of Interior Transition Team (MOI-TT), is to become a forward-looking ministry that is effective, efficient, accountable, representative, appropriately structured to deal with the prevailing security conditions, and staffed by people who are committed to upholding the rule of law. The MOI forces consist of the IPS, the National Police, the border forces, and the Center for Dignitary Protection.

The MNF-I initiative to develop professional civil security forces able to assume the lead for the security of the Iraqi people has been dubbed the "Year of the Police." The focus is on creating a force loyal to the people of Iraq and its Constitution, and committed to guaranteeing human rights and the rule of law. This was designated as one of MNC-I's main efforts in 2006.

Mentoring of civil security forces is conducted by Police Transition Teams (PTTs), National Police Transition Teams (NPTTs), Border Transition Teams (BTTs), and Customs and Border Protection Teams (CBPTs). More than 160 PTTs are assisting the development of the IPS. Because of the large number of police stations dispersed throughout Iraq, the PTT program has initially focused on provincial headquarters, district headquarters, and Iraqi police stations in key strategic cities, but will spread to other stations throughout the country as more stations achieve a higher level of readiness. To conduct their mission, the PTTs travel to their assigned stations to train, teach, and coach the Iraqi police and to conduct joint patrols with their Iraqi counterparts.

The integration of International Police Liaison Officers (IPLOs) into the PTTs significantly increased the Coalition force's ability to

develop the IPS. The IPLOs provide the civilian police with expertise in all technical aspects of criminal investigation and police station management. The deployment of five additional Military Police companies in July 2006 added extra PTTs, enabling the expansion of the program to assess and assist in the development of the IPS.

Twenty-seven BTTs mentor and enable development of border forces. Additionally, Department of Homeland Security Customs and Border Patrol Teams (CBPTs) provide critical mentorship at ports of entry, while 38 National Police Transition Teams (NPTTs) continue to support the development of the National Police units. These transition teams are intended to improve the readiness and capability of their MOI partner units.

The Coalition Police Assistance Training Team (CPATT) is on track to meet the goal of recruiting and training the authorized number of MOI forces by the end of December 2006. The force generation of the Department of Border Enforcement (DBE) and the IPS will occur in November 2006 and December 2006, respectively. Specialized police units, such as the Criminal Investigative Division (CID) and the National Information and Investigative Agency (NIIA), will be trained by the end of 2006.

Iraqi Police Service

The IPS is composed of patrol, traffic, station, and highway police assigned throughout Iraq's 18 provinces. Its mission is to enforce the law, safeguard the public, and provide internal security at the local level.

CPATT has trained and equipped approximately 113,800 IPS personnel, an increase of 12,600 since the May 2006 report. CPATT projects that it will have trained and equipped 135,000 IPS by December 2006. Although the

force will be manned in the aggregate by the end of the year, proper distribution is a challenge. Certain areas have a shortage of trained officers while additional hiring in other areas has resulted in an overage in the force.

As of July 24, 2006, 71,324 police recruits have received training in the 10-week basic course. Police officers with prior experience attend a 3-week course, the Transitional Integration Program (TIP), instead of attending the full 10-week basic course. Originally intended only for police trained during the Saddam regime, the TIP was expanded in July to include serving police officers who have not been trained but who have served on the force for at least one year. The TIP includes training on human rights, crime defensive tactics, democratic policing, first aid, patrol procedures, firearms (9mm and AK-47), and anti-terrorism. The Officer Transitional Integration Program (OTIP) course curriculum includes democratic policing, human rights, first aid, police ethics, supervision and leadership, use of force, firearms (9mm and AK-47), communications and problem-solving skills, anti-terrorism, patrol procedures, critical for officers, and police investigations. Some 41,051 police officers have graduated from the TIP and OTIP programs.

IPS Operations

The IPS constitutes the majority of MOI forces in the country. Each month, PTTs assess the operational readiness of a portion of the police forces, using the Transition Readiness Assessments (TRA) process. The TRA evaluates the police on the core functions required for effective law enforcement and community policing. Shortages of PTTs has limited observation of the IPS in Anbar, Babil, Basrah, Tamim, Wasit, Karbala, Maysan, Ninewah, Qadisiyah, Salah ad Din, Irbil, Dahuk, and Sulamaniyah provinces.

However, the recent arrival of five additional Military Police companies will greatly increase the ability to assess the IPS.

IPS Recruiting and Vetting

More than 230,000 MOI employees have been screened by the Iraqi Police Screening Service, which checks fingerprints against Ba'ath Party records and Saddam-era criminal records. Of these, 5,300 were reported as possible derogatory matches, and 74 have been dismissed. There is currently no screening process to ascertain militia allegiance. More than 54,000 police candidates have been screened for literacy by Morris & McDaniel, 73% of whom passed and were allowed to enter basic training. Currently, no method exists to track the success rates of these or other police officers.

IPS Equipment

The IPS is equipped with AK-47s, PKC light machine guns, Glock pistols, individual body armor, high frequency radios, small and medium pick-up trucks, and mid-sized SUVs. The IPS in Baghdad and the nine other key cities had been provided with 99% of their authorized equipment at the end of June 2006. They will have received 100% by mid-August 2006. The IPS in all 18 provinces have been provided with 66% of their authorized equipment and will receive 100% of their authorized equipment by the end of December 2006.

IPS Leadership

Leadership in the IPS is the cornerstone for success. The IPS currently has three leadership courses to develop high-quality leaders. The First Line Supervisor Course is designed for company grade officers. The Intermediate-Level Course is designed for field grade officers, and the Senior-Level Course is designed for General Officers. Each course is

two weeks long. Program topics are designed for the target audience and include human rights, discrimination, right to life, code of conduct, democratic policing, modern policing, the role of the supervisor, communication and the supervisor, delegation, change management, ethics, police corruption, problem employees, community policing, field training police leadership, history of management, modern supervision in today's law enforcement organizations, crime scene management, civil disorder, records management, budgeting, logistics, equipment and facilities management, group problem solving, mission values, six-step problem-solving models, overview of law enforcement planning, strategic planning, motivational theory, and analyzing employee performance problems. A plan is in place to develop a more extensive Intermediate-Level Officers course, slated to begin in the fall of 2006.

The Officer Education System has been successful in developing junior leaders loyal to the Iraqi people. However, certain senior leaders are products of the former regime and continue to view leadership as an entitlement, not a responsibility. As these officers are identified, they are removed.

National Police

Organized into a National Police Headquarters, two National Police Divisions, the 1st National Police Mechanized Brigade, and the Emergency Response Unit (ERU), the National Police are charged with maintaining law and order while an effective community police force is developed.

The National Police Headquarters provides command and control, staffing, equipping, training, and sustainment for these National Police Forces. It also commands the two training and professional development academies at Camp Solidarity and Camp Dublin.

The 1st and 2nd National Police Divisions reached 99% of equipping and authorized manning by July 2006 and will continue to progress through TRA levels, with the completion of force generation by December 2006.

Unprofessional and, at times, criminal behavior has been attributed to certain units in the National Police. This behavior and the decrease in public confidence in these forces has been the impetus for a National Police reform program. Each unit and its leaders will be assessed by a joint (Coalition and Iraqi) committee. Substandard leaders at all levels will be removed and units will undergo re-training.

National Police Training and Personnel

There are currently approximately 24,300 trained and equipped National Police, an increase of approximately 1,600 since the last report. They are trained in Iraqi law, human rights, the rule of law, and democratic policing techniques at the National Police Academy.

New recruits undergo six intense weeks of training at the academy in northern Baghdad. Training includes weapons qualification, urban patrolling techniques, unarmed combat apprehension, use of force, human rights and ethics in policing, introduction to Iraqi law, vehicle checkpoints, and IED characteristics and recognition.

National Police Operations

All National Police battalions are currently conducting counter-insurgency operations, with two battalions having security lead for their areas of responsibility. NPTTs are embedded at all levels of the National Police units, down to the battalion level. All National Police units work in Combined Operations

Areas (COAs) and partner with Coalition forces who provide support and advice.

National Police Recruiting and Vetting

The MOI recruits and vets the National Police force. Coalition forces provide advisors for the recruiting process, but neither actively recruit nor provide lists of names of recruits to the MOI. A National Police officer is recruited and provided an academy start date; upon arrival at the National Police academy, the candidate is interviewed by a senior staff officer (either a Colonel or Brigadier General). If he or she passes the interview, the officer is admitted to the academy. The individual's personnel file is then forwarded to the MOI, where a vetting team reviews it. If the officer is certified by the vetting process, he or she will be retained and allowed to complete the academy. If the candidate is disapproved, the officer is immediately removed from the academy.

National Police Equipment

The National Police have received 92% of their authorized equipment and will have received 96% of their authorized equipment by the end of November, missing its goal of 100% by a small margin. They will have received 100% of their authorized equipment by the end of December. The police are equipped with small arms, medium machine guns, and RPGs, and they patrol in light trucks. The mechanized battalions are equipped with Armored Security Vehicles and REVAs, a South African wheeled APC.

Department of Border Enforcement and Department of Ports of Entry

The DBE and the Department of Ports of Entry (POE) are collectively charged with controlling and protecting Iraq's borders.

DBE Training and Personnel

The DBE has 23,900 trained and equipped personnel, an increase of 1,800 since the previous report. The DBE is organized into 5 regions, 12 brigades, and 38 battalions, and includes the forces that staff 258 border forts.

Three academies, each with a capacity of approximately 800, train border patrol forces. The Iraqi Border Patrol Basic Training Course focuses on an introduction to law enforcement, human relations, human rights, weapons qualification, combat life saving, vehicle searches, Iraqi border law, arrest and detainee procedures, and small unit patrolling.

DBE and POE Operations

The DBE is supported by 27 Coalition Border Transition Teams (BTTs). The 11-man BTTs mentor and support the development of the border units. The BTT members are trained in various specialties, including logistics and communications, and provide critical assistance to the border force commanders in the areas of personnel management, intelligence, operations, budgeting, equipment accountability, and maintenance. Additional BTTs deployed in early June to support the development of the POE at critical high-threat border crossings. In February 2006, MNF-I supported the accelerated development of the POE through the deployment of a combined Border Support Team (BST), consisting of customs border protection agents and BTTs. In March 2006, most DBE units reached TRA Level 3, but remained short of equipment and key personnel. The DBE and POE are a higher priority for allocation of critical equipment; and cross-leveling of personnel has occurred to raise units to TRA Level 2. By November 2006, the DBE and POE are expected to have 28,360 trained and equipped personnel.

There are 14 land POEs, of which 13 are functional. Efforts continue to improve POE security. Progress in designation of POE standard organizations, delineation of responsibilities, and development of detailed policies and procedures has continued. The U.S. Department of Homeland Security, in coordination with Multi-National Security Transition Command-Iraq (MNSTC-I), has continued its rotation of Customs and Border Patrol Teams. These border security experts have had an important impact on the POEs, particularly along the Syrian border. The increased emphasis on BTTs and the Customs and Border Patrol Teams has improved DBE readiness levels, as the Coalition's expertise and mentorship affects the Iraqi border forces.

DBE and POE Equipment

Organizational equipment includes small and medium pick-up trucks, mid-size SUVs, generators, and radios. Personal equipment, including AK-47s, medium machine guns, and individual body armor, complete the outfitting of the border forces. The DBE currently has received 81% of its authorized equipment. They will have received 97% of their authorized equipment by the end of August, just short of the 100% goal for that date. They will reach the 100% goal one month later. Iraqi POEs will have received 100% of their equipment by the end December 2006.

Center for Dignitary Protection

Training and equipping of the Center of Dignitary Protection (CDP) is complete. The force of approximately 600 people has been prepared to serve as the Protective Security Details (PSDs) for Iraq's new government leaders. It is unknown how many of these personnel remain employed by MOI. An Iraqi training team assumed responsibility for training future PSD personnel in June 2006.

Facility Protection Service

In addition to the regular MOI forces, there are an estimated 145,000 Facility Protection Service (FPS) personnel who work directly for each of the 27 ministries. These forces act as security guards at government buildings and allow the IPS to police the communities. They are minimally trained and equipped, generally without Coalition oversight, and lack centralized control. FPS personnel have not always proven reliable, and some have been responsible for violent crimes and other illegal activity. Unfortunately, the FPS uniform looks similar to the police uniform, which causes many Iraqis to confuse the FPS with the better-trained IPS, undermining the reputation and credibility of the IPS. The Coalition and the Government of Iraq are establishing a program of reform to better regulate the FPS.

MOI Capacity Development

The MOI overall TRA remains at TRA 3-Partly Effective. The MOI Transition Team is working daily in the MOI, stressing planning and programming resources. The new Minister of Interior, Jawa al-Bulani, is embracing the need to reform the ministry. Logistics is the only essential system still assessed as ineffective. Improvement of the logistics system is a focal point for the next 90 days. All other major functional areas and systems are considered partly effective. Over the next 90 days, emphasis will also be placed on building a solid framework of plans, policies, and processes to ensure that the MOI can manage personnel efficiently, conduct policing operations effectively, and maintain and sustain capability.

MOI Logistics

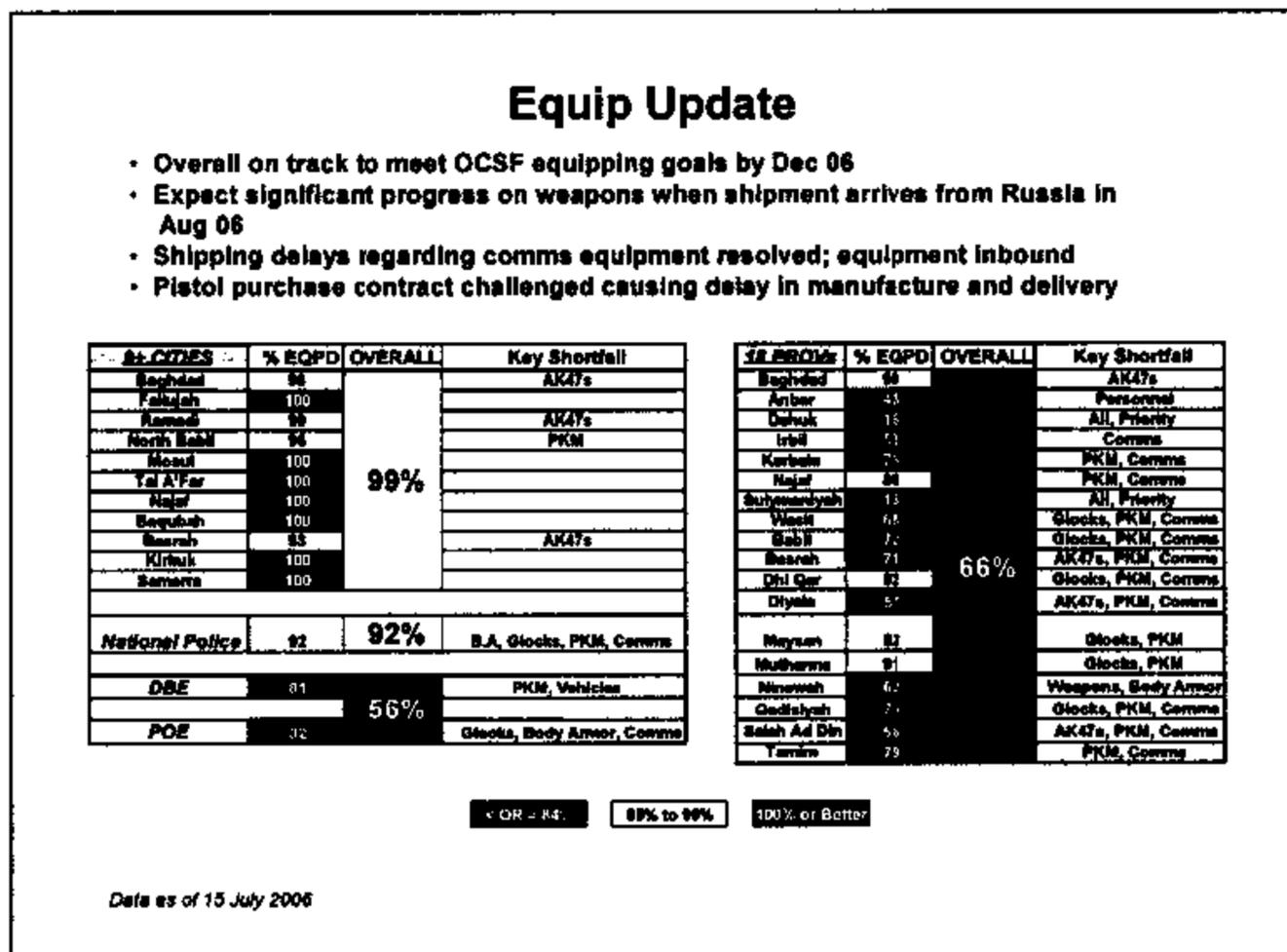
Logistics capabilities continue to be an area of significant concern for the IPS, particularly

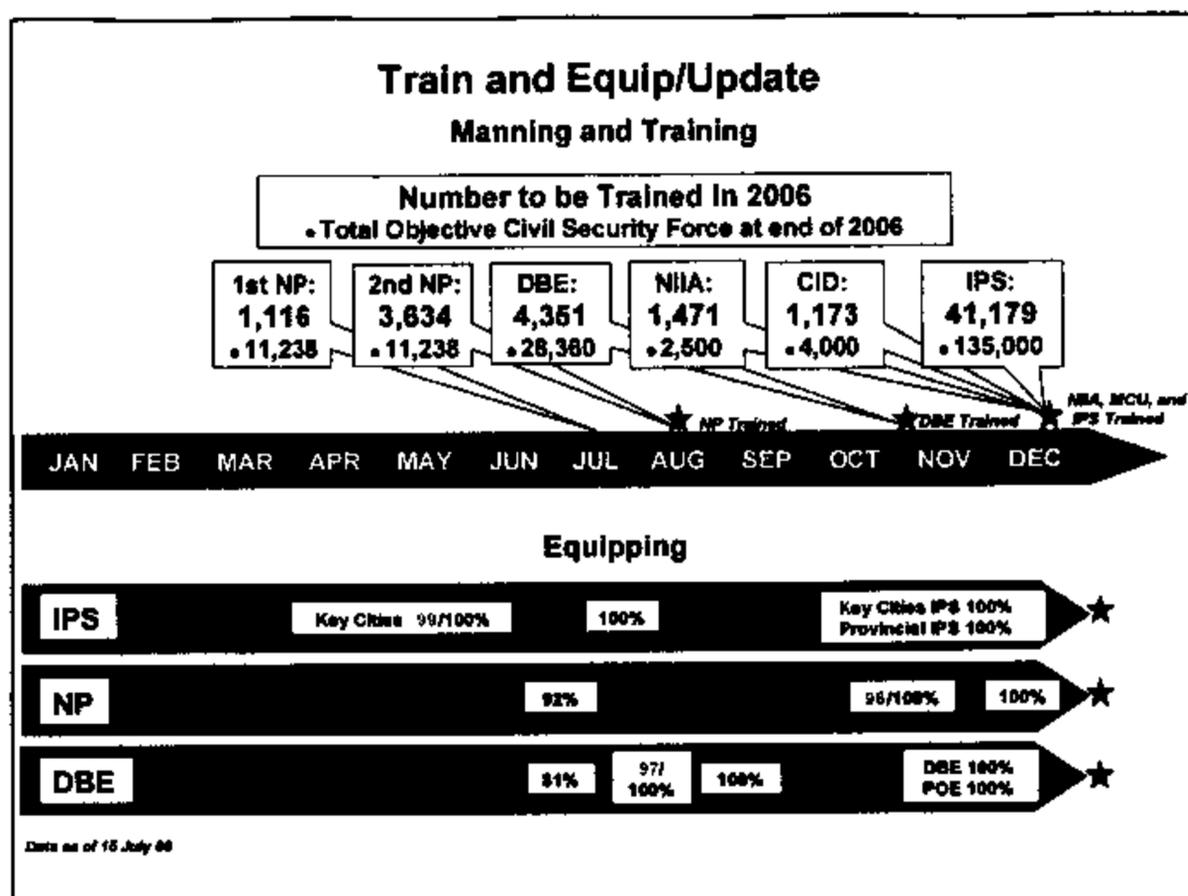
with respect to vehicle maintenance. However, accountability of equipment continues to improve as verified by reports submitted by PTTs. CPATT/MOI-TT continues to provide logistical support in both an advisory and financial capacity to assist with sustainment operations. Recently, a Director General for Logistics and staff were put in place. A 6-month vehicle maintenance contract for the National Police and the Baghdad IPS was agreed upon. Currently, there is a US\$950,000 vehicle spare parts contract for MOI forces, and a US\$350,000 vehicle spare parts contract for the National Police is in place. The average monthly logistical life support provided from April through June was US\$20,266,121, for a total of US\$60,798,363 during that timeframe. Construction of a MOI National Storage and Maintenance Facility was started in June 2006, with an estimated completion in December 2006. Currently, we are in the process of conducting a test case to hand over an LDI storage warehouse (one of seven) to

Iraqi control in August 2006. A plan is being formulated to hold a National Logistics Conference in September 2006.

MOI Equipment

MOI security forces are on track to reach December 2006 Objective Civil Security Force equipping goals. The following graph depicts the equipping status and key shortfalls of Baghdad and the 9 other key cities, 18 provinces, the National Police, the DBE, and the POEs. Equipment-issue priorities focused on equipping Baghdad, the 9 key cities, and the National Police, while simultaneously building initial functionality in the provinces, borders, and ports of entry. In general, these goals were met. However, the MOI does not currently have an effective equipment management system in place. As a result, it is unknown what percentage of the equipment issued to the MOI is still serviceable.





The equipping effort did experience unforeseen delays.

- Large shipments of Russian weapons were delayed clearing customs while exiting Russia and entering Iraq.
- Glock pistol delivery delays occurred when a U.S. manufacturer challenged the award of the pistol contract to a non-U.S. company.
- Communications gear was delayed due to shipping problems.

All matters have now been resolved and items have either arrived or are inbound. All equipment fielding goals are on track to be met by December 2006.

MOI Attrition and Absenteeism

The MOI does not currently have an effective personnel management system. As a result, it is unknown how many of the forces trained by CPATT are still employed by the MOI, or what percentage of the 146,000 police thought

to be on the MOI payroll are CPATT trained and equipped. CPATT estimates attrition to be at least 20% per year going forward. The MOI reports paying death benefits for more than 6,000 police officers since the fall of the Ba'athist regime in May 2003.

In addition to the overall number of police in Iraq, there are some issues with distribution of the police among the various provinces. For example, by the end of the year, Diyala Province will have recruited its authorized force, but will not have trained the entire authorized number. In the case of Diyala, the provincial leadership has resisted sending 100% of the force to training due to security concerns and the reluctance to take its police off the streets. Anbar, Basrah, and Ninewah may also miss their training targets for the same reason. Rather than let training seats go unfilled, other provinces were permitted to send some of their untrained personnel to training. As a result, those provinces will have more than the authorized force trained in their provinces.

As with the IPS, the National Police payroll is significantly larger than its authorized end-strength. There are currently more than 29,000 National Police on the MOI payroll, but it is unknown how many of these have been trained and equipped. Absenteeism among National Police units generally follows the same pattern as in the military. Leave policies and immature personnel management policies account for 30%–40% of personnel not present for duty. Absenteeism in the IPS is difficult to quantify because shift schedules preclude PTTs from ascertaining which police officers are absent and which are simply off-duty.

The DBE payroll is also larger than its authorized end-strength, with 25,832 DBE personnel on the MOI payroll. It is currently unknown how many untrained DBE personnel are on the rolls and how many of the trained and equipped border personnel have left the MOI. As with the other personnel issues, an effective personnel management system will help resolve these reporting and accountability deficiencies.

Sectarian Issues at MOI

The U.S. Government is committed to helping the Government of Iraq create an MOI that reflects the diversity of the Iraqi people. The goal is to create ethnically integrated units at the national level, while still allowing local police to reflect the ethnic composition of the communities in which they serve. The former Police Commandos, now part of the National Police, are becoming increasingly diverse. The former Public Order Battalions, also now part of the National Police, tend to be disproportionately Shi'a, due to a lack of Sunni participation when these units were being formed in preparation for the January 2005 elections. Merging the National Police Commandos and the Public Order Battalions into one National Police force has helped produce a more repre-

sentative National Police. Recruiting initiatives targeting Sunnis have improved the diversity. Unlike the National Police, local police forces tend to be of the same ethnic mix as the communities in which they live and work.

Corruption in MOI

In 2005, the MOI IG conducted 790 corruption-related investigations. Of these, 472 (60%) were closed. Of the 472 closed investigations, 118 (25%) were forwarded to the CPI or to a court for adjudication, 350 (74%) were closed because of "insufficient evidence," and 4 (1%) were handled as internal MOI discipline. To improve the IG's capability to investigate, the Specialized Advance Training Unit at the Baghdad Police College will train new MOI investigators. It will take approximately 18 months to train the Investigations Directorate at the basic investigator level. Beyond the IG training, improvements in leadership oversight, accountability, and reductions in sectarian and militia influence are required before Iraqis become confident that MOI forces can ensure security and uphold the rule of law in Iraq.

Foreign/Political/Militia Influence

Corruption, illegal activity, and sectarian bias have constrained progress in developing MOI forces. Inappropriate tolerance of and infiltration by Shi'a militias, some of which are influenced by Iran, is the primary concern of the Government of Iraq. A lack of effective leadership and policies to stem corruption through accountability for actions, equipment, and personnel have enabled the theft of pay and equipment, unlawful detentions, and reported cases of abduction and torture or execution of Sunnis. The minister is committed to changing corrupt leaders and instituting policies to eliminate corruption.

An additional 45 transition teams were deployed in July to increase PTT coverage across the country. As stations begin to reach TRA Level 2 in August, transition teams will expand their coverage of nearly 1,000 total stations across Iraq. This will limit infiltration by militias, improve adherence to the rule of law, and prevent complicity and participation in sectarian violence.

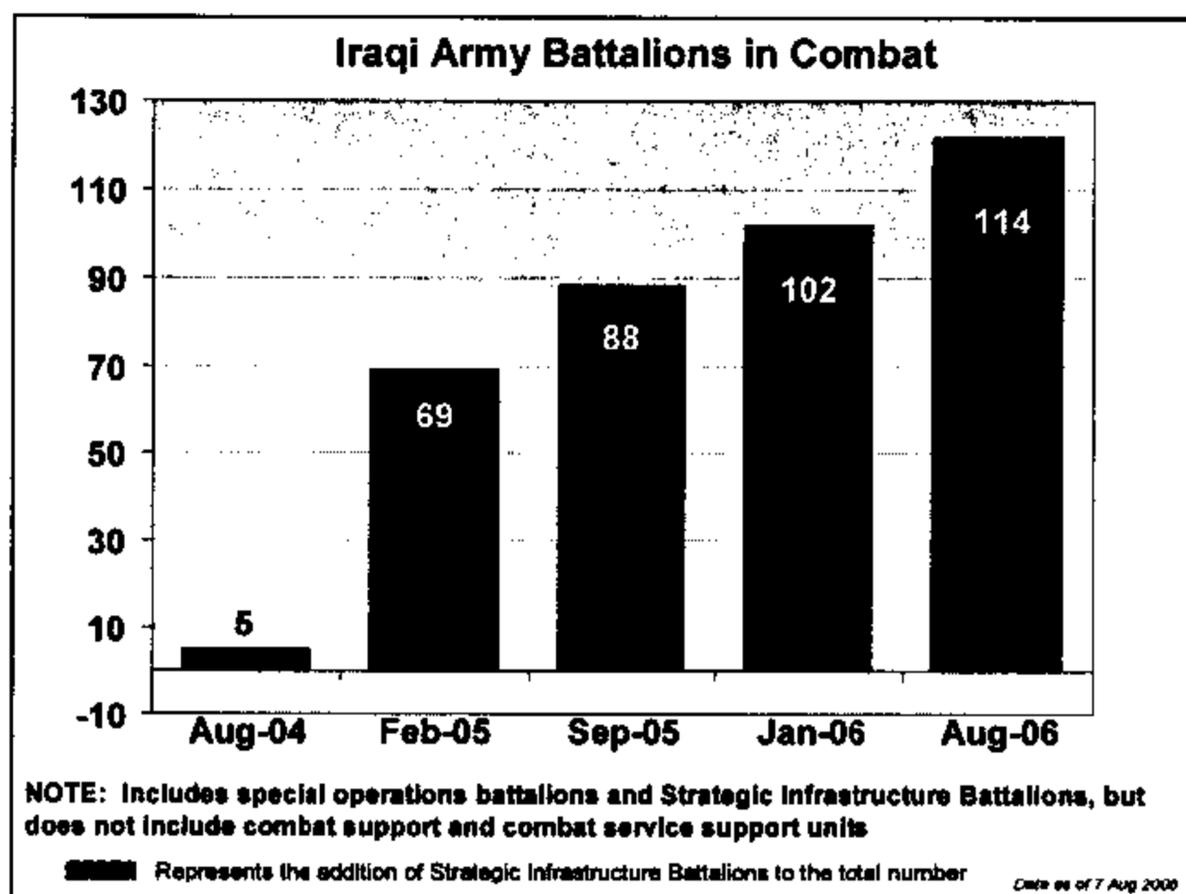
2.4 Ministry of Defense

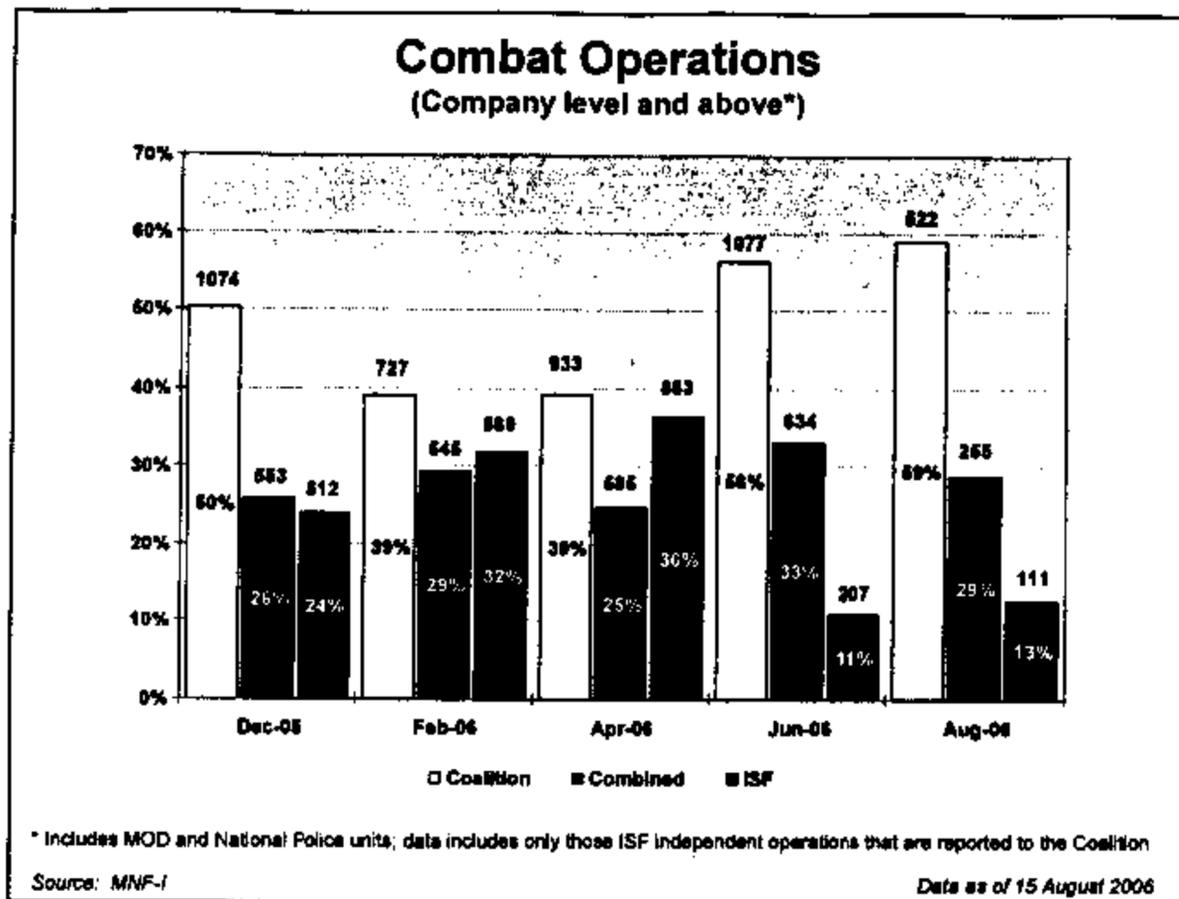
The Iraqi MOD forces consist of Army (including Special Operations Forces), Air Force, and Navy (including Marines) personnel. The end state of the Objective Counter-Insurgency Force will be an approximately 137,500-person force based around an Army with 9 infantry divisions and 1 mechanized infantry division consisting of 36 brigades and 112 battalions. Nine Motorized Transportation Regiments, 5 logistics battalions, 2 support battalions, 5 Regional Support Units (RSUs), and 91 Garrison Support Units (GSUs) are intended to provide

logistics and support for each division, with Taji National Depot providing depot-level maintenance and resupply. Each battalion, brigade, and division headquarters will be supported by a Headquarters and Service Company (HSC) providing logistical and maintenance support to its parent organization. The Army will also include 17 SIBs and a Special Operations Forces Brigade consisting of two special operational battalions. The Air Force will consist of six squadrons, and the Navy will consist of two squadrons and a Marine battalion.

Army

The Iraqi Army includes approximately 115,000 trained and equipped combat soldiers (including SIB personnel and around 9,600 support forces). The capability of Iraqi Army units continues to improve, facilitated by the mentoring by embedded advisors at the battalion, brigade, and division levels, and partnership with Coalition force units.





Force generation of Iraqi Army units is increasingly focused on combat enablers and continues in accordance with the force development plan. All three planned Iraqi Training Battalions are formed and fully operational. These battalions allow the Iraqis to train soldiers independently in sufficient quantities for force generation completion and replacement needs. New recruits attend a 13-week program of instruction. Upon graduation, soldiers receive additional training specific to their military occupation. Depending on their military occupational skill assignment, the length of training ranges from three to seven weeks. Other training initiatives, such as the Military Intelligence School, the Signal School, the Bomb Disposal School, the Combat Arms Branch School, the Engineer School, and the Military Police School, contribute to the growing professionalism of the Iraqi Army through teaching diverse specialties necessary to conduct and sustain counter-insurgency operations.

Three of the nine planned Motorized Transportation Regiments (MTRs) are approaching full operational capability. While a shortfall of fully competent maintenance personnel adversely affects full capability, these MTRs provide improved mobility and sustainment support for Iraqi forces. Progress has been made in establishing HSC units for each combat battalion, brigade, and division to provide transportation, communications, medical, supply, and maintenance support. Approximately 80% of the planned HSCs have been formed; one-third are operational, and the remaining planned HSCs are scheduled for completion by December 2006.

Currently, 17 SIBs are being trained and equipped. Although the Iraqi Army maintains operational control of the SIBs, at present only 1 SIB is capable of planning and executing independent operations, and all 17 require Coalition logistical support. Training of these battalions continues to employ a "train-the-

trainer" model that focuses specifically on squadron- and platoon-level tasks.

The capability of the SIBs is growing as they receive training and more modern equipment. MNC-I is partnering the more capable SIBs with locally deployed Iraqi Army units to provide them with counter-insurgency experience and to accelerate their leaders' professional development. Evaluation of their effectiveness in securing infrastructure, particularly oil pipelines in northern Iraq, is ongoing.

The Iraqi Armed Service and Supply Institute (IASSI) at Taji plays a critical role in training the officers and non-commissioned officers (NCOs) to fill support and combat service support positions in the Iraqi Army. The IASSI has trained more than 5,000 officers and NCOs who serve as leaders in the MTRs, RSUs, and HSCs. The IASSI continues to support the development of critical Iraqi Army support and combat support capabilities.

Special Operations Forces

The Iraqi Special Operations Forces (ISOF) are composed of approximately 1,600 soldiers organized into the Iraqi Counter-Terrorism Task Force, the Iraqi Commandos, a support battalion, and a special reconnaissance unit.

Navy

The Iraqi Navy is tasked with defending Iraq's coast, territorial waters, vital ports, and offshore oil platforms. The Iraqi Navy has more than 1,100 trained and equipped sailors and marines organized into an operational headquarters, two afloat squadrons, and five Marine companies. The Iraqi Navy is developing independent capabilities for surface surveillance, maritime interdiction, oil terminal protection, and support operations.

The Iraqi Navy Training Department continues to develop unit-level refresher training and naval skills improvements, including basic seamanship and maritime security operations. In June 2006, the Training Department independently conducted basic training and successfully graduated 324 naval recruits. Its training efforts range from mentorship, as conducted by the Naval Transition Team, to active skills training, as conducted by Coalition Navy, Marine, and Coast Guard Forces.

Air Force

The Iraqi Air Force continues to evolve toward supporting the counter-insurgency force, but progress has been slowed by difficulty in recruiting qualified applicants. There are currently 750 personnel in the Iraqi Air Force, with development plans calling for a concentrated recruitment effort over the next 18 months to at least double the personnel by the end of December 2007. This effort is intended to provide a satisfactory corps of professionals as a foundation for future growth.

The Intelligence Surveillance and Reconnaissance aircraft at Kirkuk Air Base (7th Squadron with five CompAir 7SLs) and Basrah Air Base (70th Squadron with two Seekers and six CH-2000s) are performing operational missions. These aircraft are primarily deployed to patrol oil pipeline infrastructure in the north and south, with occasional missions conducted in support of Iraqi Army units. There have been recent airworthiness issues with the CompAir 7SL aircraft, and the Coalition is working with the Iraqi Air Force to develop solutions and alternatives to continue supporting the mission.

Helicopter operations from Taji Air Base in central Iraq are still in their infancy, but the

next six months should see a marked improvement. The 2nd Squadron is expected to receive the first 6 of 16 Huey IIs from a modification factory in the United States by the end of January 2007 and the remainder before April 2007. The 2nd Squadron will primarily be used for casualty evacuation. It is expected to reach initial operational capability by the third quarter of FY2007.

Three C-130Es from 23rd Squadron at New Muthanna Air Base round out the Iraqi Air Force fleet. Early complications with low mission capable rates have been solved, and fleet-wide readiness was measured at 72% in July 2006. The Iraqi Air Force has requested an additional three aircraft from the U.S. Government to bring the fleet total to six. These additional aircraft reflect the Coalition Air Force Transition Team's force generation plan and efforts are under way to identify additional funding to meet this request.

Assessing MOD Capability

Operational/Unit Readiness

Embedded Transition Teams continue to provide monthly TRAs measuring the staffing, command and control, training, sustainment/logistics, equipping, and leadership of their partnered Iraqi units.

Personnel and Equipment Status

The total number of MOD military personnel trained and equipped is currently more than 115,000, approximately 84% of the objective end-strength.

With the generation of Iraqi Army battalions more than 92% complete, the focus of the Iraqi Army's train-and-equip effort shifted during this reporting period toward building combat support and combat service support forces. More than 65% of authorized per-

sonnel in the Iraqi Army's support forces are trained and equipped.

Equipping the Iraqi Armed Forces continues as planned since the May 2006 report, with 92% of authorized equipment issued to the 10 Iraqi Army Divisions and subordinate formations. MNSTC-I is on track to issue all currently authorized equipment by the end of December 2006. Equipment is distributed and filled according to the commander's operational assessment. MNSTC-I is currently working with the MOD to transition maintenance capabilities to the Iraqi Army. To date, two Regional Support Units facilities have been transitioned to the Iraqi Army.

Leadership

The lack of junior officers and NCOs continues to be one of the biggest factors impeding development of MOD forces. There is a shortage of school-trained officers and NCOs to fill lower-level staff and leadership positions. The shortage of leaders will abate as officer recruits are commissioned and they join their units. For NCOs, qualified soldiers are being "grown from within" through development and schooling to achieve promotion to NCO leadership positions.

The Regional Training Centers (RTCs) and the NCO Academy focus on junior leader development that is critical to building a professional force. The RTCs conduct Squad Leader and Platoon Sergeant Courses. Newly formed Sergeants Major and Chief Warrant Officer Courses have been added to the NCO Professional Education System. Specialized leadership courses, such as Logistics Supervisor, are being conducted at the Iraqi Army Service and Support Institute at Taji. Three Iraqi Military Academies at Zahko, Qalachwalan, and Ar Rustimiyah continue to train future officers.

The institutional leadership courses are complemented and reinforced through partnership with Coalition Military Transition Teams. These teams, embedded with every Iraqi battalion, brigade, and division, provide daily guidance and mentorship. In addition, Iraqi units are partnered with Coalition force units. These partnerships, combined with the expertise and leadership taught through the institutional base, are critical for development of both unit proficiency and leadership essential to increased operational effectiveness.

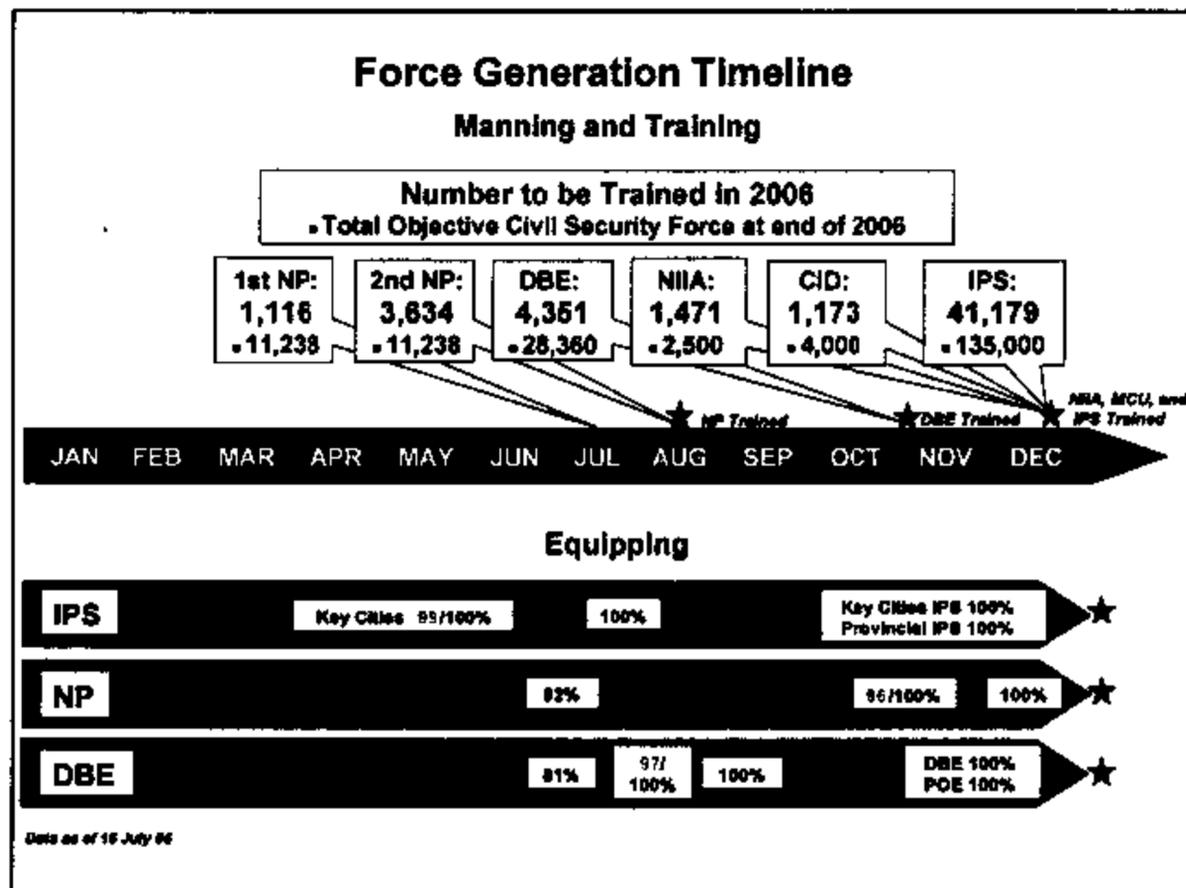
The importance of ethics, human rights, and leadership in the Iraqi Armed Forces has engendered a concept for a Center for Ethics and Leadership to provide institutional oversight for ethics education, training, and assessment.

A promising trend is that military leadership has become more involved with civic leaders and sheiks in their areas of operation. This activity will continue to reinforce and establish the importance of Iraqis leading and

taking responsibility for their own security and interests.

MOD Capacity Development

The new Minister of Defense, Abd al-Qadr Muhammad Jassim al-Mufraji, is confronting the challenges he faces and is already making his mark. Previous logjams in acquisitions and contracting are being eased, and he is working closely with MNSTC-I to proceed on force development, force expansion, and logistics support. The MOD Transition Team grew to meet this accelerated pace of business and expanded to more than 50, half of whom are Military Professional Resources Incorporated contractors. Close and effective relationships are being forged by team members with all senior MOD headquarters officials, and the confidence, and thus capacity, of these officials is strengthening. The ministries and the Joint Headquarters are expected to be in the lead with Coalition support by the end of 2007. However, a partnership with these institutions will be



required through at least the first peaceful transfer of power in 2010.

Coalition Support Requirements

MNC-I continues to provide logistical support to the Iraqi Armed Forces where the established system falls short. Although there has been some success with Iraqi Army units using their own processes, there is still a great deal of institutional development remaining. MNF-I is working with both MNC-I and MNSTC-I to aid the Government of Iraq in developing a defense logistics system, but in the absence of a self-reliant system, MNF-I must provide extensive support to Iraqi forces.

MNSTC-I processed life support contracts in a total amount of approximately US\$7.8 million for the months of May and June 2006. Currently, all life support contracts have been transitioned to the MOD. MNSTC-I has formed a Transition Working Group tasked

with ensuring that the MOD properly supports all Iraqi Army life support requirements.

DOD requested US\$151 million for MOI sustainment in the FY2007 Budget Amendment request, but did not ask for funding for MOD sustainment.

Coalition forces are also supporting the Government of Iraq with fuel. In June 2006, all Iraqi Army units submitted requisitions for fuel; MTRs provide the majority of the fuel distribution. Storage capacity will not be fully fielded until December. Additionally, the GSUs will not be fully on-line until March 2007. Until the MTRs and GSUs are in place, the Iraqi Army units will not be fully self-sufficient in terms of bulk fuel transportation and storage.

Coalition forces supported the Iraqi Army units with the combined fuel report listed below.

APRIL 2006		MAY 2006		JUNE 2006		TOTAL	
Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons
DIESEL	133,590	DIESEL	964,598	DIESEL	352,042	DIESEL	1,450,230
MOGAS	89,935	MOGAS	83,956	MOGAS	73,613	MOGAS	247,504
JP8	42,347	JP8	29,101	JP8	34,955	JP8	106,403
Quarterly Subtotal	265,872		1,077,603		460,610		1,804,085

Obstacles to Progress

Absenteeism

In the Iraqi Army, approximately 15% attrition is the norm for initial training. When a unit is fully trained and employed in combat operations, some soldiers find that they do not like the particular location or they cannot cope with dangers of the counter-insurgency. Absent-without-leave rates are typically about 1%–4% for most Iraqi Army divisions, although deployments to combat sometimes cause absentee spikes of 5%–8%. However, soldiers in units in this final stage of development are less likely to abandon the service. As with any organization, the units with strong, competent leaders tend to have higher present-for-duty rates than those with weak leaders. However, there is currently no judicial punishment system within the Iraqi Army. Therefore, Iraqi Army commanders have little legal leverage to compel their soldiers to combat, and soldiers and police can quit with impunity.

Sectarian Issues

The U.S. Government is committed to creating an Iraqi military that reflects the ethnic and religious fabric of Iraq, with diverse units loyal to the nation and not sectarian interests. Although competence and merit are the deciding factors when selecting recruits, particularly leaders, the ISF are developing so that they generally mirror the demographic make-up of Iraq. Sectarian lines remain drawn, however, along geographic lines, with Sunni, Shi'a, or Kurdish soldiers mostly serving in units located in geographic areas familiar to their group. These divisions are even stronger at the battalion level, where

battalion commanders of one particular group tend to command only soldiers of their own sectarian or regional backgrounds. The Minister of Defense, through an Officer Selection Committee, has used the normal transitions to continue to diversify the senior leadership in the Iraqi Army. This continuing process strives to ensure that the Iraqi Army is led by competent leaders who are representative of the national fabric. In the aggregate, Sunni, Kurd, and Shi'a are well and appropriately represented in senior leadership positions. The Sunni and Kurds are slightly over-represented, while the Shi'a are slightly under-represented, though Shi'a commanders still hold a large majority of command positions. The percentage of Sunni leaders at each level remains constant. At the battalion level, the echelon in which the Shi'a have the highest percentage of commands, they are appropriately represented when compared to the demographics of the Iraqi population. The relatively high percentage of Sunni and Kurds in higher-level commands is a result of the requirement for experienced military leaders, of which few were Shi'a. Generally, Shi'a and Kurds were excluded from higher-level positions in the former regime. The Kurds, however, benefited from years of experience in the *Peshmerga*. Nationally recruited Iraqi Army divisions are otherwise representative of the ethno-religious composition of the country. The even-numbered divisions were originally formed as National Guard units, with the intent that these units would serve in the respective local regions. The composition of these units tends to be representative of the region in which they serve. Over time, replacements from the national recruiting pool will increase the diversity of these divisions.

3. Transition

3.1 Transitioning Security Responsibility

Process for Implementing Provincial Iraqi Control

The transfer of security responsibility from Coalition forces to the Government of Iraq is an objective of the security track outlined in the National Strategy for Victory in Iraq. Such transfers reflect the capability of the Government of Iraq to fulfill its sovereign responsibility in the most fundamental, vital interest of any state—to protect its citizens and safeguard its territory. As Iraqis take on more responsibility for security, Coalition forces will increasingly move to supporting roles in most areas. This may allow for future personnel reductions or a delay in previously scheduled deployments. The Coalition's military posture on the ground will remain responsive and flexible. As the security situation evolves, MNF-I will maintain sufficient forces on the ground to help Iraq consolidate and secure its gains on many different fronts. The recent agreement between Prime Minister al-Maliki and President Bush to increase force presence in Baghdad is indicative of this flexibility.

Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and civilian-controlled Iraqi Police Service. Muthanna is the first of Iraq's 18 provinces to be designated for transition to Provincial Iraqi Control, which represents the successful development of Iraq's capability to govern and protect itself as a sovereign and democratic nation.

The joint decision between the Government of Iraq and MNF-I to hand over security responsibility is the result of Muthanna's demonstrated ability to take the lead in man-

aging its own security and governance duties at the provincial level. The transition decision also reflects a joint assessment of the overall threat situation in Muthanna, the capabilities of the IPS and the Iraqi Army, and the provincial leadership's ability to coordinate security. Transition Teams are in place to smooth the transfer process, and multinational forces stand ready to provide assistance if needed.

Dhi Qar Province appears to be ready to assume security independence within the next 45 days, and several other provinces should meet the transition criteria before the end of the year. The Government of Iraq and the MNF-I will continue to transfer security responsibilities in other provinces as prerequisite conditions are met.

In concept, security transition is a four-phased process.

1. **Implement Partnerships**. MNF-I and its Major Subordinate Commands establish and maintain partnerships across the entire spectrum of ISF units, from battalion to ministerial level.
2. **Iraqi Army Lead (IAL)**. Process during which Iraqi Army units progress through stages of capability from unit formation to the ability to conduct counter-insurgency operations.
3. **Provincial Iraqi Control (PIC)**. Iraqi civil authorities satisfy the conditions required to assume control and to exercise responsibility for the security of their respective provinces.
4. **Iraqi Security Self-Reliance**. The Government of Iraq achieves PIC (or a combination of PIC and IAL) throughout Iraq, and the government, through its security ministries, is capable of planning, conducting, and sustaining security operations and forces.

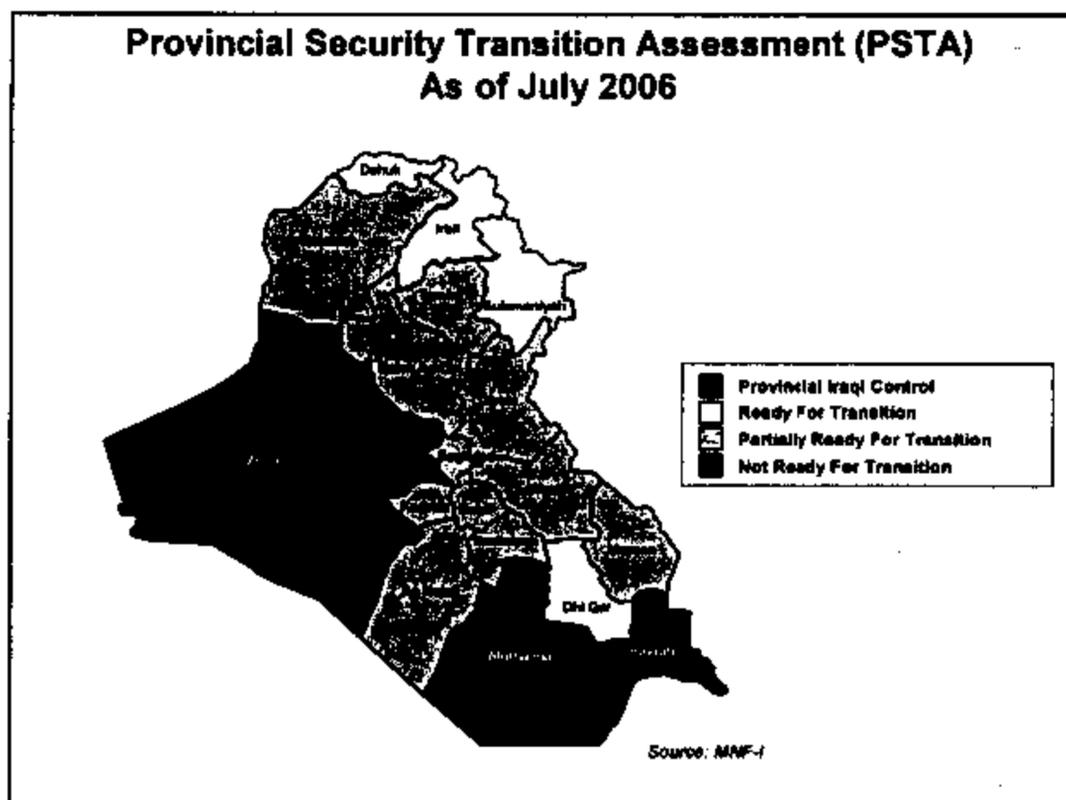
These phases are not strictly sequential. For example, the Iraqi Army does not have to assume the lead in a province before Coalition forces may begin transfer of provincial control. This was the case in Muthanna.

Phase 1 of the security transition concept—implementing partnerships—is already complete. As described above, the second phase, Iraqi Army lead, is well under way in many provinces. The third phase, establishing provincial Iraqi control over security, will be implemented on an area-by-area basis. The Government of Iraq, jointly with military and political leadership of the United States and Coalition partners in Iraq, will assess when conditions permit handing over security responsibility for specific areas from Coalition forces to the Iraqi civil authorities. The Joint Committee to Transfer Security Responsibility (JCTSR) has developed criteria to guide the transfer of security responsibility. Recommendations for transfer include an assessment of conditions in four categories:

1. Threat Assessment
2. ISF Readiness
3. Local Governance Capability

4. MNF-I Ability to Respond Quickly to Major Threats, if Needed

The recommendation to transfer security responsibility is based on the specific situation in any one province or provincial capital in the context of the overall security environment. The appropriate Multi-National Force Division Commander and Provincial Governor, assisted by representatives of the Iraqi Ministries of Interior and Defense and U.S. and United Kingdom Embassies, conduct monthly assessments of provinces and of provincial capitals. The JCTSR working group meets monthly to review the assessments and to present recommendations to the JCTSR principals regarding which provinces are ready to be transferred. Once a decision is made, the JCTSR working group will provide oversight of the development of transition directives, develop a public affairs plan, and arrange a post-transfer security agreement between MNF-I forces and provincial governors. Every transfer will ensure an effective and successful handover of security responsibilities. Moreover, the transition and reduced presence of MNF-I forces will be plainly visible to the Iraqi people.



Detainee Operations

Releases

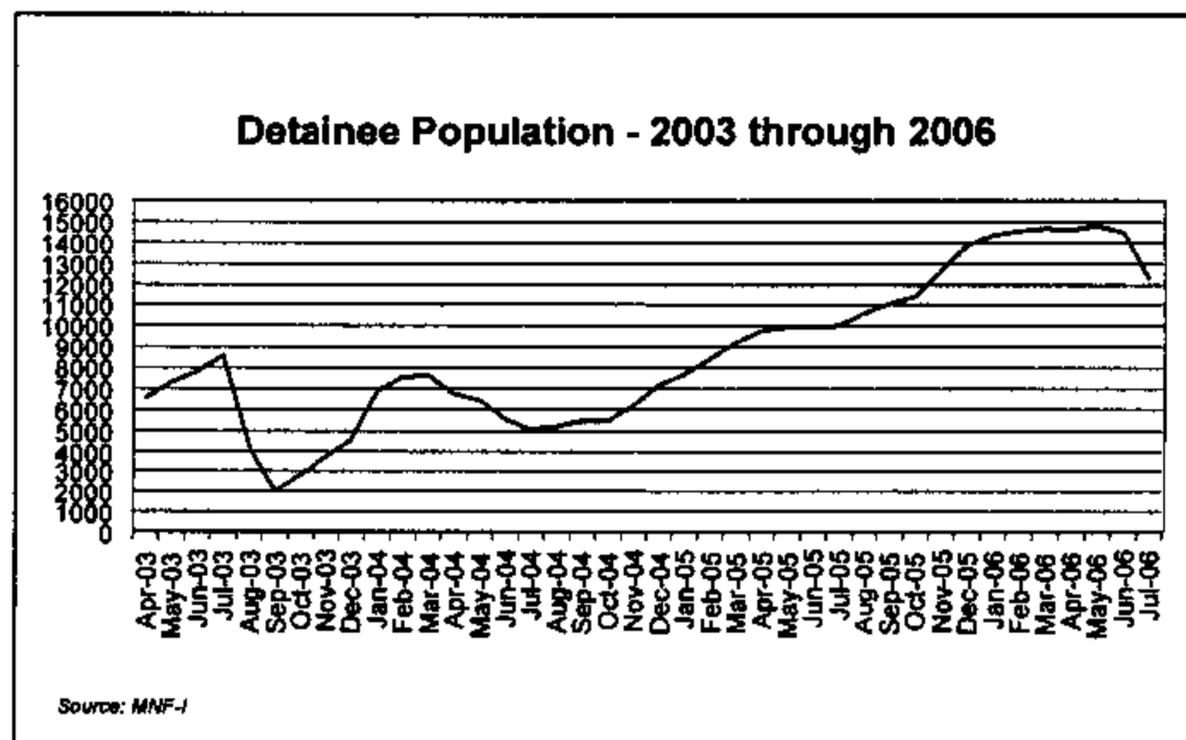
In June 2006, MNF-I, in coordination with the Government of Iraq, conducted a large-scale release of detainees in support of the newly formed national unity government. The release served as a visible symbol of the government's commitment to national unity and reconciliation in the progress toward democratic governance and the rule of law. MNF-I released 2,500 low-risk detainees over a period of three weeks. Coupled with the 500 detainees from the normal Combined Review and Release Board process, MNF-I had a net reduction of more than 2,000 detainees in June. A MNF-I special board reviewed approximately 6,500 records to identify the low-risk detainees. Each file was also reviewed by the MNF-I Deputy Chief of Staff for Intelligence to consider any additional intelligence reports. Detainees involved in violent acts, IED making/placement, financing insurgent operations, identified as key insurgent leaders, or who have been recaptured were not considered for release.

Transition of Coalition Detention Facilities and Detainees to the Government of Iraq

MNF-I has begun training Iraqi guards for a potential transition of the Coalition detention facilities and detainees. Transitioning detainee operations is a three-phase process.

1. Phase 1 consists of individual and collective training of Iraqi guards and leaders, including training alongside their U.S. counterparts inside the facility.
2. Phase 2 consists of the removal of U.S. guards and establishment of a U.S. transition team to supervise Iraqi Security Forces and to maintain legal custody of detainees.
3. Phase 3 consists of the final removal of all U.S. personnel and turnover of the facilities and legal custody of the detainees to the Government of Iraq.

The criteria for transfer includes the requirement for the Government of Iraq to possess the legal authority to hold security detainees, each facility demonstrating the ability to meet the care and custody standard, and the MOJ



having effective oversight of the program. MNF-I is currently in Phase 1. Significant challenges exist to ultimately meeting these criteria. The Iraqi Corrections System has not demonstrated the capacity to effectively resource and run a major facility, such as Camp Bucca. Additionally, based on the composition of the guard force, serious questions remain as to whether they would be able to maintain the required standards of care and custody. The most significant obstacle remains establishing the legal authority to hold security detainees. There is widespread opposition inside the Sunni political leadership to providing this authority to the Government of Iraq.

3.2 U.S. Force Adjustments

In consultation with the military commanders in Iraq, the Government of Iraq, and Coalition partners, the Secretary of Defense continues to advise the President on the appropriate level of U.S. forces in Iraq and the surrounding theater of operations based on current conditions. These conditions include, but are not limited to, key elements of the MNF-I Campaign Plan, such as the increasing responsibility of the ISF in counter-insurgency operations and ownership of areas of responsibility and progress in the political process.

Arbitrary deadlines or timetables for withdrawal of Coalition forces—divorced from conditions in Iraq and the region—would be a serious strategic error, as they would suggest to the terrorists, the Rejectionists, and the various illegal armed groups in Iraq that they can simply wait or stall to win. The absence of a specific timetable does not mean that the Coalition's posture in Iraq is static. On the contrary, the Coalition continually reviews the situation in Iraq and adjusts its posture and approaches as conditions evolve and Iraqi capabilities grow.

As security conditions improve and as the ISF becomes more capable of securing their own country, Coalition forces will move out of the cities, reduce the number of bases from which they operate, and conduct fewer visible missions. However, they will remain postured to assist, including supporting the ISF with transition teams. Although the Coalition military presence may become less visible, it will remain lethal and decisive, able to confront the enemy wherever it may gather and organize.

The Coalition retains the ability to quickly reinforce the Iraqi Army as required and to provide critical enablers as Iraqis develop their own capabilities. Coalition personnel levels will increase, if necessary, to defeat the enemy or to provide additional security for key events, like the 2005 referendum and elections. But the goal, over time, is to reduce Coalition forces as Iraqis continue to assume more of the security and civilian responsibilities themselves. This process is already under way.

The Government of Iraq has agreed to form a Joint Committee with MNF-I and the U.S. and UK Embassies to develop a conditions-based roadmap for the full transition of security responsibility to the ISF. This roadmap will consist of recommended conditions intended to lead to the eventual and gradual withdrawal of multi-national forces from Iraq.

The Joint Committee for Achieving Iraqi Security Self-Reliance (JCAISSR) will base its roadmap on much of the successful work that has already gone into developing the strategy for transition of security responsibility in Iraq:

Governance

The seating of the new Government of Iraq's, based on its Constitution, sets the conditions

for continuing progress toward Iraqi security self-reliance. Toward this end, the government's program calls for speeding up plans for completing the preparation of the ISF; speeding up the process of transferring security responsibilities and powers to the Iraqi Army, police, and security forces; and cooperation with the multi-national forces in a way that will allow the handover of security responsibilities to the ISF, the completion of the mission, and the exit of the multi-national forces.

Development of the ISF

Efforts to develop the capacity of the ISF have been successful. In November 2005, the Iraqi Army had 4 brigades and 23 battalions in the lead. As of August 7, 2006, the Iraqi Army has 6 Division Headquarters, 25 brigades, and 85 battalions that have assumed responsibility. MOI forces also grew significantly, from approximately 93,000 trained and equipped members in November 2005 to more than 160,000 today.

Provincial Iraqi Control Plan

The Government of Iraq and MNF-I have already developed a conditions-based framework for the transition of security responsibility from multi-national forces to Iraqi leadership. As a result of this work, security responsibility for Muthanna Province transitioned to the provincial governor on July 13, 2006. Security responsibility for as many as nine of Iraq's provinces could transition to Government of Iraq authority by the end of 2006.

The JCAISSR will comprise the Iraqi Prime Minister, the Iraqi National Security Advisor (Chair), the Minister of State for National Security Affairs, the Ministers of Defense and Interior, the Director of the Iraqi National Intelligence Service, the U.S. Ambassador,

the UK Ambassador, and the Commanding General and Deputy Commanding General, MNF-I. This committee will be supported by a working group of direct subordinates.

Conditions recommended by JCAISSR will, at a minimum, include consideration of the threat situation across Iraq, security force readiness, capacity of key security and supporting ministries, and development of the overall Iraqi national security processes.

MNF-I Basing Construct

MNF-I will efficiently consolidate its footprint in Iraq to reduce its military basing requirements progressively. The MNF-I basing strategy is an integral part of the Campaign Plan. MNF-I uses a conditions-based process to synchronize basing requirements with Coalition force structure and projected command and control structure. Several factors are considered when employing this process, including cost-effective use of resources, maintaining security presence where required by the mission and maintaining only those bases required, transition of operations to the ISF as they continue to assume the lead in security operations, and other factors. Specifically, MNF-I seeks to minimize its presence in major cities while building the flexibility required to support other elements in Iraq, including Coalition partners, PRTs, Transition Teams, Department of State activities, and other supporting units and entities. This process will culminate in the transition through Operational and Strategic Overwatch, which will leverage and maximize support through a minimum number of strategically located FOBs and Convoy Support Centers.

As of August 7, 2006, MNF-I has closed 48 of its 110 FOBs, handing over 31 to ISF, MOD/MOI; and 17 to the Ministry of Finance. Thirteen more FOBs are scheduled for closure and handover by January 2007.

Strategic Communication Plan
5th Stability and Security Report to Congress

Background/Analysis: Section 9010 of the Department of Defense Appropriations Act 2006 requires the SECDEF to provide a quarterly report to Congress that measures the progress toward achieving stability and security in Iraq. Media attention of the previous report focused on sectarian violence (high attack trends and casualty stats), opinion polls regarding coalition forces, ISF numbers and operations, and report data in context of events of the day (increase in US troop levels).

Media focus for this quarter's report will likely focus on discussion of civil war, and the rise in attacks and increased civilian/ISF casualties.

Top Line Messages:

- We have a comprehensive and coherent strategy for unity, security and prosperity in Iraq
- The Iraqi security forces are better equipped, better trained and more experienced than they were three months ago.
- This metrics report helps us keep Congress informed, but it is only one aspect of our assessment for progress in Iraq
- Metrics help us achieve our strategy by focusing efforts on accomplishing actions that support a secure, stable Iraq with a democratic system supported by all Iraqis and accepted by the international community

Talking Points:

- There is a qualitative difference between civil war and sectarian violence, and we are not in a civil war.
 - The majority of Iraq's provinces remain in relative peace, but Baghdad, in particular, draws global attention and is the target for sensational attacks that exaggerate the impact of terrorists, illegal armed groups, and violent extremists.
 - Central institutions such as the government and security forces are functioning, and violence is geographically defined, not resulting in the mass movement of population.
- ♣ This is a decisive time in Baghdad and it requires decisive Iraqi action with our clear support.
 - In Operation Together Forward, Iraqi security forces, with coalition in support, are focusing on key neighborhoods in Baghdad.
 - Since mid-July, statistics measuring levels of violence have trended down. While a positive indication, it is far too early to call this a continuing trend.
 - Lots of hard work remains for Coalition forces, Iraqi security forces, the Iraqi government and the Iraqi people.
 - The security situation is at its most complex state since OIF began, so the results of the stepped up effort will take time.
 - The Baghdad initiative's initial phases demonstrate that the combination of security forces, government action, and cooperation of citizens can accomplish a great deal.
- The first truly representative government is in place and dealing with the security issue.

- Prime Minister al-Maliki's government and Coalition forces are adapting the Baghdad security plan to meet the changing conditions on the ground.
- ♣ While terrorists and extremists continue to destroy innocent life in Iraq, they have not shaken the determination of the Iraqi people to build a free country.
 - ♣ The political process continues
 - ♣ Polls show Iraqis have confidence in their government to improve the situation (approximately 80% of Baghdad, Kurdish, Mid-Euphrates and southern citizens said in June they have great deal or fair amount of confidence new Iraqi gov't can improve situation in Iraq) (p8)
 - ♣ While the majority of the population is concerned about increase in sectarian violence, their concern that a civil war might happen has decreased since March (p40)
 - ♣ Confidence in the Iraqi Army has stayed stable or increased (p43)
 - ♣ Iraqis must choose to end sectarian strife that has potential to be self-sustaining
- ♣ The Iraqi security forces continue to progress
 - ♣ 5 Iraqi divisions, 25 brigades and 85 Iraqi army battalions are in the lead (32 percent increase since last report)
 - ♣ More than 84 percent of MOD end-strength have been trained and equipped
 - ♣ More than 92 percent of authorized Iraqi Army battalions have been generated

(b)(6)

From: WSSInter@^{(b)(6)}

Sent: Friday, September 01, 2006 10:24 AM

To: brian.kilmeade@^{(b)(6)} brian.wilson@^{(b)(6)} bruce@^{(b)(6)}
 donovan.grannum@^{(b)(6)} Elizabeth.Rhodes@^{(b)(6)} nate.fredman@^{(b)(6)}
 gavin.gibbons@^{(b)(6)} Hannity@^{(b)(6)} mikejerrick@^{(b)(6)} kim.bell-
 simensky@^{(b)(6)} lauren.clabby@^{(b)(6)} Mary.Ragsdale@^{(b)(6)}
 michael.skrzenski@^{(b)(6)} rob.monaco@^{(b)(6)} rsmith@^{(b)(6)}
 Tara.New@^{(b)(6)} Tom@^{(b)(6)} Bill_cowan@^{(b)(6)}
 VALLELY@^{(b)(6)} tmcinerney@^{(b)(6)} JedBabbin@^{(b)(6)}
 gordon@^{(b)(6)} DHunt12348@^{(b)(6)} Lawrence, Dallas Mr OSD PA;
 timmerman.road@^{(b)(6)} nashct@^{(b)(6)} gresham.striegel@^{(b)(6)}
 CIV, OASD-PA; ShepDonald@^{(b)(6)} sean.mcgrane@^{(b)(6)}
 Andrew.Napolitano@^{(b)(6)}

Subject: Simmons- Day of Reckoning South of the Border

Normally, on a day like today, a day filled with events proving prophecy, I would write volumes touting the accuracy of my crystal ball and follow it up with supporting data. However, I'm tired today, almost exhausted, certainly frustrated beyond words, of writing and discussing on radio and TV about the future of South America as the continent falls deeper and deeper into the abyss of terrorism under the cannibalistic relationships being formed by Venezuelan despot, Hugo Chavez. The national security of the United States is threatened not only from Islamo Fascist terror states around the world but from the Bolivarian Socialist / Communist partnerships of the Chavez dynasty being developed in the South. Our concerns about Iran are justified. The comparisons of Iran's actions to those of the Third Reich of Adolph Hitler are justified however, the more menacing Nazi rebirth is occurring in Venezuela and more directly affects the US than Iran. Chavez has formed alliances with Ahmadinejad of Iran to secure weapons and to be sure, nuclear technology. Chavez is paying visits to Al Assad, the terrorist leader of Syria and to North Korean madman, Kim Jong (mentally) IL. We are in deep, deep trouble. Appeasement has bred growth. The growth of evil around the world with a collective plan to destroy the US and the West. I can't say it any more. I can't write it any more. I'm very tired. Maybe I'll take a nap now and when I awaken the US and its allies will have taken decisive military actions to break up the terrorist networks and destroy the evil alliances of our enemies. Maybe the Redskins will win the Super Bowl.....I doubt it.

Take care.
Wayne

12/3/2007

NY TIMES

1555

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Friday, September 01, 2006 10:06 AM
To: Vician, Todd M LtCol OSD PA
Subject: agenda and rsvp
Attachments: Agenda.doc

hi todd,
here is the agenda with rsmps for today's call. i will have print outs in allison's office by 11:30.
thanks and see you then,

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1556



Conference Call
Retired Military Analysts
FRIDAY, SEPTEMBER 1, 2006 **TIME: 11:45 a.m. – 12:15 p.m.**

AGENDA

11:45 a.m. Welcome and Introduction (GUIDELINES)

- (b)(6) Community Relations and Public Liaison

11:46 a.m. Overview of Iraq Stability and Security Report

- Assistant Secretary of Defense Peter Rodman
- Rear Admiral William Sullivan

12:00 p.m. Q & A

- Military Analysts

12:15 p.m. Conference Call Concludes (GUIDELINES)

- (b)(6)

Note: Dial-in-telephone numbers are (b)(2)

Confirmed Retired Military Analysts:

Colonel Ken Allard	(USA, Retired) MSNBC
Mr. Jed Babbin	(USAF, JAG) American Spectator
Dr. James Jay Carafano	(LTC, USA, Retired) Heritage Foundation
Lieutenant Colonel Gordon Cucullu	(USA, Retired) Fox News
Lieutenant Colonel Rick Francona	(USAF, Retired) MSNBC
Brigadier General David L. Grange	(USA, Retired) CNN
Command Sergeant Major Steven Greer	(USA, Retired) Fox News
Colonel Jack Jacobs	(USA, Retired)
Lieutenant Colonel Robert L. Maginnis	(USA, Retired)
Lieutenant General Thomas McInerney	(USAF, Retired)
Major General Donald W. Shepperd	(USAF, Retired)
Mr. Wayne Simmons	(USN, CIA, Retired)

(b)(6)

From: Garrett, John (b)(6)
Sent: Friday, September 01, 2006 8:51 AM
To: (b)(6) CIV, OASD-PA
Subject: Re: trip

(b)(6)

Thanks for all. Is it safe to assume that we will return to the U.S. From Kuwait. If so is it possible for me to terminate the OSD trip in Kuwait and return via Amman -- assuming also that we are buying our own fares. Don't mean to be a pain but have some things going in the region I want to work before Ramadan starts.

Thanks. John.

Sent from my BlackBerry Wireless Handheld

-----Original Message-----
From: (b)(6) CIV, OASD-PA
To: (b)(6) CIV, OASD-PA
Sent: Thu Aug 31 15:12:08 2006
Subject: trip

Gentlemen,
Thank you for your patience as we continue to plan on our next trip to the CENTCOM AOR. We continue to move forward on the trip and at this point it looks very solid. We are planning for an evening departure on 14 September and a return date of 19 September. I am hoping to have the itinerary finalized and approved in the next couple of days. As soon as I receive that, I will contact you so that you can start booking your flights.

In the meantime, would you please forward me your most current bio?
Please let me know if you have any questions or if there is anything I can do for you,
Thanks (b)(6)

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

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From: Vician, Todd M LtCol OSD PA
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 CIV MNFI STRATEFF COMMS DIV
Subject: August 2006 Measuring Stability and Security in Iraq Report
Attachments: August 2006 Measuring Stability and Security in Iraq Report.pdf; Security Stability Comm Plan (August 06).doc

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Attached is a pdf version of the quarterly report to Congress on measuring stability and security in Iraq. Can you push this to the analysts prior to the phone call with Mr Rodman and RADM Sullivan? This will also be posted on defenselink this afternoon.

FYI, I've also included the brief comm plan for this report.
Thanks,
Todd

Lt Col Todd Vician, USAF
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12/3/2007

Measuring Stability and Security in Iraq

**August 2006
Report to Congress
In accordance with the
Department of Defense Appropriations Act 2006
(Section 9010)**

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This report to Congress on measuring stability and security in Iraq is submitted pursuant to Section 9010 of the Department of Defense Appropriations Act 2006, *Public Law 109-148*. This is the fifth in a series of reports on this subject and the third under Section 9010. The most recent report was submitted in May 2006.

Executive Summary

This report is divided into three sections. The first section, "Stability and Security in Iraq," describes trends and progress toward meeting goals for political stability, strengthened economic activity, and a stable security environment in Iraq. The second section, "Iraqi Security Forces Training and Performance," describes progress in the training, development, and readiness of the Iraqi Security Forces (ISF), including the forces of the Ministry of Defense (MOD) and the police and paramilitary forces of the Ministry of Interior (MOI). The third section, "Transition," describes the transfer of security responsibility from Coalition forces to the Iraqi government, including prerequisite conditions and criteria for assessing the readiness of provinces to assume responsibility for security.

A classified annex to this report provides data concerning security force training and performance and addresses possible U.S. military force rotations.

The information in this report is made available with the assistance of many departments and agencies of the U.S. Government, the U.S. Embassy in Iraq, Multi-National Force-Iraq (MNF-I), and the Government of Iraq. The report complements other reports and information about Iraq provided to Congress and does not replace them. The intent of this document is to report on the measures of stability and security specified in Section 9010.

Measures of Stability and Security and the National Strategy for Victory in Iraq

The President's National Strategy for Victory in Iraq lays out the goals and general framework to achieve security and stability in Iraq. The goal of the strategy is to help the Iraqi people build a new Iraq with a constitutional

and representative government that respects political and human rights and with sufficient security forces both to maintain domestic order and to prevent Iraq from becoming a safe haven for terrorists. To this end, the United States is pursuing an integrated strategy along three broad tracks:

- **Political:** Helping the Iraqi people forge a broadly supported compact for democratic government
- **Economic:** Assisting the Government of Iraq in establishing the foundations for a sound market economy with the capacity to deliver essential services
- **Security:** Contributing to an environment where Iraqis are capable of defeating terrorists and neutralizing insurgents and illegal armed groups

Each track is integrated with the other two, and success in each affects success in the others. Security depends, in part, on a democratic political process, which in turn depends, in part, on economic opportunity. Economic progress depends on securing the Iraqi infrastructure against sabotage and attack and protecting the Iraqi people from violence that undermines individual participation in economic development and the political process.

Although the National Strategy for Victory in Iraq is not a detailed plan for achieving specific objectives, consistent with the public nature of that document, it delineates measurable trends along each of these tracks to indicate where programs are achieving success and where it is necessary to increase efforts or adjust implementation of the strategy.

Major Milestones Toward a Democratic Iraq

Oct 15, 2005	National Referendum on the Constitution
Dec 15, 2005	National Elections under the New Constitution
Mar 16, 2006	First Session of Council of Representatives
Apr 22, 2006	Election of Presidency Council by Council of Representatives Nomination of Prime Minister by Presidency Council
May 20, 2006	Naming of Cabinet by Prime Minister Designee Vote of Confidence for Prime Minister, His Cabinet, and His Program
Jun 8, 2006	Nomination and Approval of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs
Jul 13, 2006	Transfer of Muthanna to Provincial Iraqi Control
Jul 26, 2006	Prime Minister al-Maliki Addresses Joint Session of U.S. Congress

The President's strategy also identifies eight objectives, or pillars, of the integrated political, economic, and security strategy:

- Defeat the terrorists and neutralize the insurgency
- Transition Iraq to security self-reliance
- Help Iraqis forge a national compact for democratic government
- Help Iraq build government capacity and provide essential services
- Help Iraq strengthen its economy
- Help Iraq strengthen the rule of law and promote civil rights
- Increase international support for Iraq
- Strengthen public understanding of Coalition efforts and public isolation of the insurgents

Key indicators of progress since the last report are discussed below.

Political Progress. This report marks the first 90 days of the first representative government

in Iraq. The appointments of the Ministers of Interior, Defense, and State for National Security Affairs, on June 8, 2006, marked the completion of a national unity government. Within one month of seating this government, Prime Minister Nouri al-Maliki presented a "National Reconciliation and Dialogue Project" to the Iraqi Council of Representatives (CoR). This project is a broad initiative aimed at reconciling past inequities; rallying Iraqis around a principle of equality, devoid of sectarian divisions; firmly establishing the basis of national unity via a democratic political process; and creating the conditions for Iraq to assume a leading role both in the region and internationally. Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the 24 Council Committees have formed and named chairs. The CoR is making some progress on key legislation required to implement the provisions of the Iraqi Constitution.

Economic Activity. The Iraqi economy continues to show progress, but still needs to overcome serious challenges. As the Government of Iraq was formed just 90 days ago, its institutions are still forming or are immature and consequently struggle with many macro-economic issues. The new government has affirmed its commitment to programs supported by the Stand-By Arrangement with the International Monetary Fund (IMF) by taking important and decisive measures, notably price increases for refined petroleum products that meet IMF targets. The Executive Board of the IMF subsequently completed its first and second reviews of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Iraq continues to make progress reducing its Saddam-era debt. As of July 2006, 17 of 18 Paris Club creditors have signed bilateral agreements to forgive 80% of Iraq's sovereign debt. Russia is the only Paris Club creditor that has not yet signed a bilateral agreement with Iraq. It has, however, agreed in principle on debt relief terms and will finalize an agreement shortly. Middle Eastern creditors, which hold the majority of the present debt, have not signed bilateral debt reduction agreements.

Average peak electrical generating output increased 15.8% this quarter to 4,573 megawatts (MW) and continued to increase over the quarter. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter.

Crude oil production for the second quarter improved 18% to 2.2 million barrels per day (mbpd), and exports improved by 20%, to 1.6 mbpd. Also during this quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005. However, oil production and exports still fell short of the Iraqi goals of 2.5 mbpd and 2.0 mbpd,

respectively. Approximately 90% of the Government of Iraq's revenue comes from oil exports, and higher prices for Iraqi oil continue to somewhat offset lower than desired export volumes.

The Security Environment. Setbacks in the levels and nature of violence in Iraq affect all other measures of stability, reconstruction, and transition. Sectarian tensions increased over the past quarter, manifested in an increasing number of execution-style killings, kidnappings, and attacks on civilians, and increasing numbers of internally displaced persons. Sunni and Shi'a extremists, particularly al-Qaeda in Iraq and rogue elements of Jaysh al Mahdi (JAM), are increasingly interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their existing areas of influence. Concern about civil war within the Iraqi civilian population and among some defense analysts has increased in recent months. Conditions that could lead to civil war exist in Iraq. Nevertheless, the current violence is not a civil war, and movement toward civil war can be prevented. Breaking the cycle of violence is the most pressing goal of Coalition and Iraqi operations.

In the current reporting period the average number of weekly attacks increased 15% over the previous reporting period average, and Iraqi casualties increased by 51% compared to the previous quarter. Much of this violence occurred in Baghdad, as terrorists, insurgents, and illegal armed groups recognized and exploited the political and economic significance of conducting operations in the capital city. However, the Coalition and the Government of Iraq continued to make progress this quarter, improving the security environment in Fallujah and some parts of northern Iraq. Although sectarian violence threatens the effectiveness of the Government of Iraq, terrorists have failed to derail Iraq's political

process, or to widen their political support among the Iraqi people. Polling data continue to show the confidence of most segments of the Iraqi people in the Iraqi Army and their rejection of al-Qaeda's vision of Iraq's future.

Iraqi Security Forces. MOD and MOI security forces continue to increase in size and capability and are increasingly assuming the lead combat responsibility from Coalition forces.

Training, equipping, and fielding security forces continues. Approximately 277,600 Iraqi soldiers and police have completed initial training and equipping, an increase of more than 14,000 in the three months since the last report. As of August 2006, approximately 84% of the objective end-strength of MOD forces have been trained and equipped, while more than 92% of authorized Iraqi Army battalions have been generated. Remaining train-and-equip efforts will focus on building combat support and combat service support forces.

More Iraqi units are able to take the lead in combat operations against the insurgency and

to assume security lead in their territory. The number of counter-insurgency operations conducted independently by Iraqi forces as a percentage of total combat operations continues to increase steadily. Approximately one-third of the company-sized operations in Iraq during the reporting period were conducted independently by Iraqi forces. As of August 7, 2006, there were 85 Iraqi Army battalions (5 divisions, 25 brigades) that have assumed the lead for counter-insurgency operations, a 35% increase since the last report. All 27 National Police battalions are currently conducting counter-insurgency operations, and 2 National Police battalions have the security lead for their areas of responsibility.

Transition. Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and the civilian-controlled Iraqi Police Service (IPS). Moreover, since the May report, MNF-I has transferred an additional 10 Forward Operating Bases (FOBs) to the Government of Iraq. Forty-eight of 110 FOBs are now under Iraqi control.

1. Stability and Security in Iraq

1.1 Political Progress

The goal of the political process in Iraq is to help the Iraqi people forge a broadly supported national compact for democratic government, thereby isolating enemy elements from the broader public. The United States is supporting this effort by:

- supporting Iraqi leaders in their efforts to include all Iraqis in the political process, through dialogue and inclusive institutions;
- offering advice and technical support for effective governance;
- helping build national institutions that transcend regional, sectarian, and tribal lines; and
- assisting Iraqis in replacing the corrupt and centralized Ba'athist system with effective government bodies at local, provincial, and national levels.

Measures of political progress and stability include:

- achievement of political goals set forth in the Iraqi Constitution, as well as those in United Nations Security Council Resolution 1546 and the Transitional Administrative Law;
- formation of a national unity government representative of all Iraqi communities;
- participation in the political process by all Iraqi communities and evidence that they view the process as legitimate and effective;
- adherence to rule of law institutions; and
- expansion of international support.

With the seating of its constitutional government, Iraq, with the support of the Coalition, completed all the milestones required under United Nations Security Council Resolution 1546.

The National Strategy for Victory in Iraq lays out a specific three-pronged political plan to assist the Government of Iraq in building a broadly supported national compact for democratic governance. The plan seeks to:

- “✓ *Isolate* enemy elements from those who can be won over to the political process by countering false propaganda and demonstrating to all Iraqis that they have a stake in a democratic Iraq;
- ✓ *Engage* those outside the political process and invite in those willing to turn away from violence through ever-expanding avenues of participation; and
- ✓ *Build* stable, pluralistic, and effective national institutions that can protect the interests of all Iraqis, and facilitate Iraq's full integration into the international community.”

Building a Government of National Unity

After successful national elections in December 2005, Iraqis made the commitment to establish a broad unity government. Rather than allocating all government positions to the majority party or coalition, this unity government sought to provide fair representation in the ministries and other government posts among all major parties that won seats in the CoR. Consistent with this commitment, Prime Minister al-Maliki announced and won CoR approval for his cabinet, which draws minis-

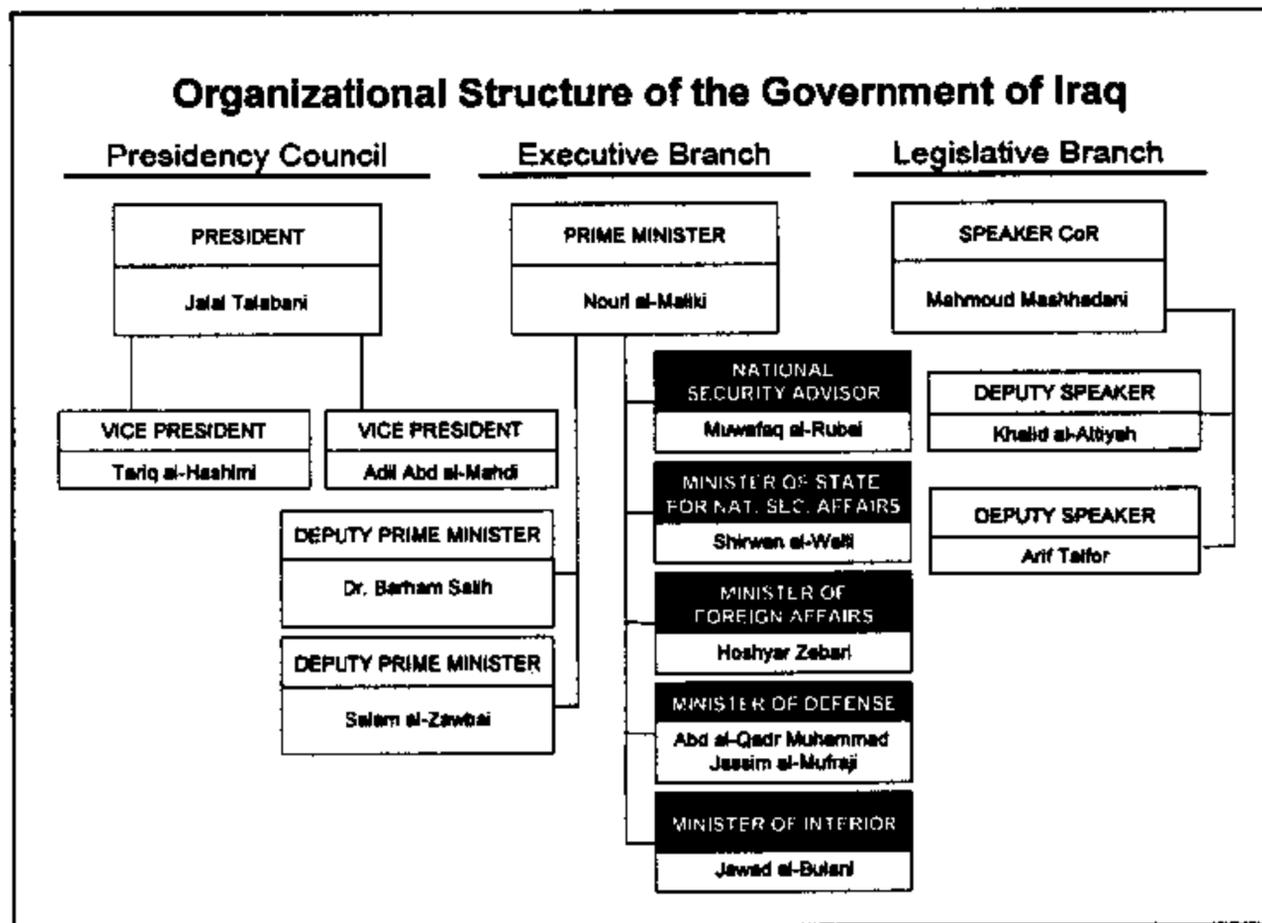
ters and senior officials from parties representing all regions, sects, and ethnic groups. The announcement met the constitutionally mandated deadline, but Prime Minister al-Maliki opted to delay filling the positions of Minister of Defense, Minister of Interior, and Minister of State for National Security Affairs to ensure broad support within the CoR for these sensitive positions.

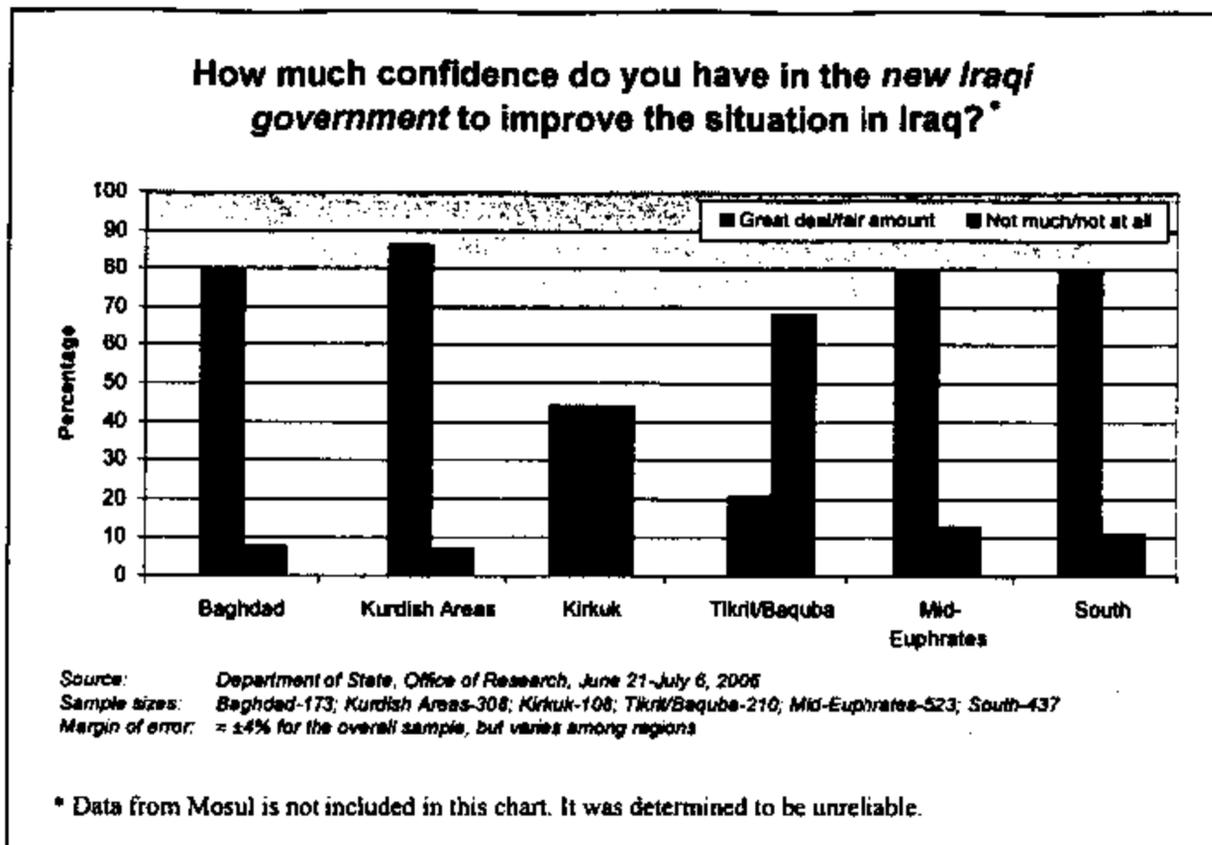
On June 8, 2006, after additional negotiations and compromise, the Prime Minister presented his nominees for the two security ministries. The CoR approved the appointments by a majority, confirming Jawad al-Bulani as Minister of Interior and Abd al-Qadr Muhammad Jassim al-Mufraji as Minister of Defense. The CoR also approved

the appointment of Shirwan al-Waili as Minister of State for National Security Affairs.

The appointment of the Ministers of Interior, Defense, and State for National Security Affairs marked the completion of Iraq's first representative government. The resulting cabinet is remarkably inclusive. The new government reflects the diversity of the Iraqi people and, with a freely elected parliament and a popularly ratified constitution, is a striking contrast to the oppressive, one-man rule of Saddam Hussein just three years ago.

Poll data indicates that the majority of Iraqis have confidence in the new government; notably, however, confidence levels are lowest in mixed and predominantly Sunni areas, such as Kirkuk and Tikrit/Baquba.



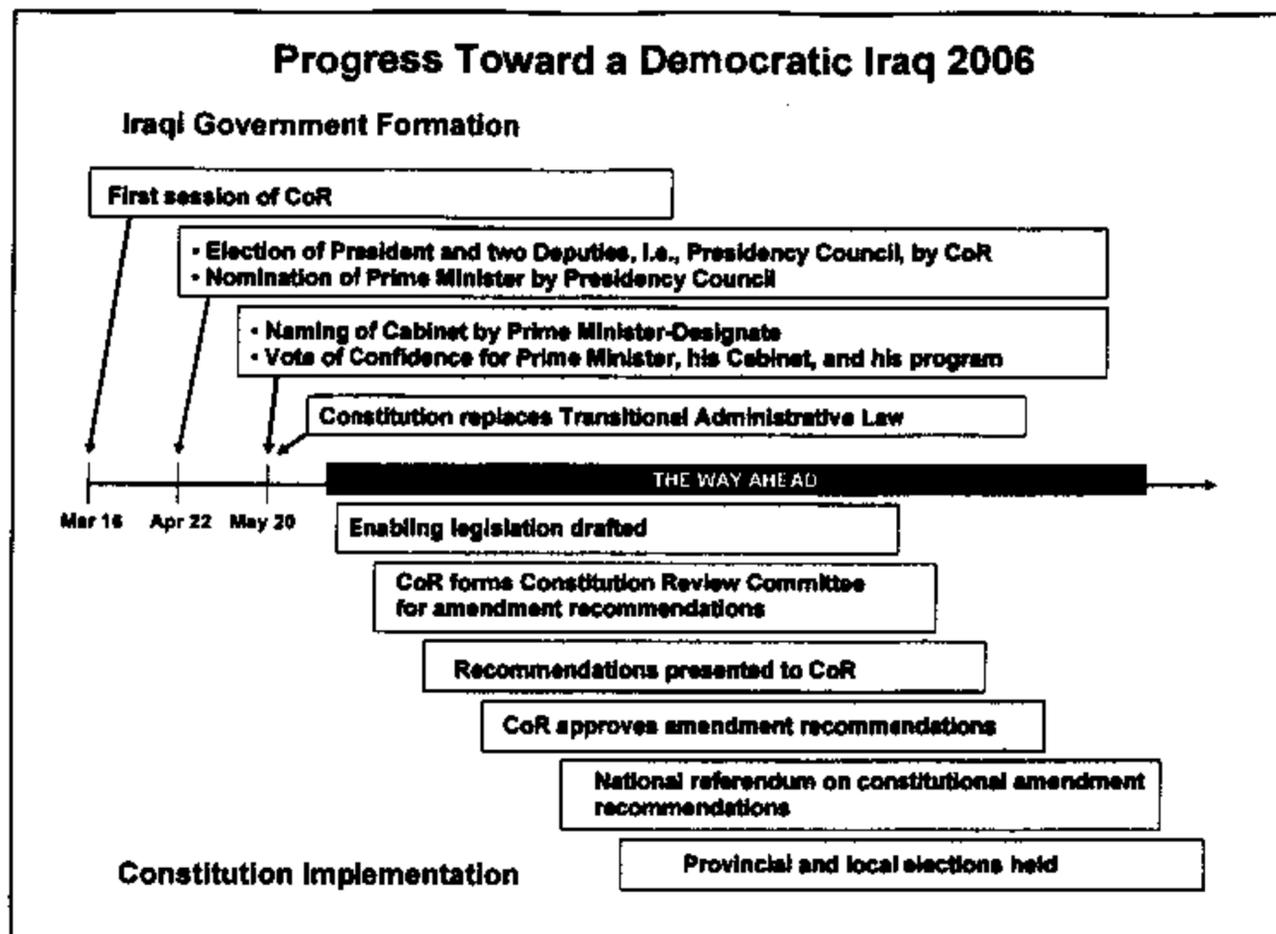


The Iraqi Constitution, adopted by popular referendum on October 15, 2005, requires approximately 55 enabling or implementing acts, in such significant and broad areas as judiciary development and economic reform, to make the Constitution operative. Passing and enforcing this legislation will be a key indicator of progress for the new Government of Iraq.

Additionally, the CoR began its work in June with an accelerated schedule of sessions. Most of the Council Committees have been

formed and have named chairs. The CoR has made some progress on key legislation, including progress toward new Electoral Commission legislation, the first step on the path to provincial elections. However, little substantive legislation was passed in the session that ended in July.

The two critical political events facing the CoR and the Government of Iraq over the next few months are the constitutional amendment process and provincial elections.



The National Reconciliation Process

On June 25, 2006, Prime Minister al-Maliki presented to the CoR a "National Reconciliation and Dialogue Project," a 24-point initiative aimed at reconciling past inequities, rallying Iraqis around a principle of equality devoid of sectarian divisions.

The National Reconciliation and Dialogue Project is intended to open dialogue, reduce sectarian tensions and violence in Iraq, and increase commitment to the democratic process and the new national unity government.

The project will operate on three levels. At the national level, the High National Commission of the National Reconciliation and Dialogue Project will be composed of representatives from a diverse cross-section of political, religious, ethnic, tribal, and cultural groups under the leadership of the Minister of State for National Dialogue. The second level will be provincial subcommittees, and the third

level will be field committees, which will focus on key components of national reconciliation and will evaluate progress.

As part of the National Reconciliation and Dialogue Project, a conference of tribal leaders took place on August 26, 2006, in Baghdad that resulted in a statement condemning sectarian violence, and endorsing the reconciliation plan. In the coming months, the government will convene a conference of religious scholars. The government is supposed to convene a conference of political parties to encourage the democratic process and to solidify support for the Government of Iraq.

Government Institutions

To achieve unity, security, and prosperity, Iraq must develop the capacity to deliver government services to its citizens at the national, provincial, and municipal levels. The Government of Iraq must transform the country from

a centralized state, with delivery of essential services traditionally controlled by powerful bureaucrats, to a responsive federal government with decentralized control. This change will take time, consistent mentorship, and an emphasis on both promoting transparency and reducing corruption. The Coalition is supporting these efforts at all levels of the Government of Iraq.

National Institutions

National institutions and forces are essential to displace illegal armed groups and to serve moderate sectarian and local loyalties. The United States supports the development of non-sectarian institutions and the growth of independent media and civil society institutions, while continuing to encourage the Government of Iraq to proceed with the

announced and planned national reconciliation process.

The diagram below shows the organizations currently helping Iraq develop its capacity to govern effectively. Ministerial capacity development is the main focus of the U.S. Embassy's Ministerial Assistance Teams (MATs). These teams, composed of civilian and military experts in governance and organizational development, mentor and train both the Iraqi ministers and their senior staffs in such areas as budget development and execution, inter-ministry coordination, personnel management, and procurement. Iraq Reconstruction Management Office (IRMO) officials provide expertise in key sectors, such as oil, electricity, and health, to Iraqi ministers and other high-level government officials.



Assistance to Provincial Governments

Provincial Reconstruction Teams (PRTs) work with provincial governors and elected councils to improve execution of provincial government responsibilities and to increase citizen participation in governmental decision-making processes. The teams are intended to develop core competencies in public administration, finance, budgeting, planning, and accountability by boosting government capacity and transparency at the provincial level. Four U.S.-led PRTs are fully operational: PRT Tamim (Kirkuk), PRT Ninewah (Mosul), PRT Babil (Hillah), and PRT Baghdad. The security situation in some provinces hampers interaction between the team and provincial leaders.

Promoting the Rule of Law

Political stability in Iraq is predicated on the effective rule of law in the country. (Note: Police and associated institutions are discussed in Section 2 of this report.) Effective rule of law in Iraq, as in any country, requires four conditions to be met: effective laws, police to enforce them, courts to administer them, and prisons to incarcerate offenders. If any one of these institutions fails, or cannot work with the others, the Iraqi regime will be unable to enforce the rule of law. The United States, its Coalition partners, and international agencies are helping Iraq strengthen the rule of law. Although there have been some positive developments, delay in the formation of the Government of Iraq resulted in a loss of momentum; rule of law initiatives slowed, which contributed to the growth of crime, corruption, and illegal armed groups.

Legislation

The Iraqi Constitution sets forth a comprehensive list of rights and freedoms, but additional legislation is needed to implement those guar-

antees. The Constitution maintains the independence of the judicial branch, but vests considerable authority in the CoR to define the functions of the courts, raising the risk of undue influence by political or religious groups. Iraq's criminal legal framework is not presently robust enough to adequately address contemporary criminal activity, such as organized crime, trafficking, and some technology-related crimes. Legal experts from the U.S. Government are assisting Iraqi legal scholars in creating a legal system that can balance the requisites of modern international law with Iraqi cultural and legal traditions. The Coalition continues to provide administrative support as well as technical and legal assistance in drafting legislation.

Judiciary

The Coalition has helped the Government of Iraq improve the judicial system in several areas, including building or renovating courthouses, expanding the Central Criminal Court of Iraq (CCCI), and improving security. The CCCI, for example, now has 12 panels operating throughout Iraq. It processes, on average, 118 insurgency-related cases each month. Due to the limited capacity of the 11 panels outside Baghdad, the Baghdad CCCI is the primary facility for hearing insurgency cases.

Poor security for judges and judicial facilities, an insufficient number of judges, and an inadequate court infrastructure undermine advancements in the rule of law in Iraq. Judges are subject to intimidation and in many areas are afraid to prosecute insurgents. The U.S. Government, through the U.S. Marshals Service, responded by providing secure housing, personal security details, courthouse protection, and personal protection firearms to some members of the Iraqi judiciary. In Baghdad, the Coalition has provided facilities for 22 judges to reside in the

International Zone. Working in conjunction with MNF-I, the U.S. Marshals Service has begun training an Iraqi Marshals Service. The U.S. Department of Justice, along with the U.S. Department of State and the U.S. Department of Defense, is proceeding with plans for the renovation and construction of Iraqi courthouses and other related court facilities, including witness protection buildings. As of July 21, 2006, approximately 20 projects to improve judicial capacity have been completed, and 13 more are under way. Five additional projects are planned.

The U.S. Department of Justice estimates that Iraq needs 1,500 judges, yet only about 740 judges are currently serving. The Iraqi Ministry of Justice's (MOJ) Judicial Training Institute has enrolled a new class of 180 students (40 judges and 140 prosecutors) in a 2-year program to train new judges and prosecutors. When this class graduates in the fall of 2007, there will still be a significant shortfall in judges. To help address this need, the Iraqi Chief Justice recently nominated 200 lawyers to serve as investigative judges. If these judges are confirmed, the number of judges will rise to 940. By the fall of 2007, approximately 980 judges will be serving in Iraq, an increase of 32%, but still well short of the requirement.

Prisons

The MOJ is responsible for imprisoning convicted criminals and insurgents in Iraq. MOJ prisons generally meet international standards, but are already at maximum capacity. As a result, many detainees spend time in MOI or MOD facilities, which generally fall short of internationally accepted standards. To address this issue, the U.S. and Iraqi governments are funding construction of seven new MOJ prison facilities, one each in Basrah, Khan Bani Sa'ad, Nasiriyah, Dahuk, and Baladiyat, and two in Rusafa. Work has

stopped at Khan Bani Sa'ad and Nasiriyah due to problems with the primary contractor. Bridge contracts have been awarded to local Iraqi contractors to provide site security and to perform some continuing construction work. The Gulf Region Division of the U.S. Army Corps of Engineers anticipates that contracts will be issued to a new contractor in September and that both facilities will be completed in April 2007. Construction at the two Rusafa facilities has been delayed due to a title dispute between the Ministers of Justice and Interior. The title dispute is currently in litigation in the Iraqi courts. Dahuk, a 1,200-bed facility in the Kurdish region, is scheduled for completion in February 2007. Construction at Baladiyat was completed and the prison facility there has been activated and is currently in use by the Iraqi Corrections Services. Upon completion in mid-2007, all of these facilities will add a combined 4,800 beds. Even with these additions, however, projections show another 20,000 beds will ultimately be needed. Thus, the Government of Iraq must address insufficient bed space, enactment of custody transfer laws, abuses in MOI and MOD detention facilities, and the need for more guards and trained supervisors. The Government of Iraq also faces the problem of prisoner-detainees awaiting adjudication/resolution of the charges against them. The MOI and MOD are believed to be detaining between approximately 2,000 and 10,000 people in pre-trial status, many in crowded, substandard facilities.

Security Internees

In addition to criminal detainees and convicts held by the Government of Iraq, MNF-I holds security internees (or detainees) under the authority of United Nations Security Council Resolution 1637. As of July 16, 2006, Coalition forces held 12,388 such security internees outside the Iraqi criminal system. Detainees in MNF-I custody are treated in accordance with

Geneva Convention principles. The U.S. Government has initiated a dialogue with the Government of Iraq in an effort to transfer these internees to Iraqi custody. However, Iraq currently lacks the legal authority to hold security internees outside of the judicial system. Therefore, neither MNF-I-held detainees nor MNF-I-run detention facilities can presently be transitioned to MOJ control. The Coalition continues to urge the Government of Iraq to accept transfer of security internees in a way that ensures their humane treatment. Those detainees who do not pose a serious threat to the citizenry are released as promptly as possible. (The detainee release program is described in more detail later in this report.)

Anti-Corruption Institutions and Programs

The Government of Iraq has made a public commitment to eradicate corruption and to empower anti-corruption institutions. Coalition support for this effort is focused largely on the three main anti-corruption institutions in Iraq: the Board of Supreme Audit (BSA), the Commission on Public Integrity (CPI), and the Ministerial Inspectors General (IG). Both the BSA and CPI have new constitutional status, and the CPI has become the lead Iraqi anti-corruption agency. The CPI has investigated 1,158 cases this year.

The CCCI, which has jurisdiction for public corruption cases, does not have the capacity to process all its corruption cases. There are 826 criminal cases pending or under active prosecution. Over the past 20 months, 56 officials in Iraq's ministries were either convicted or subject to arrest warrants. The fact that there is a functioning process for investigating and prosecuting corruption, and that some corrupt officials are being brought to justice, is a positive sign. However, the ability of the government to prosecute corruption cases successfully is hampered by the lack of enabling

legislation, lack of CCCI capacity, and intimidation of investigators and judges.

Obstacles to Political Progress

Since the liberation of Iraq, there have been significant successes in the development of legitimate political institutions and processes. The unfolding of the democratic electoral process over the course of 2005 was a crucial success. Despite these achievements, however, the political process has encountered obstacles.

Violence

The nature of violence in Iraq is multifaceted. Illegally armed groups that reject the political process often do so because of long-standing grievances, extremist beliefs, tribal affiliations, and/or personal vendettas. No one strategy can address every grievance. A vocal minority of Iraqis (e.g., religious extremists) fundamentally opposes the idea of a democratic Iraq. Further, some Iraqis who have joined the political process are condoning or maintaining support for violent means as a source of political leverage.

The continued violence in some areas, especially in Baghdad, hampers the formation of legitimate national institutions. In some towns and neighborhoods, local illegal armed groups are seen as the primary providers of security and basic social and essential services. With the extended delay in formation of the national government and capable ministries, these armed groups have become more entrenched, especially in some primarily Shi'a sections of Eastern Baghdad and certain Sunni neighborhoods in Western Baghdad.

Security issues (e.g., the attempted kidnapping of a deputy minister and threats to ministry personnel who work with Embassy teams) have made some ministers reluctant to have

U.S. personnel visit them. This reluctance hampers coordination between the Coalition and some ministry personnel. Internal politics (e.g., political party affiliation) is also an obstacle to progress in some ministries.

Inexperience

Some Iraqi ministers tend to focus on near-term performance, rather than on long-term capacity building. A lack of effective procedures within the ministries, such as policy development, procurement, and budgeting, was endemic to the Iraqi government under Saddam Hussein, and three years is not enough time to reverse decades of organizational incapacity. This situation should improve with time.

Lack of proper "tools," such as information technology, finance systems, and planning capabilities, inhibit the governing of complex issues. The result is that Iraqi planning, budgeting, and execution processes are less than fully effective. IRMO is currently procuring and developing these tools, but it will take time—years rather than months—before Government of Iraq staff is able to use these tools fully and to manage the ministries to full effectiveness.

Foreign Interference

Iran and Syria undermine the Government of Iraq by providing both active and passive support to anti-government forces that tend to fuel ethno-sectarian tensions. The Coalition and the Government of Iraq have acted to counter the Iranian and Syrian influence by tightening security at the borders. However, the borders are porous, and eliminating the transfer of illegal material and foreign fighters into Iraq is a formidable challenge.

Corruption

Corruption in the ministries has further hampered their capabilities. Experienced or talented employees are often purged and replaced with party elements/cronies as a result of a spoils system. Many of Iraq's political factions tend to view government ministries and their associated budgets as sources of power, patronage, and funding for their parties. Ministers without strong party ties often face significant pressure from the political factions, and sometimes have little control over the politically appointed and connected people serving under them. Still entrenched in the culture of the former regime, some ministry personnel are reluctant to exercise independent initiative or to take any bold action to address Iraq's problems of corruption.

1.2 Economic Activity

The National Strategy for Victory in Iraq underscores three objectives in helping the Iraqis build their economy:

- Building the capacity of Iraqi institutions to maintain infrastructure, rejoin the international economic community, and improve the general welfare of all Iraqis
- Reforming Iraq's economy, which has been hindered by war, dictatorship, and sanctions, so that it can be self-sustaining in the future
- Restoring Iraq's neglected infrastructure so that it can meet an increasing demand and the needs of a growing economy

This strategy rounds out the National Development Strategy (2005-2007) of the

Government of Iraq, whose national economic objectives are:

- Strengthening the foundations of economic growth
- Revitalizing the private sector
- Improving the quality of life
- Strengthening good governance and security

Building the Iraqi Economy

The formation of a new government allowed Iraq to refocus on its economic agenda. In the second quarter, the new government affirmed its commitment to the reform program supported by the Stand-By Arrangement and is moving forward with implementation of that program. The new government maintained fiscal discipline, raised domestic fuel prices to the targeted levels in the Stand-By Arrangement, sent a fuel import liberalization law to the CoR, and increased targeted support for the poor. The Executive Board of the IMF subsequently completed its first and second review of Iraq's performance under the Stand-By Arrangement on August 2, 2006.

Although the Government of Iraq missed the March 2006 deadline for the state fuel-price increase required by the Stand-By Arrangement for refined petroleum products, on July 1, 2006, the new Government of Iraq increased prices (reducing subsidies) for regular and premium gasoline, benzene, liquefied petroleum gas (LPG), kerosene, and diesel products, thus meeting or exceeding the IMF Stand-By Arrangement-mandated price increases.

Inflation threatens the overall macroeconomic stability that Iraq has maintained since the war ended. Ongoing violence and supply disruptions are pushing prices higher. The Central Bank of Iraq (CBI) must further tighten monetary and exchange rate policy to

prevent high inflation from becoming entrenched.

Iraq continues to make progress reducing its Saddam-era debt. Iraq's debt was estimated at US\$125 billion after the war. This was almost five times the gross domestic product (GDP) in 2004, an unsustainable burden on the Iraqi economy. The historic November 2004 debt relief agreement with the Paris Club members and subsequent agreements with commercial and other official creditors, as well as some non-Paris Club creditors, are helping bring Iraq's debt to sustainable levels.

As of July 2006, all 18 Paris Club creditors except Russia had signed bilateral agreements to forgive 80% of Iraqi sovereign debt owed. Russia is expected to sign an agreement with Iraq soon. In addition, Iraq has completed its program to restructure commercial claims from commercial and other official creditors.

- Paris Club – US\$41.7 billion owed before signed bilaterals; US\$34.2 billion will be forgiven under Paris Club terms, including a future Russian agreement.
- Non-Paris Club sovereign debt – approximately US\$63 billion owed (US\$2.75 billion worth of debt relief agreed to on US\$3.3 billion worth of debt, thus far).
- Commercial and other official creditors – debt relief deals completed on US\$19.7 billion of commercial and other official debt.

As long as Iraq continues its progress on implementing the economic reforms in the IMF Stand-By Arrangement, the country will remain eligible for the final 20% of debt reduction agreed under the Paris Club terms. Sixty percent of the Government of Iraq's debt to Paris Club members has already been forgiven, and continued successful comple-

tion of the Stand-By Arrangement will qualify Iraq for a final tranche of 20% in late 2007 or early 2008. The United States forgave all of Iraq's debt (US\$4.1 billion) and is encouraging other creditors to follow this example. Debt relief from non-Paris Club creditors is expected in accordance with Paris Club terms or better, and Iraq is beginning to approach these creditors to ask for debt forgiveness. The Gulf countries hold the largest amount of Iraq's non-Paris Club debt, estimated to be US\$45 billion.

In addition to loans, Iraq owes nearly US\$32 billion in war reparations (as of May 1, 2006). These reparations are the result of claims against Saddam's regime following the Gulf War in 1991. Every year, 5% of Iraq's oil revenue goes to repayment of war reparations. As of May 2006, Iraq had paid more than US\$20 billion in reparations. The United Nations Compensation Commission, which oversees the payment of reparations, awarded US\$21.5 billion in compensation to oil companies, which lost profits and equipment during the Gulf War. Paying these reparations each year, while simultaneously attempting to rebuild its economy, places a significant strain on Iraq's limited resources.

Building the Capacity of Iraqi Institutions

The economic institutions of the new Iraqi government are still developing. On July 12, Prime Minister al-Maliki outlined his vision for economic reform to build a prosperous Iraq based on private sector activity and investment, economic diversification, and integration into the global economy. The Coalition is working with the Government of Iraq to appoint an Ambassador to the World Trade Organization (WTO) and to complete the necessary documentation to hold its first WTO Working Party. In addition, the United States continues to work with the Ministry of Finance to implement a Financial Manage-

ment Information System (FMIS) that will provide greater transparency and accountability in the government's budget and expenditure processes.

As of July 1, 2006, halfway through Iraq's fiscal year, the Government of Iraq's ministries have spent far below their planned capital budget expenditures. Iraq's new ministries do not have experience executing ministerial budgets, and lack of a modern electronic transfer system, which has hampered transferring funds in locations around the country, compounded by security problems, contributes to an under-expenditure. The Government of Iraq's continued inability to execute its budget places delivery of basic services, as well as future economic expansion, at risk, and demonstrates the need for continued joint U.S.-Iraqi capacity development efforts. IRMO will soon develop contracts to install government-wide budgeting and procurement modules to add to the FMIS, which was installed approximately two years ago; however, the Government of Iraq is just now starting to use this system. These new modules will increase the transparency of the financial system and will improve the effectiveness of in-year and forecasted budgeting. It is proposed that the Minister of Finance require all Government of Iraq financial transactions to use this enhanced FMIS system. Budgets are not effectively delegated from the Ministry of Finance (MOF) to other ministries and provinces. The procedures to enable contracts through the MOF are proving too cumbersome, and officials are not willing to risk applying perceived "incorrect procedures," as several officials have been detained with investigations pending into possible breaches of regulations. Communications between the CBI and the MOF have all but stopped; several employees at the CBI have been intimidated and have therefore failed to show up for work.

Integrating Iraq into the World Economy

The United States is working with the Government of Iraq to engage Iraq's neighbors and the international community on the future of Iraq and the stability of the region. A sustained dialogue with key international partners remains a critical element in assisting Iraq's nascent democracy. In this context, last month Prime Minister al-Maliki traveled to Saudi Arabia, Kuwait, and the United Arab Emirates to promote his national reconciliation plan and to encourage international support for Iraq.

In late July, the Government of Iraq and the UN, with the strong support of the United States, the United Kingdom, and other donor states and international financial institutions, launched an International Compact with Iraq. The International Compact will, over the next five years, bring together the international community and multilateral organizations to help Iraq achieve its national vision. The government's vision is that, five years from now, Iraq will be a united, federal, and democratic country, at peace with its neighbors and itself, well on its way to sustainable economic self-sufficiency and prosperity, and well integrated in its region and the world.

The International Compact will provide assistance to Iraq under a contractual agreement; Iraq will undertake specific economic and political reforms designed to bring it into the global economy. In return, international donors will increase their financial support for Iraq's reconstruction. Meanwhile, the Government of Iraq will continue to enact political and security measures to achieve national reconciliation and to build an economic environment conducive to sustained economic

growth. The UN now occupies its compound in Irbil, and a UN Liaison Detachment has been established in Kirkuk.

The Arab League issued a strong statement following its November 2005 "Preparatory Meeting for the National Accord Conference," calling for all Iraqi parties and Arab states to support Iraq and respect the political will of the Iraqi people. The United States welcomes the planned Arab League-sponsored Iraqi National Accord Conference (to be scheduled) as an opportunity for Iraqis inside and outside of government to discuss the many crucial issues facing their country and to support a process of national reconciliation. Since the November 2005 conference, the Arab League has opened its office in Baghdad and has appointed Mukhtar Lamani as its envoy.

Macroeconomic Indicators

Economic indicators are collected and published regularly, largely through the Iraqi Ministry of Planning and Development Cooperation and international organizations, such as the World Bank, the UN, and the IMF, although gathering accurate statistics on which to base such indicators in the present security situation in Iraq is a challenge. As outlined in the table below, projections from the IMF assume that economic growth over the medium term will remain dependent on the performance of the oil sector, as it accounts for more than two-thirds of Iraq's GDP. The outlook also assumes that the Government of Iraq's investment in the oil sector will generate increased oil production and strong GDP growth over the medium term.

GDP Estimates and Projections, 2004-2008					
	2004	2005 e	2006 p	2007 p	2008 p
Nominal GDP (in USD billion)	25.7	34.5	47.0	61.0	71.0
Government Oil Revenue (in % of GDP)	69.6	69.4	66.9	66.5	67.4
Per Capita GDP (USD)	949.0	1,237.0	1,635.0	2,060.0	2,319.0
Real GDP (% change)	46.5	3.7	4.0	14.4	12.9
Primary Fiscal Balance (in % of GDP)	-40.6	9.8	-6.1	-2.1	-0.6
Consumer Price Inflation (annual %)	32.0	32.0	30.0	17.0	10.0

Source: IMF Estimates (e) and Projections (p), July 7, 2006

Estimates of unemployment in Iraq vary widely. The UN World Food Program's 2005 estimate is 13.4%; other estimates are as high as 50%–60%. As of July 2006, the Government of Iraq Central Organization for Statistics and Information Technology (COSIT) estimated that unemployment was 18% and underemployment was 34%. The COSIT estimates were corroborated by a 2005 United States Agency for International Development (USAID) survey and recent nationwide polling. This year, the Government of Iraq budgeted to increase employment from 1.1 million to 1.9 million civil servants. State-owned enterprises are expected to add another 100,000 people to their rolls. Although this hiring will reduce unemployment, government and state-owned-enterprise employment is not a long-term panacea; for example, most state-owned enterprises are operating under capacity or are closed. The key to long-term, sustained reduction in unemployment can be achieved only through private sector-led growth. The U.S. Government is working with the Government of Iraq to develop the Iraqi private sector by reforming the banking system, providing micro-credit lending and vocational training, and enacting legislation in

such areas as privatization and investment to spur economic growth.

Using data collected in 2004, the UN World Food Program estimates that 15.4% of the surveyed population in Iraq lacks adequate food. Including both severe and moderate forms, about 25.9% of the Iraqi children examined were stunted in their physical growth, a symptom of chronic malnutrition. The lowest rate observed (14.2%) was in Sulamaniyah Province, while the highest (36.5%) was in Salah ad Din Province.

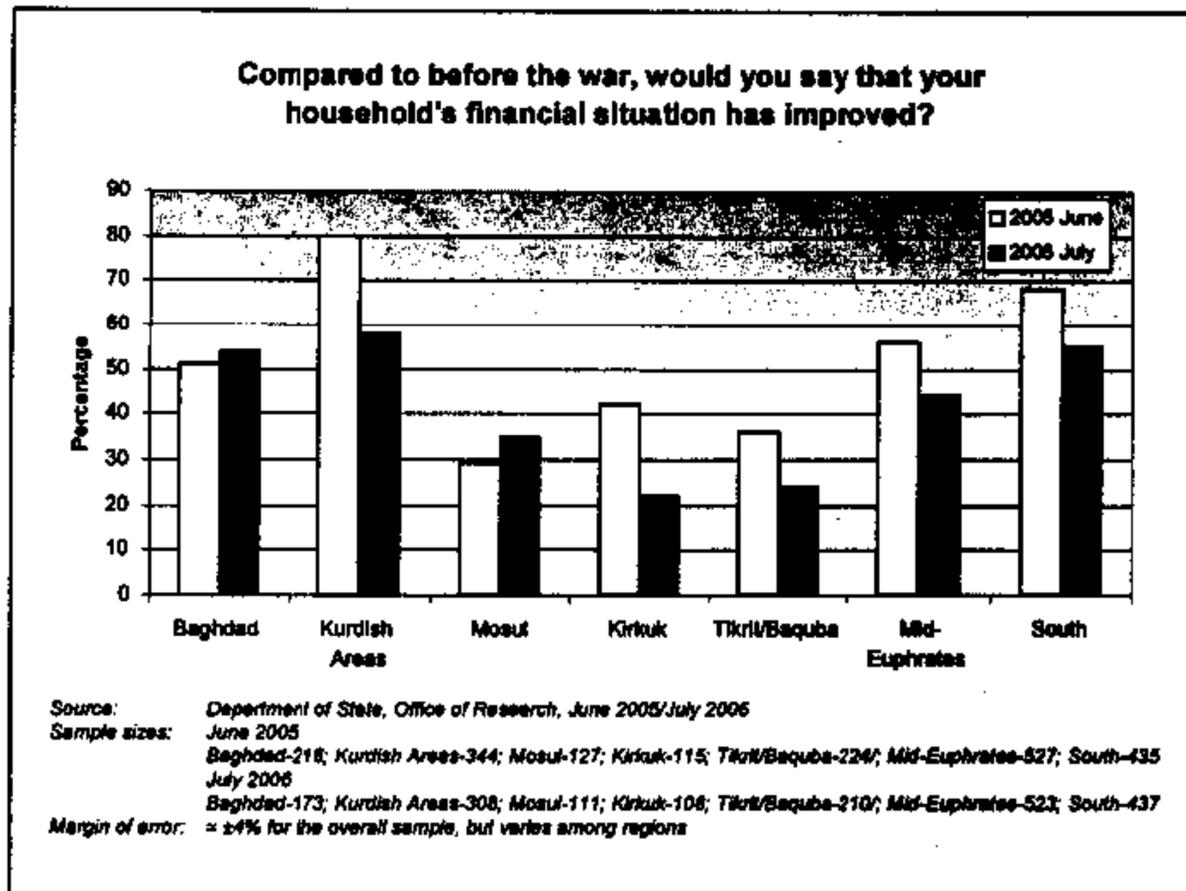
With support from USAID, the Ministries of Finance, Labor, and Social Affairs have developed a more effective social safety net for Iraq's poorest citizens. This initiative helps low-income families manage the effects of subsidy reform, using needs-adjusted cash benefits and services that help families raise themselves above the poverty level. The social safety net program is an essential step in reforming national subsidies as required by the IMF Stand-By Arrangement. The Government of Iraq is still registering eligible households in a continuing effort to reach those Iraqis most in need of help. To date, the

Government of Iraq has enrolled more than 520,000 people in the social safety net program.

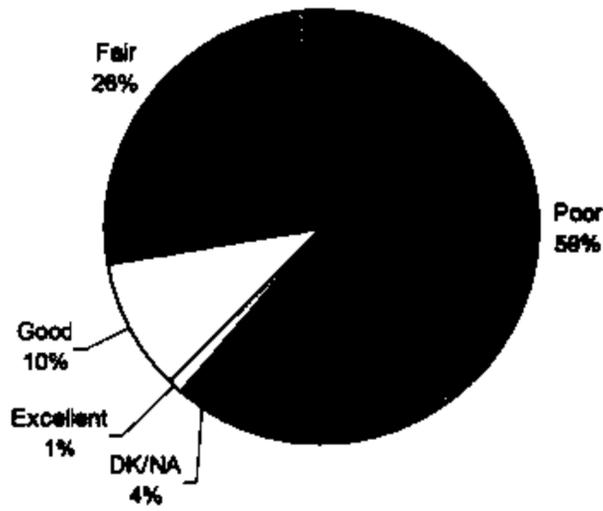
High inflation is threatening Iraq's overall macroeconomic stability. Inflation continues to be volatile, with spikes generally caused by commodity shortages and seasonal variations. The annual inflation rate from June 2005 to June 2006 was 52.5%, according to COSIT. The CBI needs to take steps to control inflation. Polling data indicate that the Iraqi public's perceptions of the household financial situation are mixed, although public

perceptions are generally more pessimistic than they were a year ago.

There is evidence that Iraqi private sector activity continues to expand. The IMF estimates that non-oil GDP growth in 2006 will be 10%. Various U.S. Government agencies are attempting to spur private sector activity with microfinance loans, bank lending to small- and medium-sized enterprises, capital market development, business skills development, vocational training, investment promotion, business center support, and creation of economic zones.

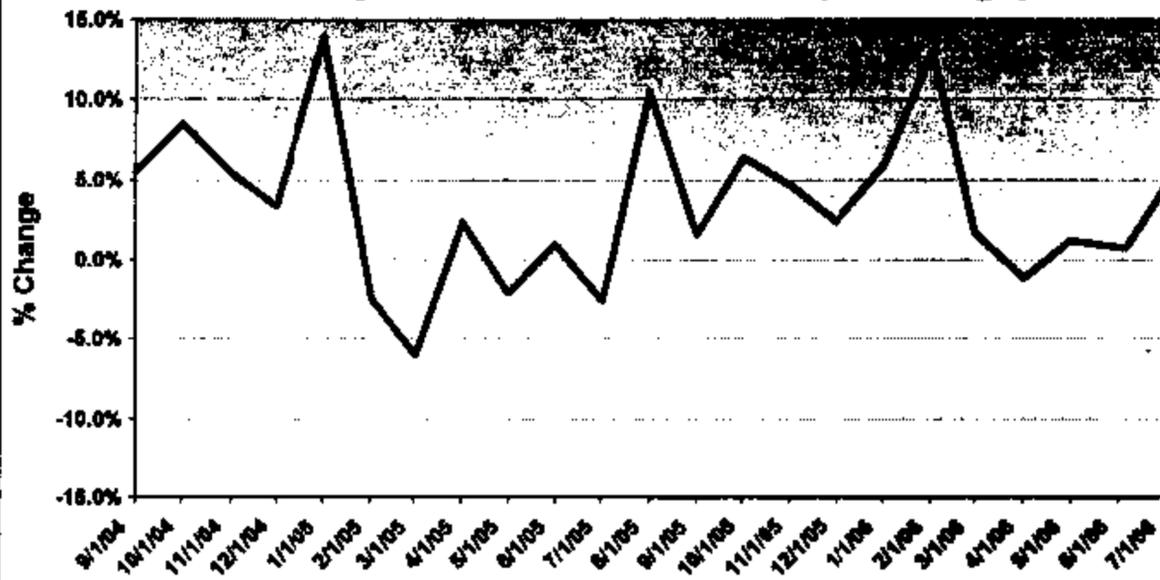


How would you rate economic conditions in Iraq today?

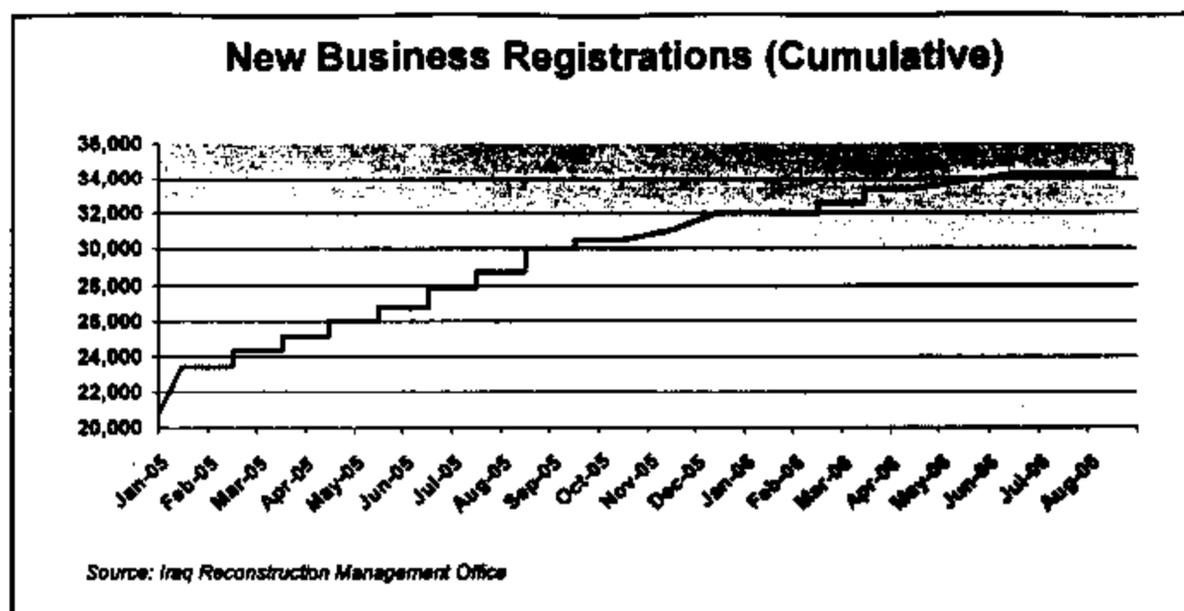


Source: Derived from International Republic Institute Polling Data, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)

Monthly Consumer Price Index (% Change)



Source: U.S. Treasury estimates



Sector Indicators

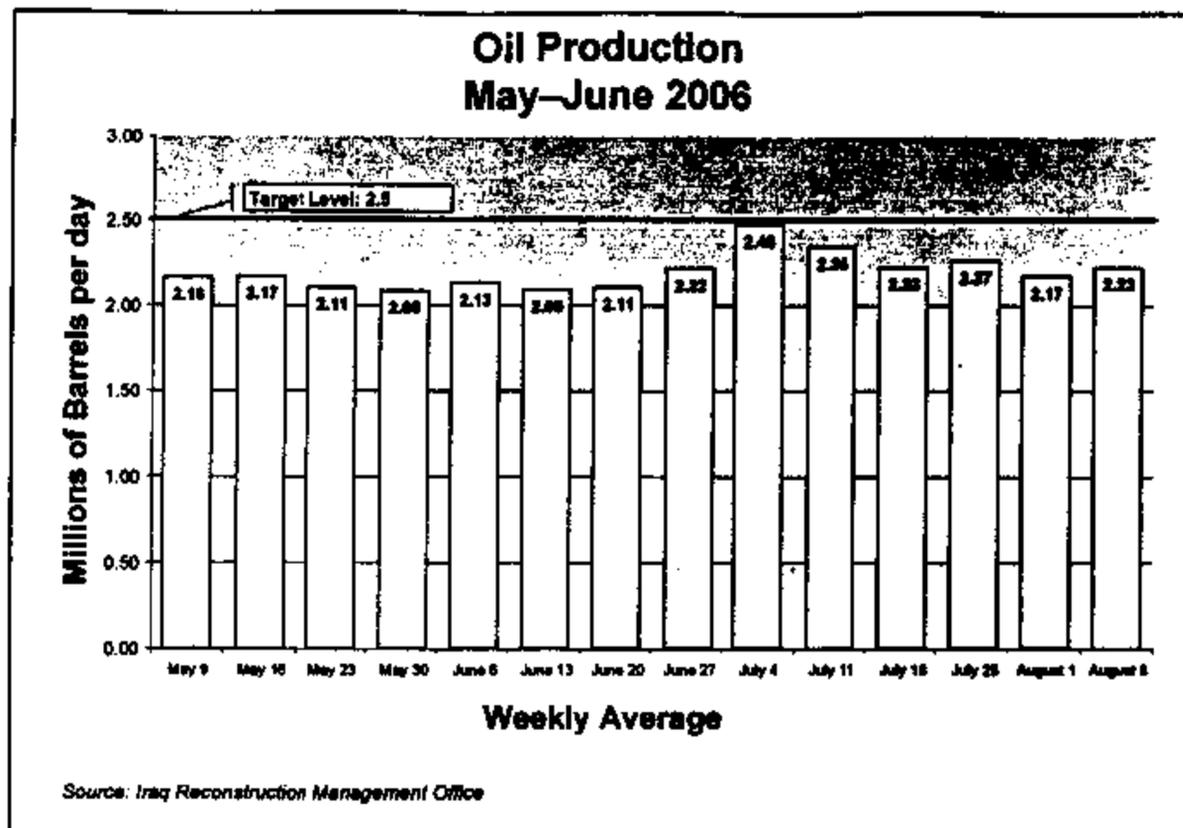
Oil Production, Distribution, and Export

When Coalition forces began Operation Iraqi Freedom, they entered a country whose energy infrastructure had deteriorated over many years. The Coalition set out to help the Government of Iraq restore oil facilities, increase production, improve refining of natural gas production, and maintain pipeline facilities. Poor maintenance, insurgent attacks, slow repair, and corruption have slowed progress. Beyond attacks on various worksites, terrorists have attacked crude export and petroleum product pipelines, impeding exports and the refining and distribution of petroleum products, such as gasoline and diesel.

Despite these challenges, crude oil production for the second quarter improved by 18% to 2.2 mbpd, and exports improved by 20% to 1.6 mbpd. Nevertheless, oil production and exports still fell short of the Government of Iraq's goals (2.5 mbpd and 2.0 mbpd, respectively). Due to a combination of increased exports and higher prices for crude, oil revenues improved in the second quarter, and will reach budgeted targets by August 2006.

During the past quarter, Iraq resumed exports from northern fields for the first time since the autumn of 2005, though on a very small scale. Exports are expected to increase once three major crude pipelines from Kirkuk, including a new 40-inch line, are put in service in September 2006.

Demand remains essentially unchecked for state-subsidized refined petroleum products. The Government of Iraq announced reductions in fuel subsidies on June 21, 2006; on July 1, 2006, in accordance with the Stand-By Arrangement, these subsidies started being phased in at government-run stations. In June 2006, the government increased prices for fuel sold through official outlets, in accordance with its commitments under its IMF reform program to decrease fuel subsidies. Regular gasoline (85 octane) in Iraq is currently regulated at about US\$0.55 per gallon, while premium gasoline (92 octane) is regulated at about US\$0.90 per gallon. The premium gasoline price is at the IMF target price. These prices are roughly equivalent to the pump prices in Kuwait and Saudi Arabia, but substantially less than in Turkey, where gasoline is heavily taxed. This disconnect between supply and demand leads to black market activities and corruption. Efforts are



under way to encourage the Government of Iraq to adopt legislation allowing private imports of premium fuels at market prices. This legislation should allow the refined fuel market to clear and help ease the frequent shortages. It should also help reduce the rampant crime and corruption associated with the current fuel production and distribution process.

The Bayji refinery in northern Iraq is a critical element in Iraq's national oil infrastructure. Built in the 1980s, the Bayji refinery is Iraq's largest and newest refinery. This refinery typifies many of the challenges Iraq faces as it attempts to modernize its aging infrastructure and increase its oil exports. Bayji has a nominal production capacity of 310,000 barrels per day. However, since May 2006, the refinery has not produced more than 170,000 barrels per day, and recent production has been as low as 7,500 barrels per day. Four primary factors have limited production at the Bayji refinery: maintenance issues with key components in the refinery, an inefficient refining

process, an unreliable flow of crude oil into the refinery, and security threats to personnel.

Maintaining the refinery's outdated equipment is a challenge. Two of the refinery's three plants have been shut down since May 2006 due to mechanical breakdowns, scheduled maintenance, power outages, and fires. One power outage damaged the refinery's US\$20 million hydrocracker, a critical piece of equipment used to convert heavy fuel oil to usable products.

A second factor limiting production at Bayji is inefficiency in its refining process. For every two barrels of crude oil brought into the refinery, Bayji produces about one barrel of usable product, for an efficiency rate of about 50%; modern refineries can have efficiencies of 90% or higher. The result of the inefficient refining process is a large amount of heavy fuel oil (HFO) byproduct. Bayji does not have adequate facilities to refine further, store, or dispose of this byproduct; the excess HFO thus interferes with production and storage of usable products.

Production at Bayji is also affected by the interrupted flow of crude oil into the refinery from Kirkuk through three key pipelines. The flow has been periodically halted by corrosion, fires, maintenance, and attacks, all of which serve to hamper production of refined products and crude oil for export. Construction of a new 40-inch line is scheduled to be completed in September 2006.

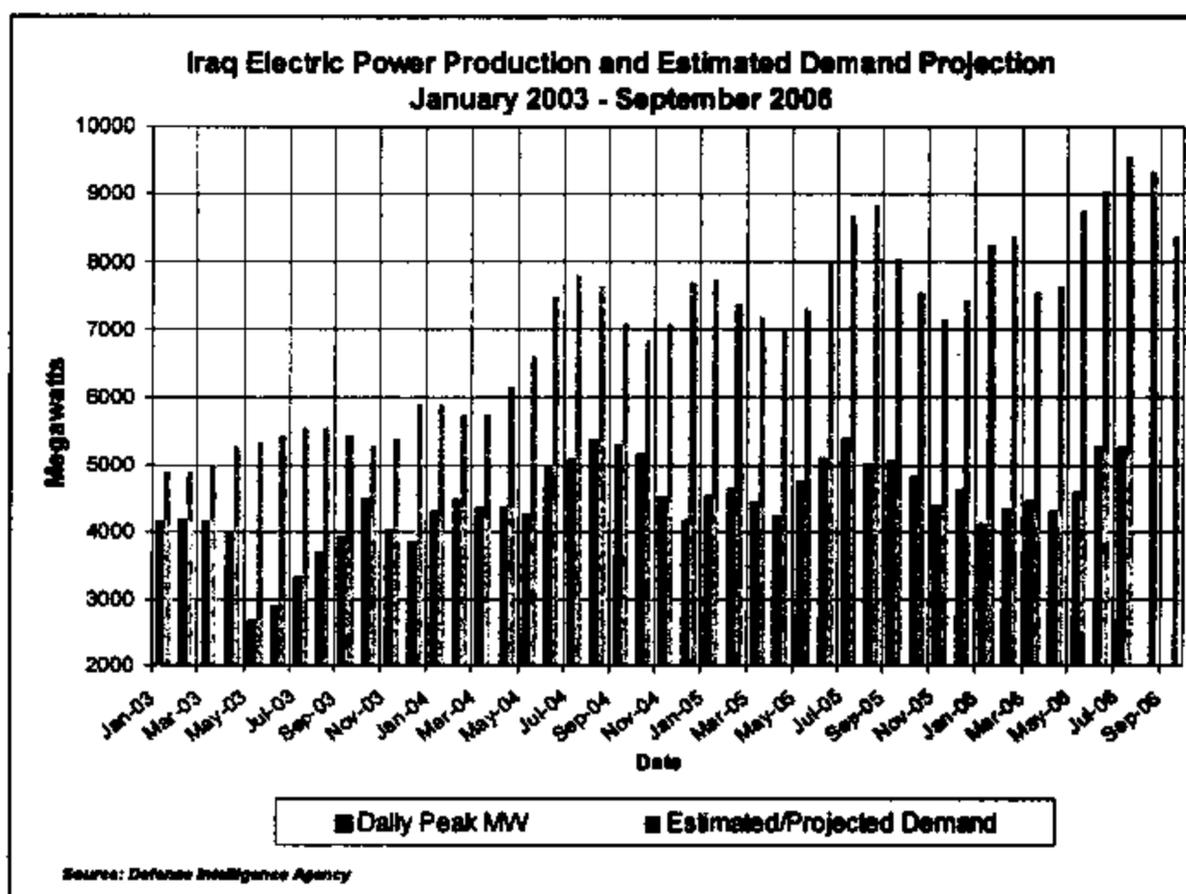
Electricity Production and Distribution

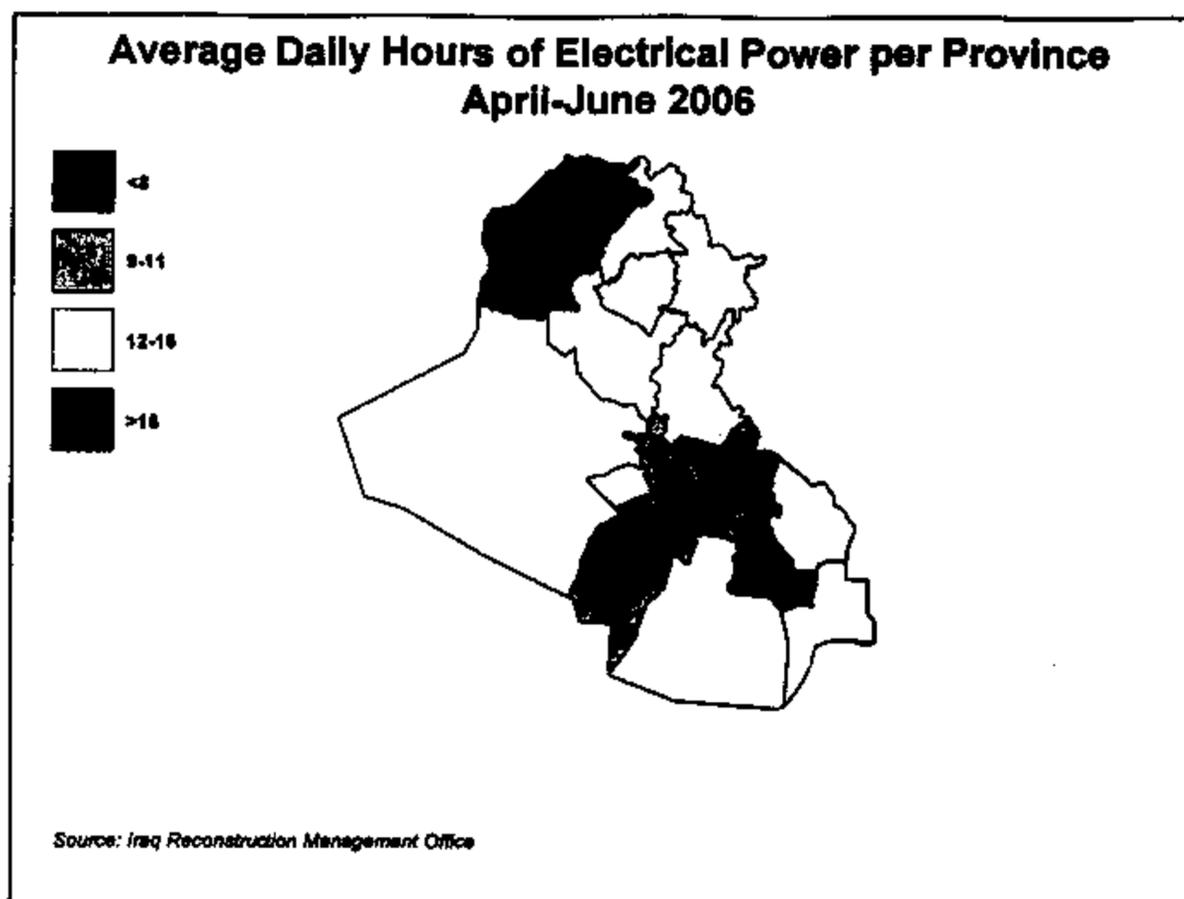
The electrical generation and distribution system in Iraq suffers from unscheduled downtime due to the fragile condition of the electric grid, sabotage, and poor maintenance practices. In addition, shortfalls in petroleum production and distribution lead to occasional fuel shortages for electric generators.

Despite problems, peak capacity and hours of power continue to improve. During this reporting period, peak generating output was 5,283 MW on July 17, 2006, with an average peak generating output of 4,573 MW over the

period. This is an improvement of 15.8% over the previous reporting period. Iraq averaged 14 hours of power per day this quarter, an improvement of 3 hours per day over the previous quarter. Baghdad averaged 8 hours of power per day, twice what it had averaged six months earlier.

As Iraqis purchase additional electric appliances, demand for electricity continues to increase. Estimated demand over the 30-day period ending July 15, 2006, was 8,928 MW. To date in 2006, the highest daily peak supply was 5,283 MW, 2% below the 2005 peak of 5,389 MW. With all state-owned generators running, theoretical maximum output is 8,551 MW, or 96% of this estimated new demand. However, that level of output has not been achieved, nor could it be sustained if it were achieved. The Government of Iraq's goal for average peak generating output by the end of December 2006 is 6,000 MW per day. During times when state-generated electricity is not available, many Iraqis meet their electricity requirements through private





generators. Electricity usage in Iraq appears to be in accordance with or less than regional norms. Nonetheless, the data support the contention that the current connected capacity is not sufficient to support a growing economy.

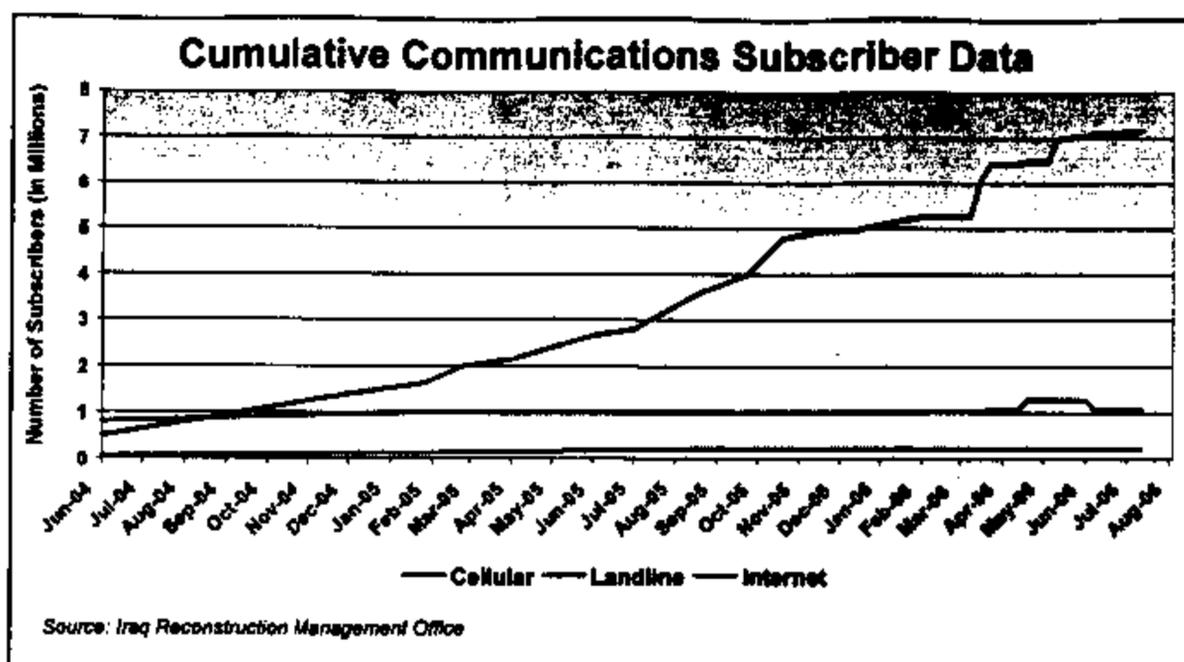
The subsidized state distribution rate affects electricity demand, and current electricity rates are nominal, well below regional averages. In addition, not all Iraqis pay for their state-supplied electricity. About 70% of homes have meters and are billed. Of those, about 70% pay their electric bills. The rate billed is equivalent to US\$.002/kwh. Owners of private neighborhood generators bill their customers at a rate about 40 times higher, around US\$.08/kwh.

Communications

The communications sector continues to expand, although this expansion is slowing down in comparison with its explosive growth immediately after the fall of the previous regime. Whereas the number of landline sub-

scribers is relatively stable, the three major cell phone companies continue to enroll subscribers. IRMO reports that, as of July 25, 2006, there were 7.1 million cellular telephone subscribers and 1 million landline connections. This reflects an increase in cellular subscribers since the last report. The number of cellular telephone subscribers has doubled over the last nine months. The state-owned Internet service provider (ISP) currently serves 197,310 subscribers, a slight decrease since May 2006. This figure excludes private ISPs and public Internet cafes. It is unknown whether expansions of private sector ISPs drew customers from the state-owned service.

U.S. Government projects continue to support improved communications among Iraqi ministries. Thirty-five of 42 government sites in Baghdad, the CBI, and two state-owned banks are now connected via the wireless broadband network. The U.S. Government continues to train Iraqi telecommunications engineers on proper operations and maintenance procedures to maintain and broaden this network.



Water

New projects have “added capacity to provide an estimated 4.2 million people with access to potable water—an increase of 1.2 million people since the May 2006 report—but direct measurement of water actually delivered to Iraqis is not available.”¹ Additional projects currently under way should increase infrastructure capacity to provide access to clean water to as many as 5 million more people.

Obstacles to Progress

There is significant black market activity in Iraq, much of it in oil products. Although crude oil can be sold on the black market, refined product requires less handling, can be sold almost anywhere, and is more difficult to trace, thereby making it more profitable. Much of the black market and corruption activity centers on refined products, such as gasoline, benzene, LPG, and diesel.

Although the increases in the official prices have reduced the economic incentive to smuggle fuel, smuggling fuel for resale inside

¹ Special Inspector General Iraq Reconstruction (SIGIR) report, 30 April 06, <http://www.sigir.mil>.

and outside the country remains a serious issue. Turkey, where high taxes keep gasoline priced near US\$5 a gallon, is a lucrative target for smugglers. However, a significant portion of illegal trade results in constraining the supply of gasoline in Baghdad, giving motorists few alternatives to purchasing black market fuel at increased prices. Some pipeline interdictions are due to insurgent attacks, while some are botched attempts to steal fuel by tapping into a flowing product line. Other incidents include deliberate acts of sabotage intended to manipulate the fuel supply to spur increased profits for black marketeers and corrupt officials.

Black market prices for fuel vary by refined fuel type: Benzene typically sells for 3–5 times the government established price, while LPG has recently been selling for 10–20 times the official price. This gap between the official price and the black market price provides a strong incentive for corruption. The U.S. Embassy has engaged the Government of Iraq to follow through on their stated commitment to encourage liberalization of the retail fuel market through enactment of the Fuel Import Liberalization Law being considered by the CoR. This reform will allow the private sector to import fuel and sell it at

market prices. This step is viewed with controversy in Iraq. Economists predict that private sector retail vendors of petroleum products would undercut the illegal market, thus driving them out of business once the Government of Iraq passes the import liberalization law.

1.3 The Security Environment

Defeating the enemy, breaking the cycle of violence, promoting reconciliation, and transitioning security responsibility to the Government of Iraq remain the top goals in the security track. To achieve these goals, the United States, its Coalition partners, and the Government of Iraq are focused on objectives that include:

- neutralizing enemy effectiveness, influence, and ability to intimidate;
- rapidly reducing sectarian violence and eliminating death squads;
- increasing the capacity of the Government of Iraq and its security structures and forces to provide national security and public order; and
- helping Iraq strengthen rule of law capabilities in the areas of law enforcement, justice, and the corrections system.

Indicators of the security environment include:

- composition, strength, and support for groups that threaten security and stability: anti-government and anti-Coalition forces (the "enemy");
- activity, support, and efforts to disband, disarm, and reintegrate militias;
- attack trends (including the number of attacks and their effectiveness);
- levels of sectarian violence;

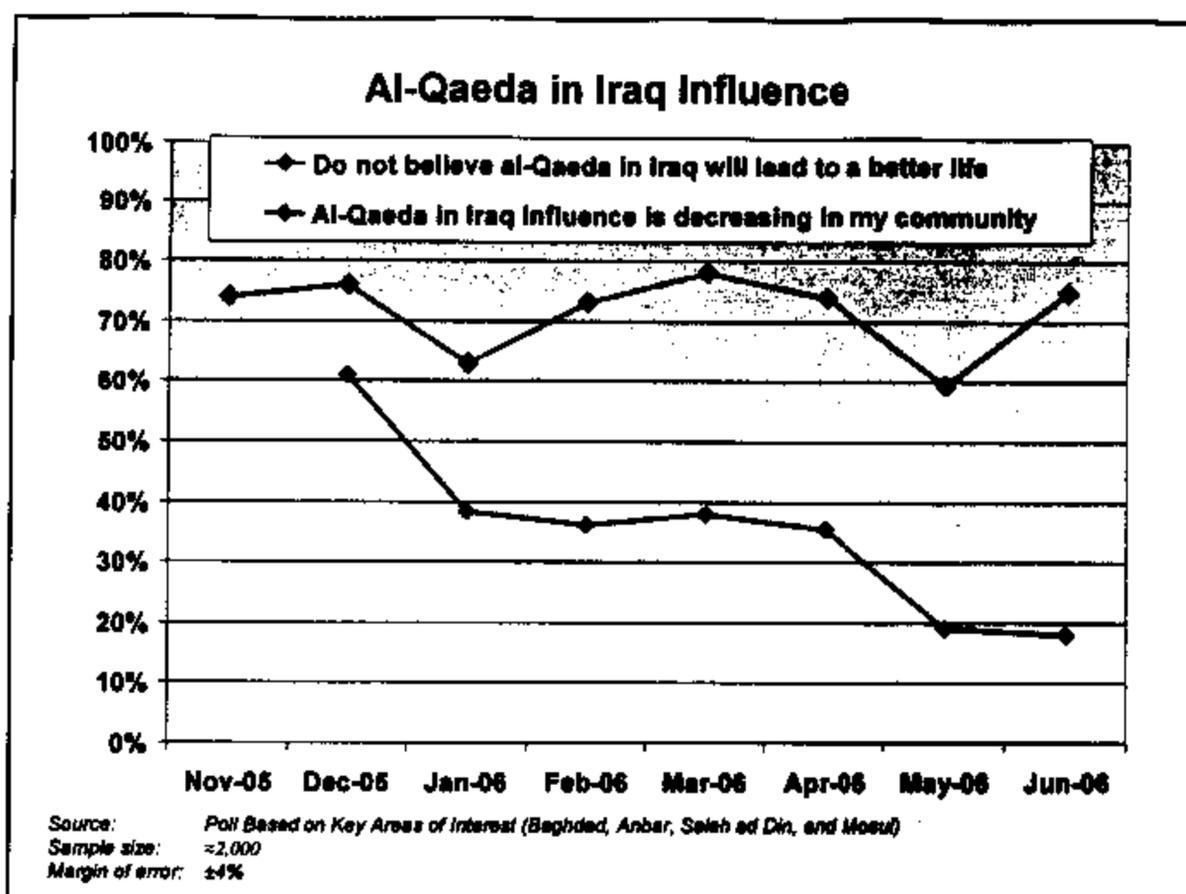
- Iraqi public perceptions of security and security institutions; and
- capabilities of the ISF and Iraqi institutions.

Information about the ISF is presented later in this report.

Overall Assessment of the Security Environment

During this reporting period, attacks and civilian casualties have risen, characterized by ethno-sectarian attacks and reprisals. Violence escalated notably in Baghdad, which, as the political, population, and media center of the country, is a high-value target for terrorists. Violence in Basrah also rose, partly in response to British actions against the JAM. The death of terrorist Abu Musab al-Zarqawi in June was a major success for the Coalition and the Government of Iraq, but al-Qaeda in Iraq remains able to conduct operations due to its resilient, semi-autonomous cellular structure of command and control. Terrorists have failed to advance their primary objectives, which include derailing Iraq's political process and widening their political support among the Iraqi people. The Iraqi Army took the lead in more counter-insurgency operations and assumed security responsibility in more areas since the last report. The Iraqi people continue to express confidence in the Iraqi Army to provide for their security and to reject al-Qaeda in Iraq's vision of Iraq's future, but they are increasingly turning to militias and neighborhood watch groups to provide security from sectarian violence.

Overall attack levels are higher than last quarter. In particular, attacks have increased in southwestern Diyala Province and in the cities of Mosul and Kirkuk. Extremists seeking to stoke ethno-sectarian strife have increasingly focused their efforts on civilians, inciting a cycle of retribution killings and



driving civilian casualties to new highs. Much of this violence is focused on Baghdad, as terrorists, insurgents, and illegal armed groups recognized the political and economic significance of the capital city. As described below, the Government of Iraq and the Coalition are taking significant steps to reverse the upward trend of violence in Baghdad.

Recent Developments in the Security Environment

Rising sectarian strife defines the emerging nature of violence in mid-2006. Since the last report, the core conflict in Iraq changed into a struggle between Sunni and Shi'a extremists seeking to control key areas in Baghdad, create or protect sectarian enclaves, divert economic resources, and impose their own respective political and religious agendas. Death squads and terrorists are locked in mutually reinforcing cycles of sectarian strife, with Sunni and Shi'a extremists each portraying themselves as the defenders of their

respective sectarian groups. However, the Sunni Arab insurgency remains potent and viable, although its visibility has been overshadowed by the increase in sectarian violence.

On June 14, 2006, Iraqi Prime Minister al-Maliki announced the government's plan to provide improved security conditions in Baghdad. Operation Together Forward, or *Amaliya Ma'an ila Al-Amam* in Arabic, consists of increased checkpoints, curfews, and enforced weapons bans to reduce sectarian violence in focused areas within Baghdad. Security forces are also conducting raids against terrorist cells and death squads. As part of this operation, Iraqi police, the Iraqi Army, and National Police, supported by Coalition forces, increased patrols and checkpoints in all areas of Baghdad, while concentrating on areas of the city that have witnessed increases in violence and sectarian killings. Security forces also worked to block terrorist entry into the capital city.

The confluence of high attack levels—many targeting civilians—and the increased sectarian violence, combined with the need to ensure that the Government of Iraq maintains momentum in political progress and counter-insurgency, made Baghdad security a decisive element in the campaign. Given the complexity of the security situation in Baghdad, the Iraqi government planned to execute and complete *Amaliya Ma'an ila Al-Amam* over a period of months, not weeks. After the first month of *Amaliya Ma'an ila Al-Amam*, the operation had arrested but had not reversed the high attack levels seen in May and June. The average of 23.7 attacks per day across Baghdad's 10 districts was virtually unchanged from the 23.8 average daily attacks that occurred the month prior to the operation. Moreover, the rate of sectarian-motivated murders and execution-style killings continued to rise, primarily in and around Baghdad.

In July, during the prime minister's first visit to the United States, Prime Minister al-Maliki and President Bush announced an adjustment to the Baghdad Security Plan. One of the key changes is an increase in security force levels in the city. Elements of the Call Forward Force were brought forward from Kuwait and other Coalition and Iraqi units were repositioned from less active areas of the country. In addition, the Secretary of Defense extended the 172nd Stryker Brigade Combat Team's deployment in Iraq for up to 120 days. Because the 172nd was largely successful in working with the ISF to improve security in northern Iraq, it has been repositioned into Baghdad.

In addition to increasing force levels in Baghdad, the Coalition and the Government of Iraq developed and refined tactics, techniques, and procedures designed to reduce the sectarian killings. A primary focus is eliminating the death squads responsible for the

predominance of the execution-style killings and other murders in the city. The death squads have fomented sectarian violence, as killings prompt further killings of revenge. Coalition forces and the ISF are also targeting the death squads and other illegal armed groups using checkpoints, patrols, driving bans, curfews, weapons-law enforcement, intelligence-driven operations, and other methods. The ISF will rely on their training, experience, and familiarity with Baghdad's milieu to focus on neighborhoods with the highest levels of violence. Coalition forces remain in a supporting role and will be employed as requested by Prime Minister al-Maliki and directed by the MNF-I commanding general.

The two primary objectives of the security operations in Baghdad are rapidly reducing sectarian violence by de-legitimizing the illegally armed groups and establishing the ISF as the dominant security presence. The changes described above represent a concerted, focused effort by the Coalition and the Government of Iraq. By strengthening the capacity of the Government of Iraq and spurring economic growth in Baghdad, the United States will help the Government of Iraq succeed in protecting its population and restoring the confidence of the Iraqi people in their future.

The Nature of the Conflict

Violence in Baghdad is the most prominent feature of the conflict in Iraq in this period, as Sunni and Shi'a extremist death squads pursue their sectarian agendas. The resulting violence overwhelmingly targets civilians, causing segments of the populace to tolerate or even endorse extremist actions on their behalf as an effective means to guarantee their safety, undermining both the Government of Iraq's ability to deliver security and its pursuit of a reconciliation program. Although

Baghdad remains the focus for sectarian and terrorist violence in Iraq, violence tied to the Rejectionist insurgency, terrorist intimidation, political and tribal tensions, and criminality continue in other regions. Sectarian violence is gradually spreading north into Diyala Province and Kirkuk as Sunni, Shi'a, and Kurdish groups compete for provincial influence. Conflict in Anbar Province remains centered on the Sunni insurgency. Although al-Qaeda in Iraq continues its intimidation to coerce passive Sunni support, tribes are pushing back to eject al-Qaeda in Iraq and re-establish their dominant role. In the southern, predominantly Shi'a region of the country, political and tribal rivalries are a growing motive behind violence, particularly in Basrah, with limited anti-Coalition forces attacks likely undertaken by rogue Shi'a militia with Iranian support.

The Enemy

Violence against the Iraqi people and Coalition forces is committed generally by a combination of both Sunni and Shi'a groups, who are overwhelmingly Iraqi but with a small yet significant component of foreign suicide operatives. Sunni groups include Rejectionists—many of whom were members of, or associated with, the former regime—and terrorists groups, including al-Qaeda in Iraq, Ansar al Sunnah (AS), and other smaller groups. Shi'a groups include elements of militias and illegal armed groups, many of whom receive Iranian support. The threat posed by Shi'a illegal armed groups, filling perceived and actual security vacuums, is growing and represents a significant challenge for the Iraqi government. The appearance and activity of death squads is a growing aspect of the violence in Iraq, with both Sunni and Shi'a death squads adding to the violence by targeting civilians and inciting reprisal. Al-Qaeda in Iraq and elements of JAM (nominally under the control of Muqtada

al-Sadr) are among most prominent groups engaging in a continuing pattern of attacks and reprisals against individuals or communities representing the other's sectarian affiliation. Thus, the violence in Iraq cannot be categorized as the result of a single organized or unified opposition or insurgency; the security situation is currently at its most complex state since the initiation of Operation Iraqi Freedom. Similarly, Iraqi or Coalition security strategies must be tailored for the different objectives, methods, and support structures of each particular threat.

Terrorists and Foreign Fighters

Al-Qaeda in Iraq and its affiliates in the Mujahadeen Shura Council consist of both foreigners and Iraqis motivated by an extremist Sunni Islamist ideology, which rejects the West, attacks moderate Islam, and seeks to establish an Islamic Caliphate in Iraq. AS is another significant, mostly indigenous terrorist group that objects to al-Qaeda in Iraq's wanton targeting of Muslim Iraqis. Foreign fighters continue to enter Iraq and constitute the majority of those conducting suicide attacks. Sunni extremists continue their efforts to force Coalition withdrawal, perpetuate sectarian violence, and make Iraq ungovernable as a means of establishing the Caliphate. The death of Abu Musab al-Zarqawi has dealt a significant blow to al-Qaeda in Iraq, though the cellular nature of its robust network allowed decentralized operations to continue. Since then, al-Qaeda in Iraq has fomented sectarian violence through high-profile attacks against Shi'a civilians and is engaged in a cycle of retaliatory violence involving elements of JAM. Al-Qaeda in Iraq recently announced that its "Umar Brigade" that would begin targeting JAM in retaliation for death squad activities in an effort to portray al-Qaeda in Iraq as a protector of the Sunni. Additionally, al-Qaeda in Iraq leadership is increasing convergent with al-Qaeda

senior leaders on goals and strategy following Zarqawi's death. The recent statement from Usama bin Laden on June 30, 2006, in which he addresses the Iraqi "jihadists," frames the conflict in terms of attacking those who support the Government of Iraq. He also warns Shi'a in "southern Iraq" that they are not safe, if they continue to support Coalition operations against Sunni urban centers in Anbar Province. This is a clear attempt to recast al-Qaeda in Iraq as the most effective defender of Sunni interests.

Sunni Rejectionists

Sunni Rejectionists use violence and coercion in an attempt to force withdrawal of Coalition forces, prevent Shi'a economic and territorial dominance, and reverse Sunni political marginalization by regaining a privileged or protected status within a unified Iraq. The 1920s Revolutionary Brigade is the most prominent of these Rejectionist groups. Sunni Rejectionists continue to target Coalition forces at rates higher than Sunni extremist or Shi'a militia groups. The bulk of the Rejectionist insurgency will likely continue to attack Coalition forces while they remain in Iraq. Some elements are indicating an interest in Prime Minister al-Maliki's new reconciliation effort, while still employing violence against the Coalition forces and the ISF from a sense of honor and as a means to force meaningful political accommodation. Moderates say they will accept reconciliation inducements and disarm only after death squads are eliminated; Shi'a militias are disarmed; and key security, amnesty, and political demands are met. Other hard-line elements of Rejectionist groups provide professional military skills to al-Qaeda in Iraq and other extremists to achieve common tactical objectives. Other Rejectionists, including some in Anbar and Baghdad, are weary of al-Qaeda in Iraq's violent intimidat-

ion tactics and actively oppose al-Qaeda in Iraq, sometimes mounting their own anti-al-Qaeda in Iraq attacks and raids.

Death Squads

Death squads are armed groups that conduct extra-judicial killings. Death squads are formed from terrorists, militias, illegal armed groups, and—in some cases—rogue elements of the ISF. Both Shi'a and Sunni death squads are active in Iraq, and are responsible for the most significant increases in sectarian violence. Death squads predominantly target civilians, and the increase in death squad activity is directly correlated with the increase of civilian casualties. Coalition forces and the ISF are actively targeting elements that participate in death squad activity.

Militias and Other Armed Groups

Militias and small, illegally armed groups operate openly and often with popular support. This is especially true in areas where the Government of Iraq is perceived as unable to provide effective social and security services for the population. Militias—whether legal or illegal—provide an element of protection for select portions of the populace, usually on an ethno-sectarian basis, resulting in, overall, a more dangerous environment for the Iraqi community. Some militias also act as the security arm of organizations devoted to social relief and welfare, lending these armed groups further legitimacy. Whether operating within or outside the law, these armed groups operate separately from formal public safety structures. Their continued existence challenges the legitimacy of the constitutional government and provides a conduit for foreign interference. An effective disarmament, demobilization, and reintegration program is essential to meeting near- and long-term security requirements for Iraq.

Although a number of militias and illegal armed groups have operated in Iraq since before the liberation, the groups that are affecting the current security situation the most are the Badr Organization and JAM.

The Badr Organization is an authorized militia under the Iraqi Transitional Administrative Law that pre-dated the present Constitution, and the organization actively participates in the Iraqi government. The Badr Organization has not engaged in active violence against Coalition forces or the Government of Iraq; it attacks Sunni targets and in the past has also confronted JAM in an effort to prevent its expansion of power and influence among the Shi'a. The Badr Organization receives financial and materiel support from Iran, and individuals from Badr have been implicated in death squads.

JAM is not a legal militia under Iraqi law. However, it is well known and supported popularly in Baghdad and the southern provinces of Iraq, and has achieved a measure of tolerance from elements of the Government of Iraq. JAM is closely associated with the Office of the Martyr Sadr and is nominally responsive to his direction. Most, but not all, JAM elements are following Sadr's order not to engage Coalition forces or the ISF except in self-defense. Still, violence between JAM, the Iraqi Army, and to a lesser extent Coalition forces, is frequent. Rogue JAM elements are among the main perpetrators of sectarian violence, and JAM members frequently participate in death squad activities. As described above, JAM and Badr Organization members have periodically attacked one another in the past and are political rivals, but intra-Shi'a conflict has taken a back seat to the ongoing battle of violence and revenge between al-Qaeda in Iraq and elements of JAM. Like Badr, JAM receives logistical support from Iran.

The *Peshmerga* are, technically, not a militia, but have the status of an authorized armed force. The *Peshmerga* maintain security independently within and along the borders for the Kurdish Regional Government. Some elements are integrated into the IPS. The *Peshmerga* predominantly operate in Kurdish regions, but have also been employed in the private security company role outside of Kurdistan. The *Peshmerga* do not attack or oppose Coalition forces or the ISF. In some cases, *Peshmerga* provide security for Coalition reconstruction efforts. Over the long term, however, the perceived dual allegiance of the *Peshmerga* is potentially inconsistent with effective national security and governance.

Unlike the Kurdish and Shi'a militia groups, Sunni Arabs do not have formally organized militias, but rely on neighborhood watches, Rejectionists, and, increasingly, al-Qaeda in Iraq. The presence of *Peshmerga*, Badr Organization, and JAM individuals in the IPS and the National Police contributes to Sunni concerns about the potential for persecution and partisanship. The rise of sectarian attacks is driving some Sunni and Shi'a civilians in Baghdad and the mixed-ethnic provinces to support militias. Such support is likely to continue in areas where Iraqi institutions and forces are perceived as unable to provide essential services or meet security requirements.

Criminals

Without an apparent political motive, conventional criminal elements are also capitalizing on the instability in Iraq, although it is increasingly difficult to distinguish among activities conducted by criminal, insurgent, and terrorist groups, as all are engaged in kidnappings, extortion, assaults, and other illegal behavior. In some cases, criminal

gangs work with terrorist organizations, with the former abducting hostages and selling them to the latter, which can use their captives for publicity or to obtain ransom. The various groups involved in illicit activity are doing so to generate revenue, expand their influence, and facilitate further criminal, terrorist, or insurgent operations.

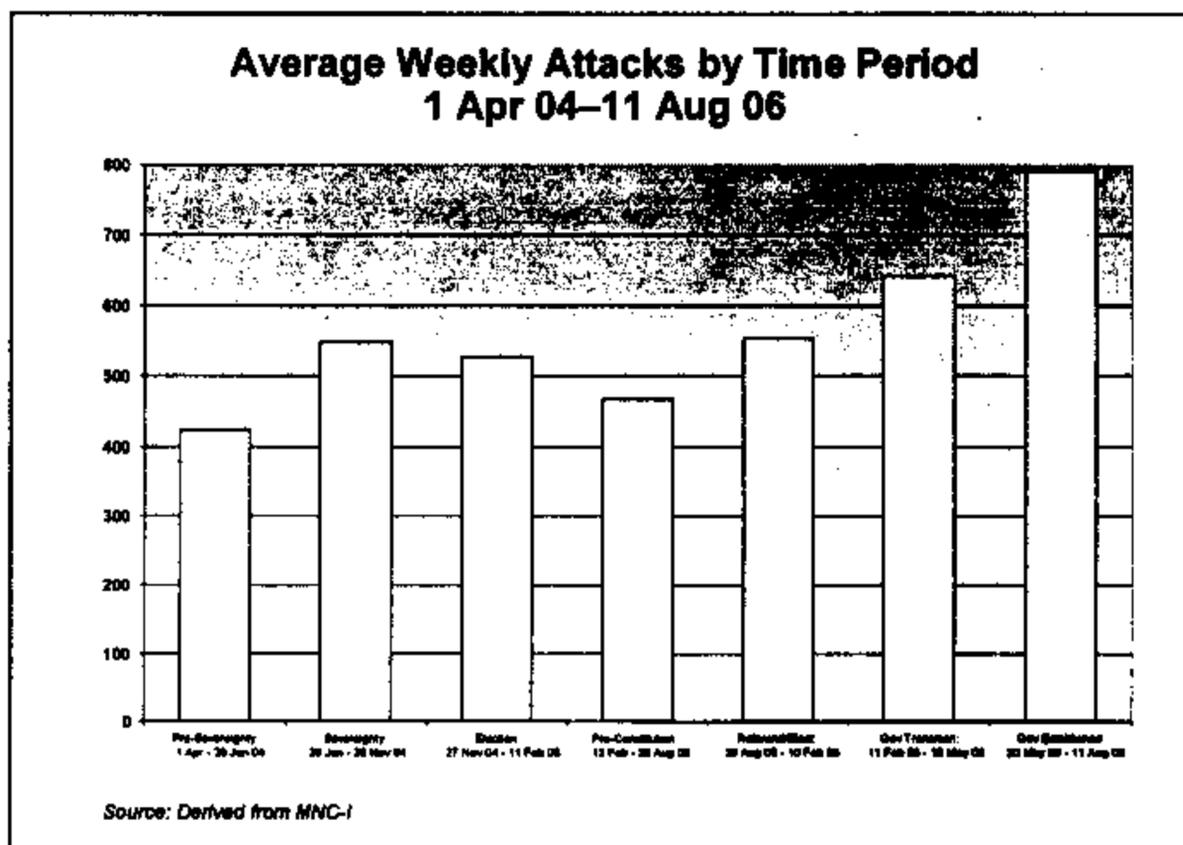
Attack Trends and Violence

For this report, the term “attacks” refers to specific incidents reported in the Multi-National Corps-Iraq (MNC-I) Significant Activities database. It includes known attacks on Coalition forces, the ISF, the civilian population, and infrastructure.

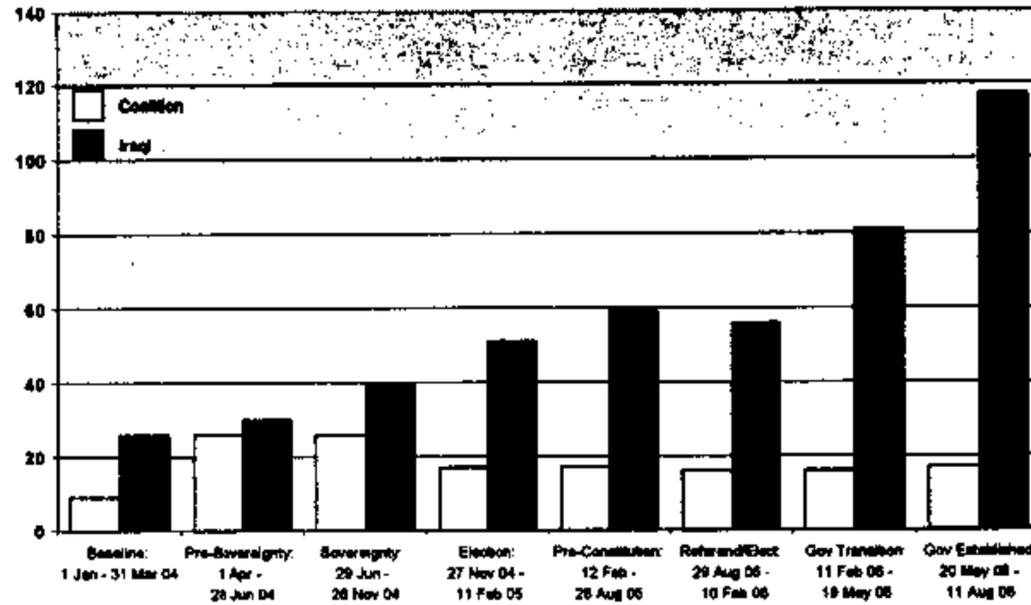
In the government establishment period beginning May 20, 2006, the average number of weekly attacks increased 15% compared to the previous reporting period. Weekly attack levels in July 2006 were the highest to date. Coalition forces continued to attract the majority (63%) of attacks. However, the ISF and civilians continued to suffer the majority

of casualties. Overall, Iraqi casualties increased by 51% compared to the previous quarter. Most attacks targeting Coalition forces were “stand-off” attacks, not involving close-up confrontations between Coalition forces and insurgents. Such attacks typically consisted of improvised explosive devices (IEDs), small arms fire, and indirect fire weapons. The number of car bombs this quarter increased to levels last seen in the summer of 2005. Over the last quarter, car bombs were largely centered on Baghdad, Mosul, Kirkuk, and the Western Euphrates valley, and primarily targeted civilians or ISF checkpoints.

Although the overall number of attacks increased in all categories, the proportion of those attacks directed against civilians increased substantially. Nationally, in April 2006, civilians were the target of 11% of attacks; this increased to 15% in June 2006. Baghdad showed a more pronounced shift in the targeting of civilians compared to the national trend. In Baghdad, civilian targets comprised 15% of total attacks in April and



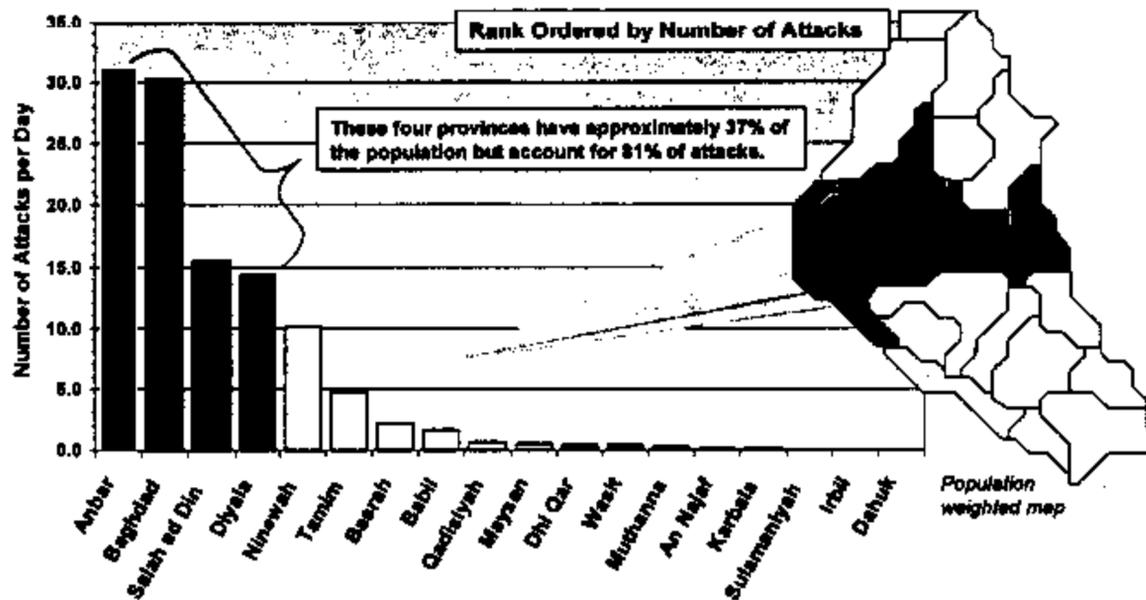
Average Daily Casualties* – Iraqi (including ISF) and Coalition 1 Apr 04–11 Aug 06



* Casualty data reflect updated data for each period and are derived from unverified initial reports submitted by Coalition elements responding to an incident; the inconclusivity of these numbers constrains them to be used only for comparative purposes.

Source: Derived from MNC-I

Total Attacks by Province 20 May–4 Aug 06



Source: Derived from MNC-I

22% in June. The increase in attacks over the past two quarters reflects heightened sectarian tension following the Golden Mosque bombing and increased death squad activity.

Four of Iraq's 18 provinces (Anbar, Baghdad, Diyala, and Salah ad Din) continue to experience the majority of attacks. Anbar and Baghdad are the worst affected provinces,

accounting for 55% of all attacks. Further, Ninewah and Tamim have seen significant increases in attacks over the last quarter.

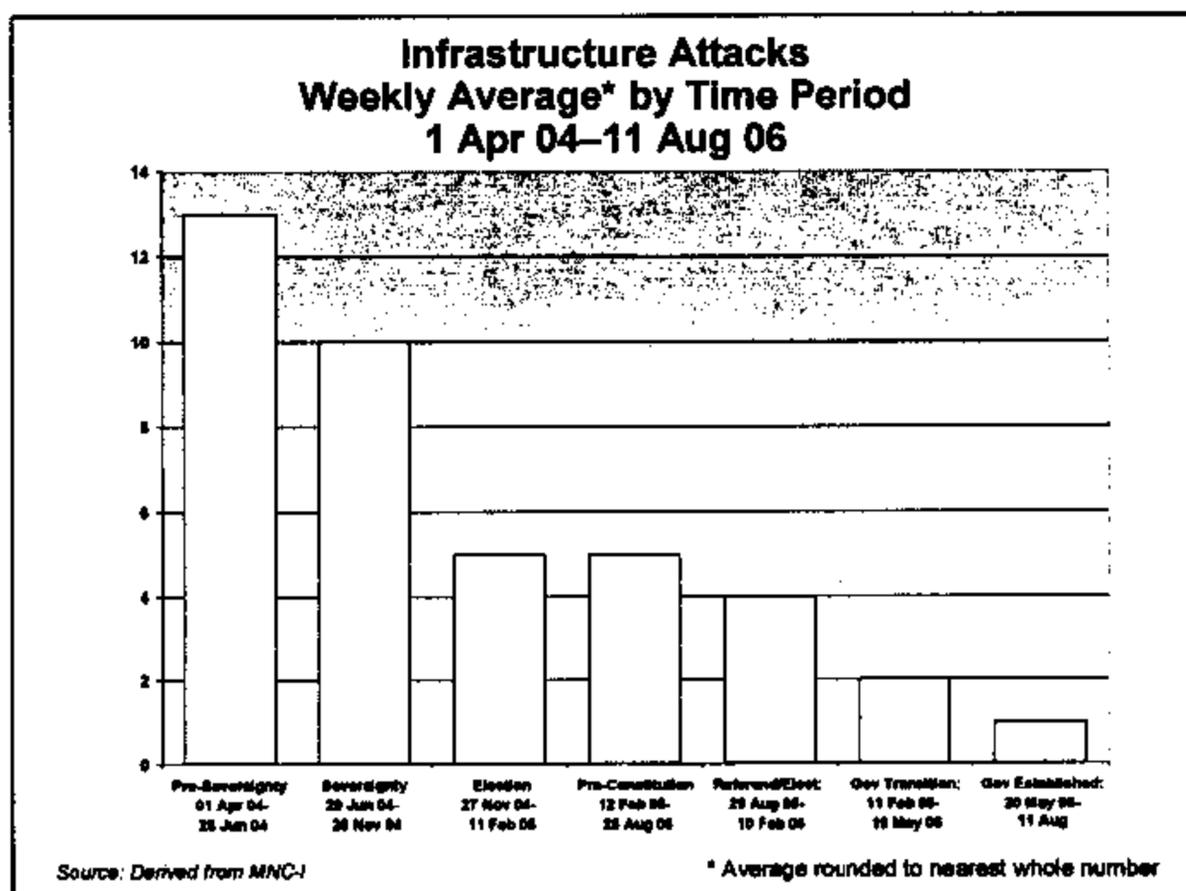
Infrastructure Attacks

The average weekly number of attacks on critical infrastructure providing essential services to the Iraqi people, such as electrical power, water, and fuel, continued to decline over the past quarter, decreasing from an average of five per week to an average of two per week. However, the effect of these attacks has been disproportionate to their numbers for several reasons. Most notable among these is the slow rate of repair to damage from previous attacks. At other times, Iraqi officials may be slow in initiating repairs. Infrastructure repair is often hampered by insurgent or other criminal intimidation of maintenance workers. Not all attacks and intimidation are the result of insurgent or other anti-government activity, as described in the economic section. Criminal activities, such as extortion and black marketeering, also have outlets in

disrupting public essential services. Although the number of attacks is decreasing, the essential services infrastructure will continue to be a high-value target for enemy elements. Successful attacks on the infrastructure adversely affect the legitimacy of government in the minds of the civil population by reducing the supply of essential services.

Concerns of Civil War

Sustained ethno-sectarian violence is the greatest threat to security and stability in Iraq. Breaking this cycle of violence is the most pressing immediate goal of Coalition and Iraqi operations. Conditions that could lead to civil war exist in Iraq, specifically in and around Baghdad, and concern about civil war within the Iraqi civilian population has increased in recent months. Notwithstanding this concern, there is no generally agreed upon definition of civil war among academics or defense analysts. Moreover, the conflict in Iraq does not meet the stringent international legal standards for civil war. However



defined, movement toward civil war can be prevented. The U.S. and Iraqi governments are continuing the military, diplomatic, and political actions needed to prevent a civil war and bring the situation in Baghdad under control. Sectarian violence is largely confined to the communal level. Furthermore, the Iraqi institutions of the center are holding. Iraqi leaders must take advantage of the popular support for democracy, a unified Iraq, and opposition to violence to form institutions that take responsibility for Iraq's security.

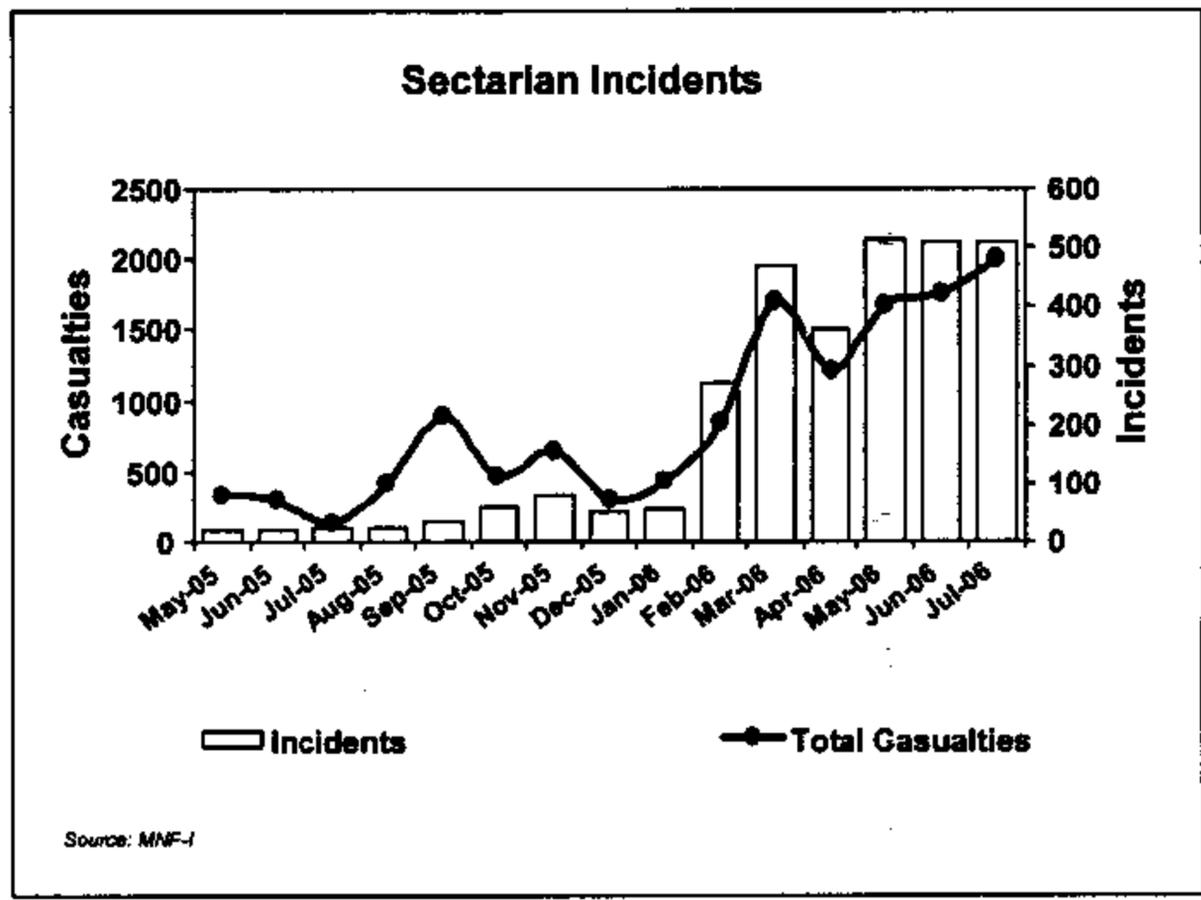
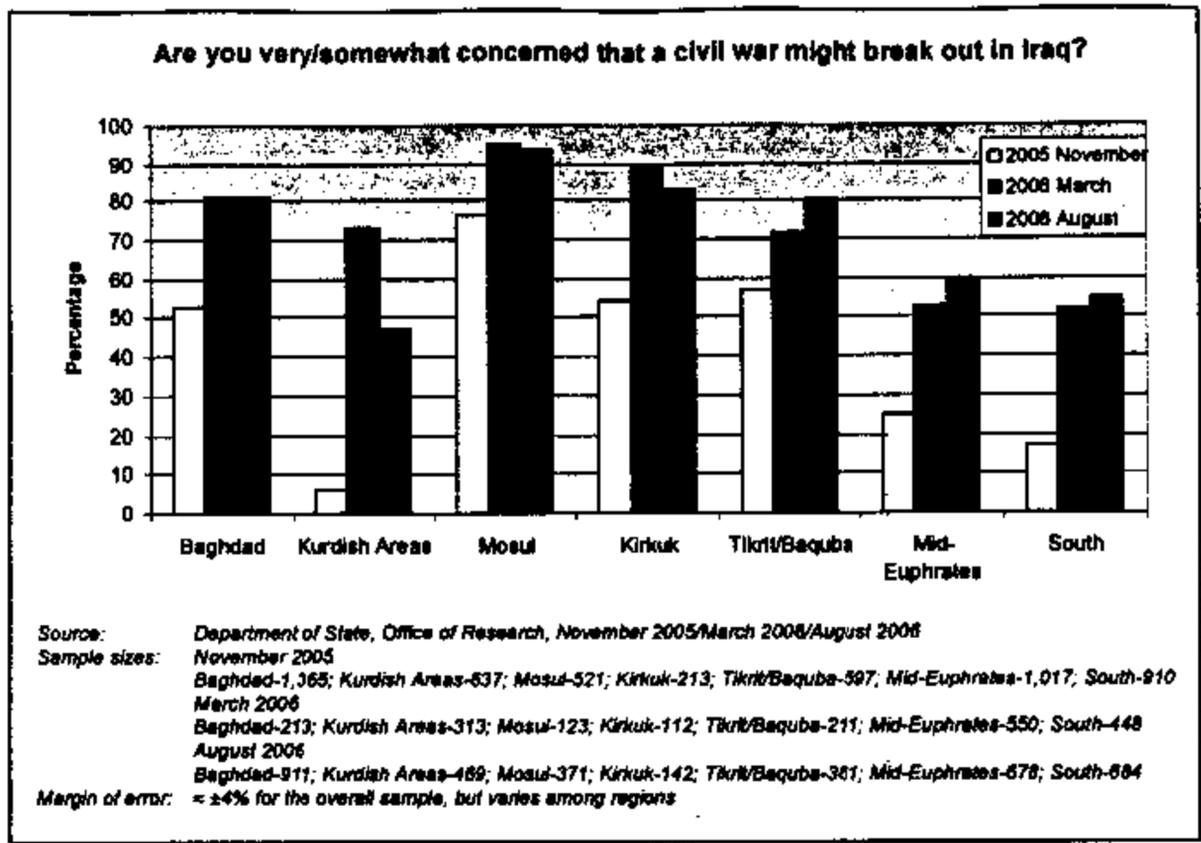
Sectarian tensions increased over the past quarter, demonstrated by the increasing number of executions, kidnappings, attacks on civilians, and internally displaced persons. According to an estimate by the United Nations, 22,977 families—137,862 individuals—have been displaced in Iraq since the February 22, 2006, Samarra Mosque bombing. Sectarian violence is concentrated on the boundaries of mixed and ethnically dominated areas of Baghdad and in southwestern Diyala Province.

According to MNC-I reporting, civilian casualties increased by approximately 1,000 per month since the previous quarter. Executions in particular reached new highs in the month of July. The Baghdad Coroner's Office

reported 1,600 bodies arrived in June and more than 1,800 bodies in July, 90% of which were assessed to be the result of executions. This is due to increased targeting of civilians by al-Qaeda in Iraq and the increase in death squad activity.

Sunni and Shi'a extremists, particularly rogue JAM elements and al-Qaeda in Iraq, are, as noted, interlocked in retaliatory violence and are contesting control of ethnically mixed areas to expand their areas of influence. Throughout the past quarter, rogue JAM members continued a campaign of overt executions and mass kidnappings of Sunni civilians. At the same time, Sunni extremists continued to respond by carrying out large-scale and mass-casualty bombings of Shi'a gatherings and culturally significant sites.

Attacks on Shi'a by al-Qaeda in Iraq and other Sunni elements are apparently designed to inflame sectarian tension, which in turn generates and results in retaliatory attacks on Sunni civilians by rogue Shi'a elements. These rogue Shi'a actions increasingly appear intent on securing Shi'a enclaves and establishing control of contested areas of Baghdad. Coalition forces and the ISF are responding by increased targeting of both Sunni and Shi'a death squads.



Public Perceptions of Security

Ultimately, stability and security in Iraq depend on the support of the Iraqi people. In general, Iraqis have had an optimistic outlook on their future and the overall security situation. However, as time has passed, their optimism has eroded. The aftermath of the Golden Mosque bombing and the growing sectarian violence continue to shape their perceptions. As sectarian violence increases, the view of the security situation worsens. With the view that Baghdad is the key to Iraq, a similar sentiment toward security exists there.

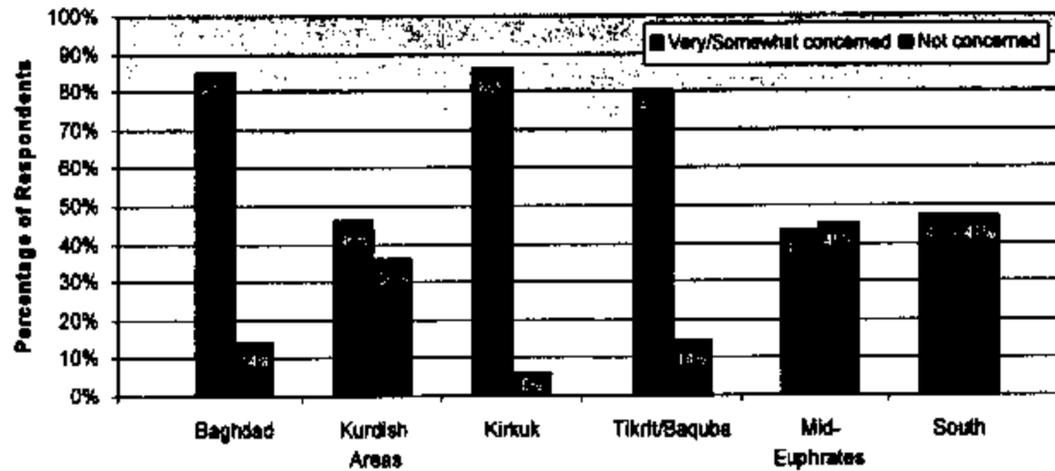
An indication of support for the Government of Iraq within the country is the level of confidence that the Iraqi people expressly place in the ISF Forces, especially when compared against militias or other illegal armed groups. Since the previous report, confidence in the Iraqi Army has remained generally constant, with the notable exception of Baghdad, where public confidence improved. Despite the increase in violence, confidence in the Iraqi Army rose from 69% to 78%. Despite the recent violence in Basrah, polling data that

include the Basrah area indicate increased confidence in both the police and the Iraqi Army over the last reporting period. Confidence in militias is mixed, with a rise in confidence in Baghdad countering an overall downward confidence trend elsewhere.

The perceptions of the Iraqi population will slowly respond to visible, effective actions performed by the IPS. It will take continued diligence on the part of the Iraqi Police to be seen as actively patrolling their areas and arresting individuals for criminal activity, while paying particular care to avoid the appearance of sectarianism.

Another indicator is Iraqi use of the intelligence hotline for providing tips to authorities about suspicious activity. The population has continued to demonstrate its willingness to report such activity and thereby support the government's efforts against terrorism. Since mid-March, the number of tips has increased (see following chart). Continued timely and effective response of the IPS to these tips should increase the confidence of the population.

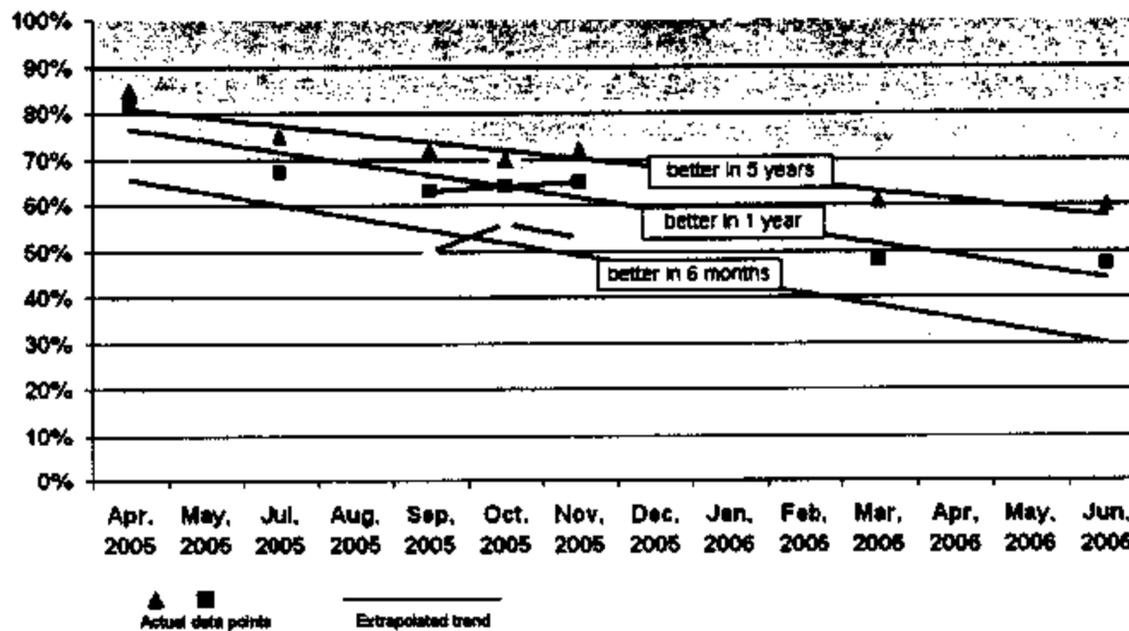
How concerned are you about an increase in sectarian or ethnic violence in Iraq?



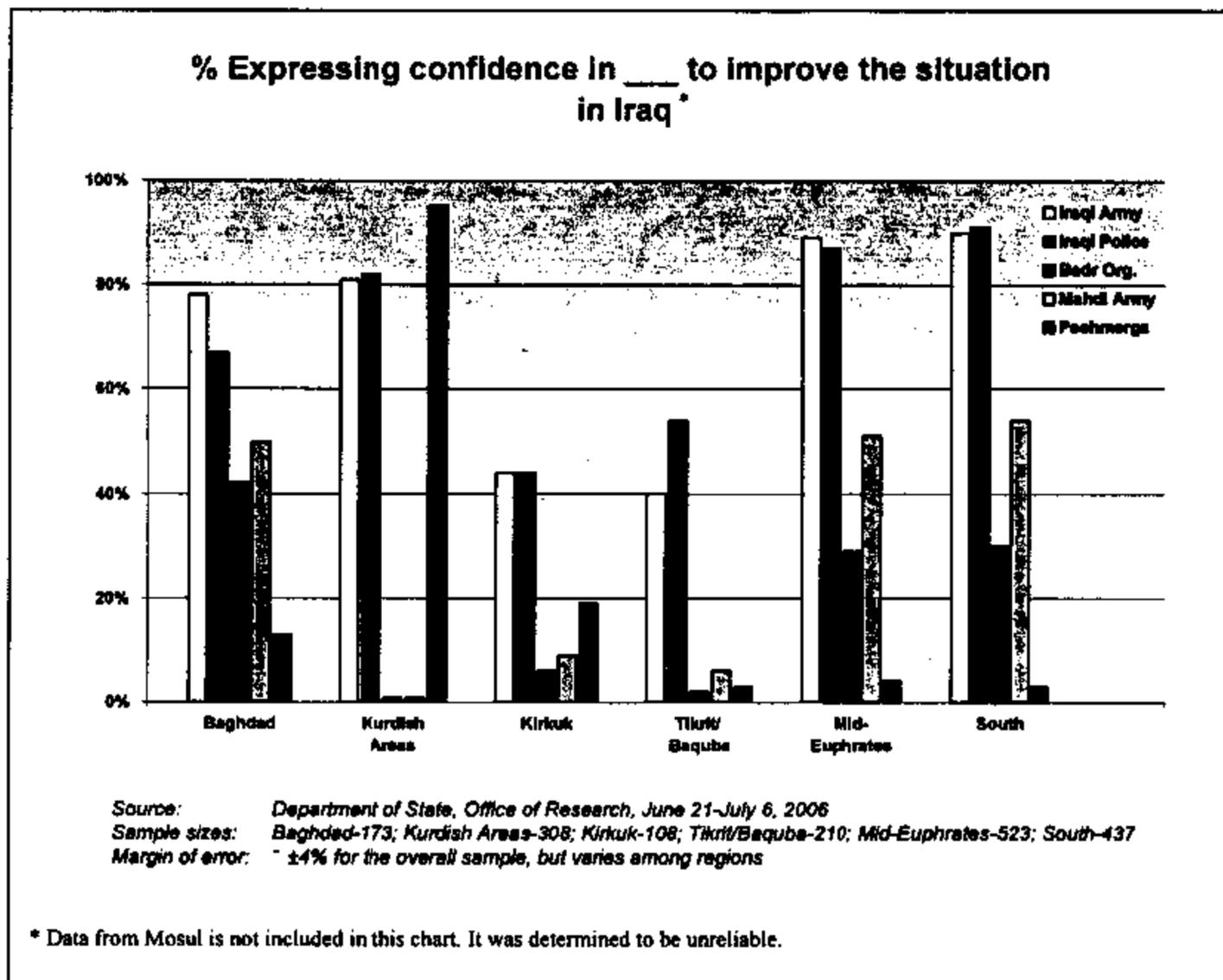
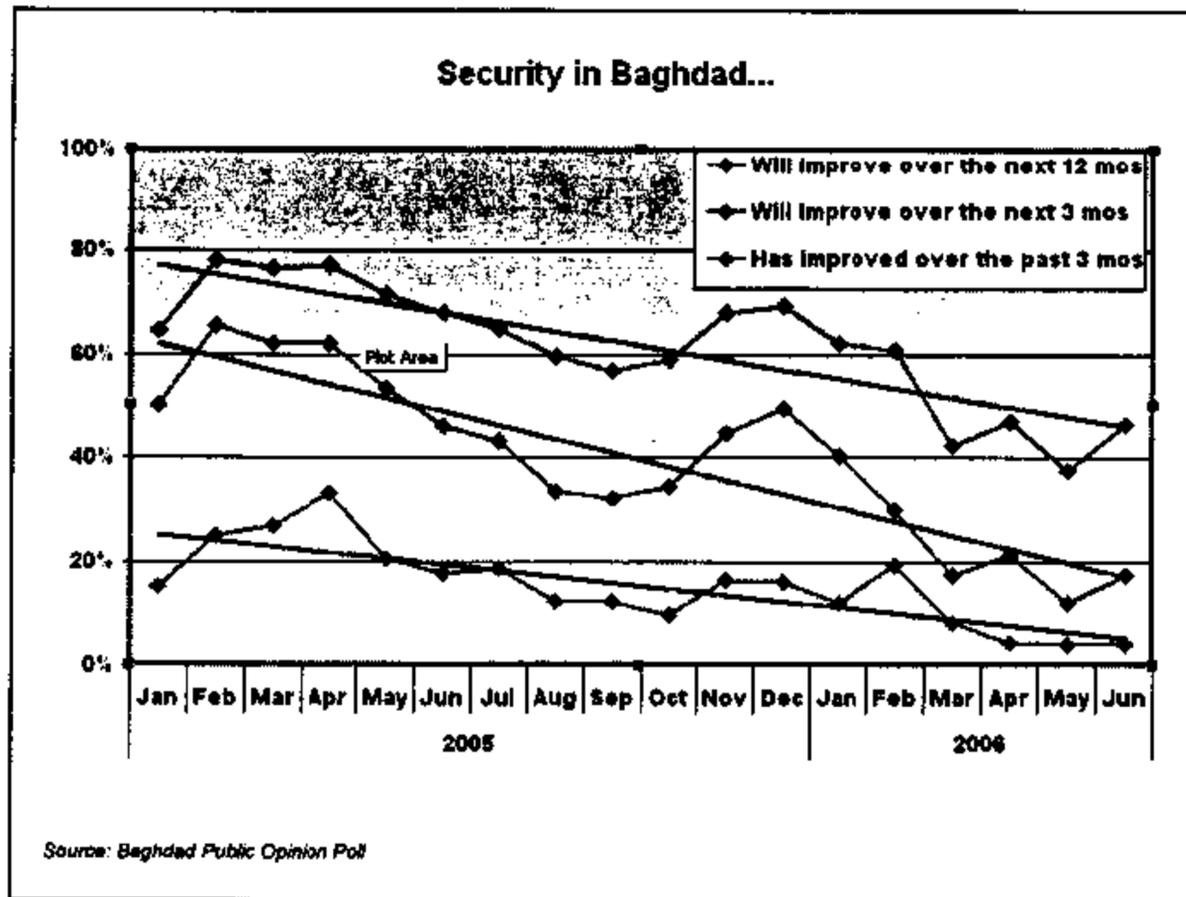
Source: Department of State, Office of Research, June 21-July 6, 2006
 Sample sizes: Baghdad-173; Kurdish Areas-308; Kirkuk-108; Tikrit/Baquba-210; Mid-Euphrates-523; South-437
 Margin of error: ±4% for the overall sample, but varies among regions

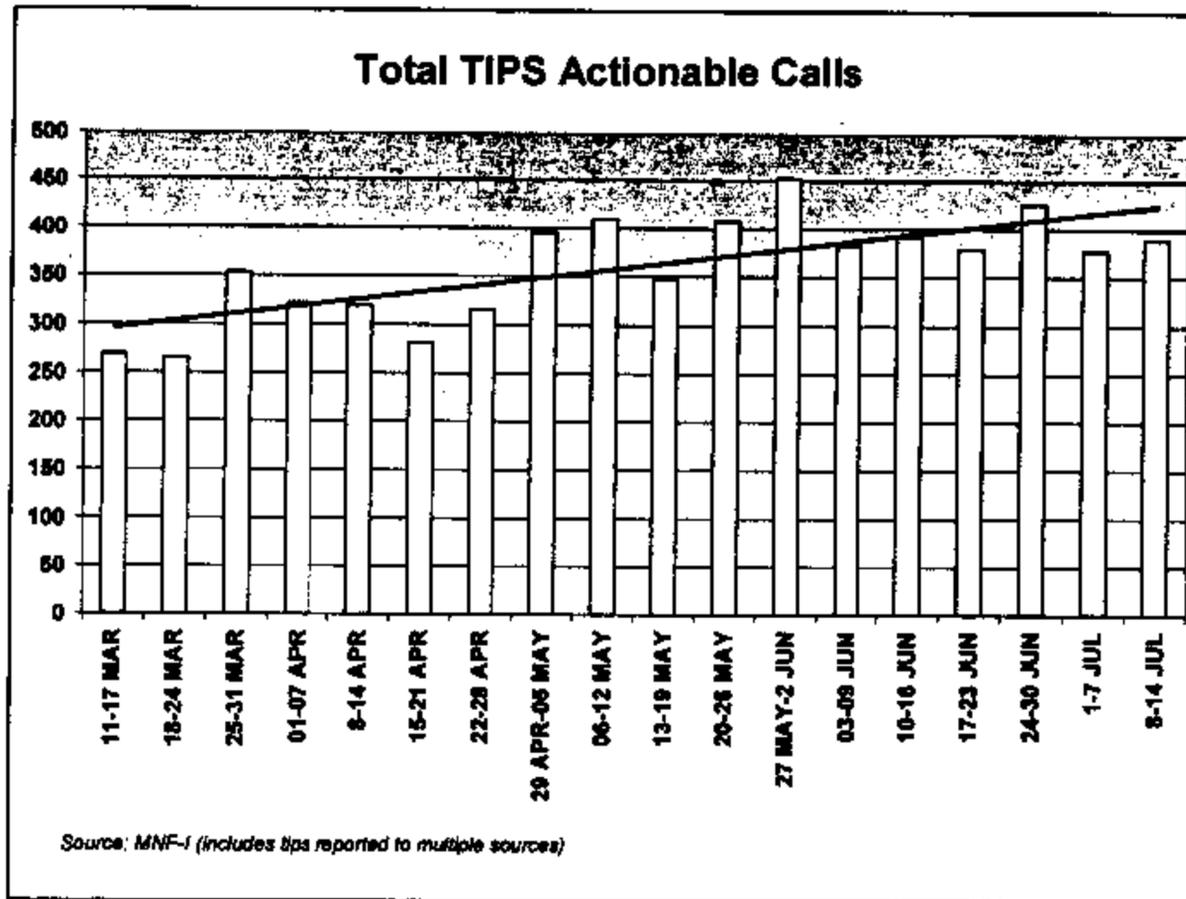
* Data from Mosul is not included in this chart. It was determined to be unreliable.

TREND: Thinking about the future, do you feel that things will be...



Source: International Republic Institute Polling Date, June 14-24, 2006
 Sample size: 2,849
 Margin of error: ±3% (see IRI website for further methodology)





2. Iraqi Security Forces Training and Performance

The ISF continue to grow in strength and capability as indicated by:

- progress in the training and equipping of ISF personnel;
- assessed capabilities of operational units; and
- progress in assuming responsibility for security of areas within Iraq.

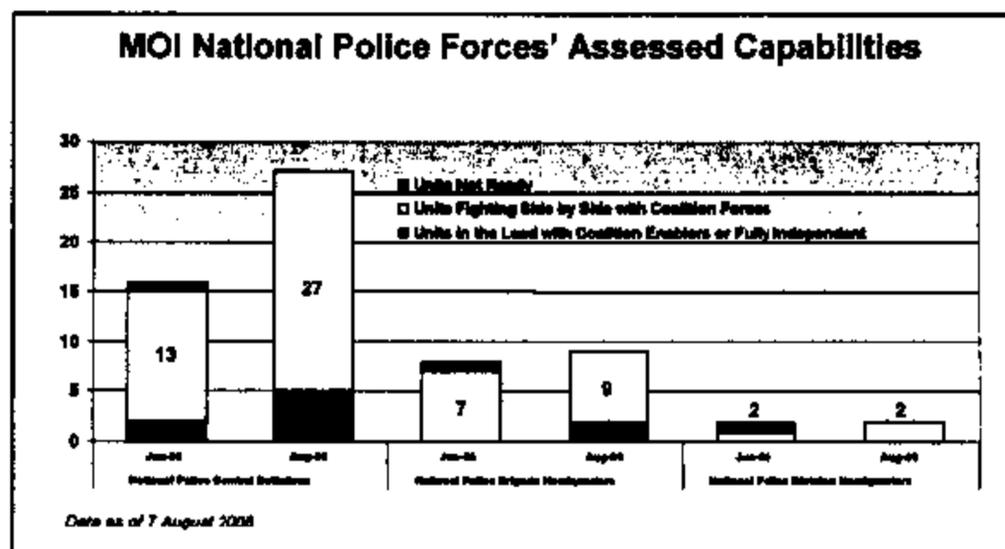
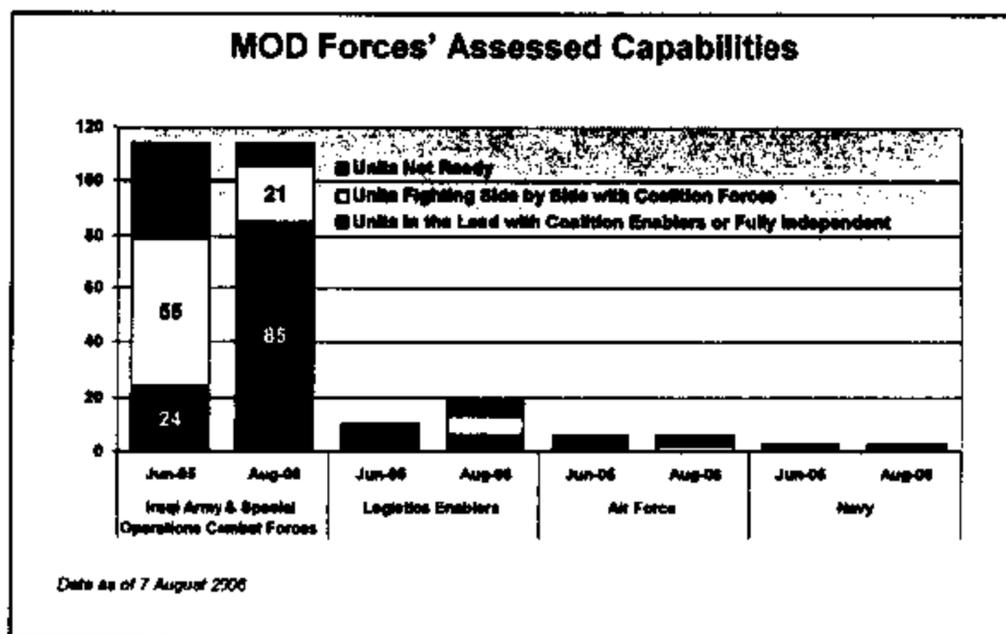
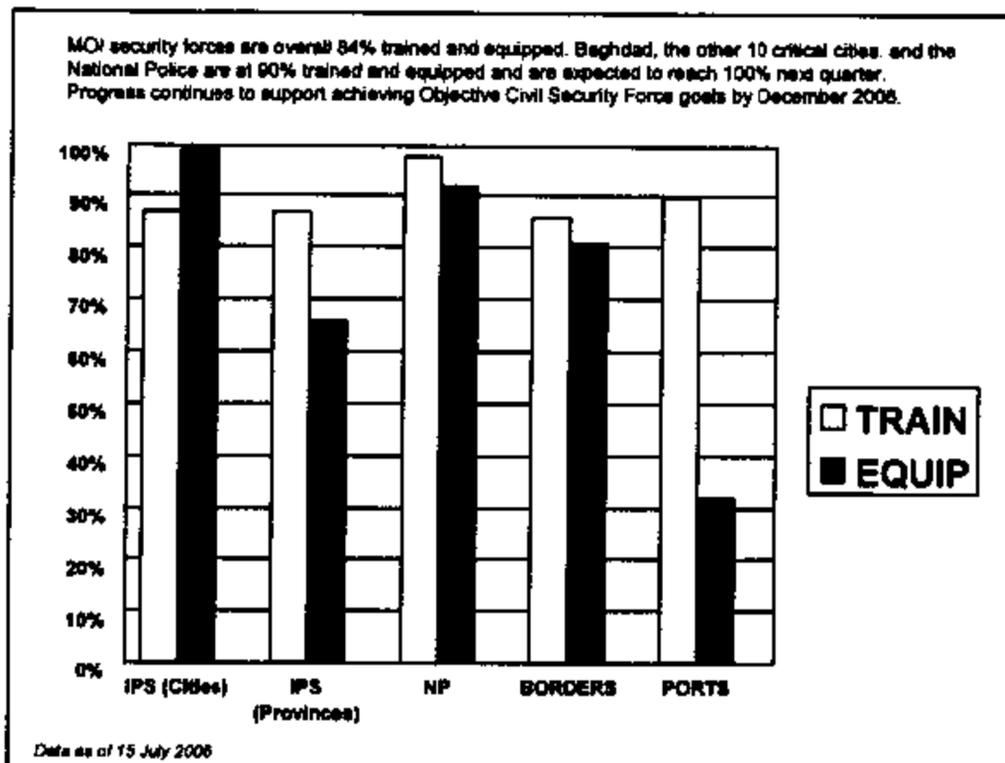
Institutional capability within the MOD and the MOI is an increasingly important indicator of the transition to Iraqi security self-reliance. As the MOD and the MOI continue to staff, train, and equip forces, increased emphasis is placed on the development of institutional capacity to direct, support, and sustain the ISF.

2.1 Progress in Training and Equipping the Iraqi Security Forces

Force generation continues on schedule this quarter. More than 14,000 additional Iraqi soldiers and police have completed initial training and equipping since May 2006, bringing the total number of ISF trained and equipped to 277,600.

More than 92% of authorized Iraqi Army battalions are assembled. Train-and-equip efforts remain focused on building combat support and combat service support forces providing key enablers to Iraqi combat forces. When fully established, these units will provide critical combat enablers, such as logistics and transportation support, intelligence, surveillance, and reconnaissance. More than 65% of authorized personnel in the Iraqi Army support forces have been trained and equipped. Logistics units and overall logistics capability continues to improve.

Current Status of Trained and Equipped Iraqi Security Forces			
Ministry of Defense Forces		Ministry of Interior Forces	
COMPONENT	OPERATIONAL	COMPONENT	TRAINED & EQUIPPED
ARMY*	~113,200	POLICE**	~113,800
AIR FORCE	~700	OTHER MOI FORCES	~48,800
NAVY	~1100	TOTAL	~162,600
TOTAL	~115000	OBJECTIVE	188,000
OBJECTIVE	137,500		
Total Trained & Equipped ISF:			
~277,600			
<small>* MNSTC-I expanded the train and equip mission from 4 to 11 Strategic Infrastructure Battalions (SIBs) on 29 Mar 06. This change is reflected in the adjusted Iraqi Army numbers.</small>			
<small>** The Ministry of Interior dissolved the National Highway Patrol into the regular Police on 17 Mar 06. This change is reflected in the adjusted Iraqi Police trained and equipped numbers.</small>			
<i>Date as of 7 August 06</i>			

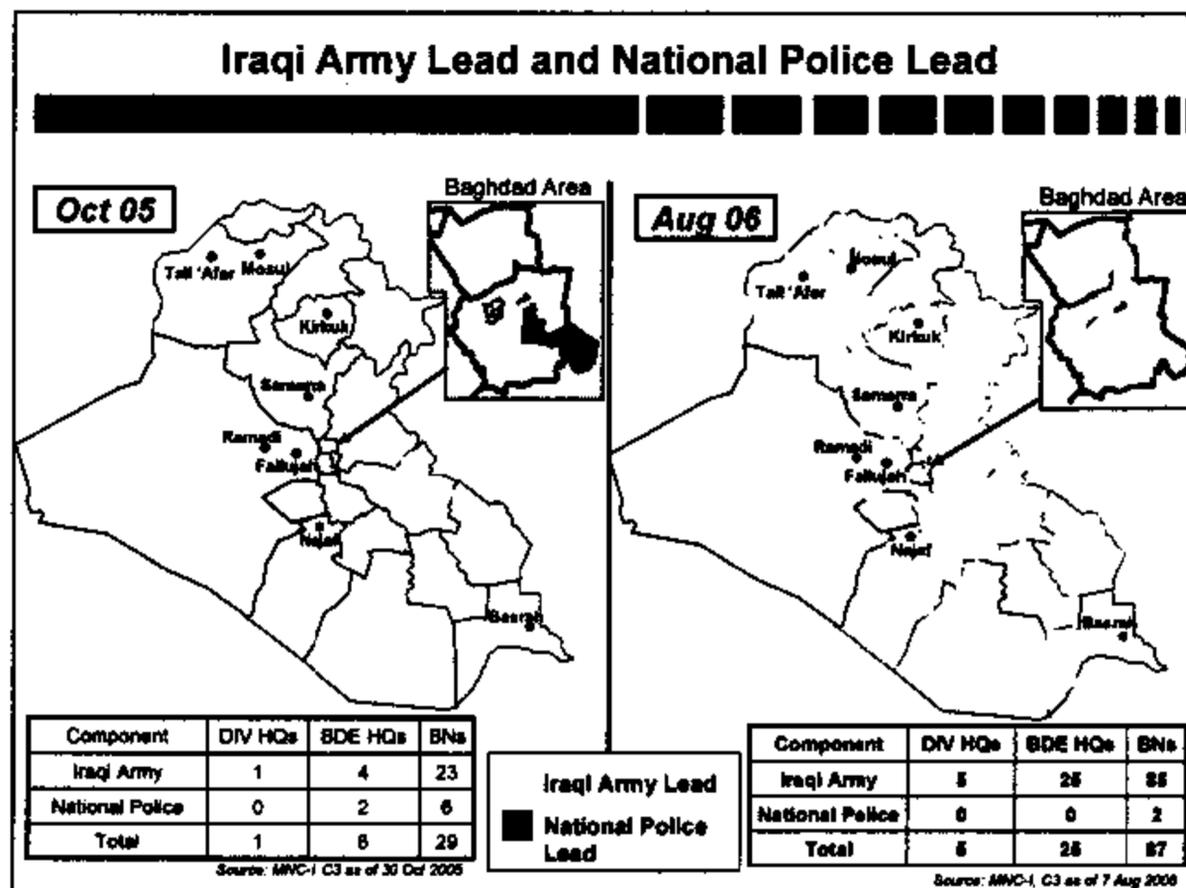


2.2 Progress in Assuming Leadership in Counter-Insurgency

The ISF are increasingly taking the lead in operations and assuming primary responsibility for the security of their nation, as Iraqi army and police forces demonstrate an increased capability to plan and execute counter-insurgency operations. The following charts depict this progress. As of August 7, 2006, 5 Iraqi Army divisions, 25 brigades, and 85 battalions, and 2 National Police battalions assumed lead responsibility for security in their areas of operation.

In total, there are 106 Iraqi Army combat battalions and 8 Strategic Infrastructure Battalions (SIBs) conducting operations at varying levels of assessed capability. Another three combat battalions are in the process of forming. In addition, 27 National Police battalions are now operational and active. The green shaded areas on the maps above depict areas where Iraqi Army units have assumed the lead for security responsibility. A unit can

assume the lead once it has been thoroughly assessed and has demonstrated that it is capable of planning and executing combat operations. Although these units lead security operations, most still require support from Coalition forces because their logistics, sustainment, and command and control capabilities are not fully developed. The Coalition's primary force development objective to date has been to produce trained, equipped, and capable combat units; there has been less emphasis placed on enablers, including logistics and command and control. Now that more than two-thirds of the Iraqi Army combat units are in the lead, the Coalition's focus will shift more toward helping the Iraqis develop these enablers. MNF-I will also continue to help improve the capacity of the MOD to organize, train, equip, sustain, and modernize its forces, with the goal of eventually eliminating the Iraqi Army's reliance on Coalition support.



2.3 Ministry of Interior

The objective for the MOI, in partnership with the Ministry of Interior Transition Team (MOI-TT), is to become a forward-looking ministry that is effective, efficient, accountable, representative, appropriately structured to deal with the prevailing security conditions, and staffed by people who are committed to upholding the rule of law. The MOI forces consist of the IPS, the National Police, the border forces, and the Center for Dignitary Protection.

The MNF-I initiative to develop professional civil security forces able to assume the lead for the security of the Iraqi people has been dubbed the "Year of the Police." The focus is on creating a force loyal to the people of Iraq and its Constitution, and committed to guaranteeing human rights and the rule of law. This was designated as one of MNC-I's main efforts in 2006.

Mentoring of civil security forces is conducted by Police Transition Teams (PTTs), National Police Transition Teams (NPTTs), Border Transition Teams (BTTs), and Customs and Border Protection Teams (CBPTs). More than 160 PTTs are assisting the development of the IPS. Because of the large number of police stations dispersed throughout Iraq, the PTT program has initially focused on provincial headquarters, district headquarters, and Iraqi police stations in key strategic cities, but will spread to other stations throughout the country as more stations achieve a higher level of readiness. To conduct their mission, the PTTs travel to their assigned stations to train, teach, and coach the Iraqi police and to conduct joint patrols with their Iraqi counterparts.

The integration of International Police Liaison Officers (IPLOs) into the PTTs significantly increased the Coalition force's ability to

develop the IPS. The IPLOs provide the civilian police with expertise in all technical aspects of criminal investigation and police station management. The deployment of five additional Military Police companies in July 2006 added extra PTTs, enabling the expansion of the program to assess and assist in the development of the IPS.

Twenty-seven BTTs mentor and enable development of border forces. Additionally, Department of Homeland Security Customs and Border Patrol Teams (CBPTs) provide critical mentorship at ports of entry, while 38 National Police Transition Teams (NPTTs) continue to support the development of the National Police units. These transition teams are intended to improve the readiness and capability of their MOI partner units.

The Coalition Police Assistance Training Team (CPATT) is on track to meet the goal of recruiting and training the authorized number of MOI forces by the end of December 2006. The force generation of the Department of Border Enforcement (DBE) and the IPS will occur in November 2006 and December 2006, respectively. Specialized police units, such as the Criminal Investigative Division (CID) and the National Information and Investigative Agency (NIIA), will be trained by the end of 2006.

Iraqi Police Service

The IPS is composed of patrol, traffic, station, and highway police assigned throughout Iraq's 18 provinces. Its mission is to enforce the law, safeguard the public, and provide internal security at the local level.

CPATT has trained and equipped approximately 113,800 IPS personnel, an increase of 12,600 since the May 2006 report. CPATT projects that it will have trained and equipped 135,000 IPS by December 2006. Although the

force will be manned in the aggregate by the end of the year, proper distribution is a challenge. Certain areas have a shortage of trained officers while additional hiring in other areas has resulted in an overage in the force.

As of July 24, 2006, 71,324 police recruits have received training in the 10-week basic course. Police officers with prior experience attend a 3-week course, the Transitional Integration Program (TIP), instead of attending the full 10-week basic course. Originally intended only for police trained during the Saddam regime, the TIP was expanded in July to include serving police officers who have not been trained but who have served on the force for at least one year. The TIP includes training on human rights, crime defensive tactics, democratic policing, first aid, patrol procedures, firearms (9mm and AK-47), and anti-terrorism. The Officer Transitional Integration Program (OTIP) course curriculum includes democratic policing, human rights, first aid, police ethics, supervision and leadership, use of force, firearms (9mm and AK-47), communications and problem-solving skills, anti-terrorism, patrol procedures, critical for officers, and police investigations. Some 41,051 police officers have graduated from the TIP and OTIP programs.

IPS Operations

The IPS constitutes the majority of MOI forces in the country. Each month, PTTs assess the operational readiness of a portion of the police forces, using the Transition Readiness Assessments (TRA) process. The TRA evaluates the police on the core functions required for effective law enforcement and community policing. Shortages of PTTs has limited observation of the IPS in Anbar, Babil, Basrah, Tamim, Wasit, Karbala, Maysan, Ninewah, Qadisiyah, Salah ad Din, Irbil, Dahuk, and Sulamanyah provinces.

However, the recent arrival of five additional Military Police companies will greatly increase the ability to assess the IPS.

IPS Recruiting and Vetting

More than 230,000 MOI employees have been screened by the Iraqi Police Screening Service, which checks fingerprints against Ba'ath Party records and Saddam-era criminal records. Of these, 5,300 were reported as possible derogatory matches, and 74 have been dismissed. There is currently no screening process to ascertain militia allegiance. More than 54,000 police candidates have been screened for literacy by Morris & McDaniel, 73% of whom passed and were allowed to enter basic training. Currently, no method exists to track the success rates of these or other police officers.

IPS Equipment

The IPS is equipped with AK-47s, PKC light machine guns, Glock pistols, individual body armor, high frequency radios, small and medium pick-up trucks, and mid-sized SUVs. The IPS in Baghdad and the nine other key cities had been provided with 99% of their authorized equipment at the end of June 2006. They will have received 100% by mid-August 2006. The IPS in all 18 provinces have been provided with 66% of their authorized equipment and will receive 100% of their authorized equipment by the end of December 2006.

IPS Leadership

Leadership in the IPS is the cornerstone for success. The IPS currently has three leadership courses to develop high-quality leaders. The First Line Supervisor Course is designed for company grade officers. The Intermediate-Level Course is designed for field grade officers, and the Senior-Level Course is designed for General Officers. Each course is

two weeks long. Program topics are designed for the target audience and include human rights, discrimination, right to life, code of conduct, democratic policing, modern policing, the role of the supervisor, communication and the supervisor, delegation, change management, ethics, police corruption, problem employees, community policing, field training police leadership, history of management, modern supervision in today's law enforcement organizations, crime scene management, civil disorder, records management, budgeting, logistics, equipment and facilities management, group problem solving, mission values, six-step problem-solving models, overview of law enforcement planning, strategic planning, motivational theory, and analyzing employee performance problems. A plan is in place to develop a more extensive Intermediate-Level Officers course, slated to begin in the fall of 2006.

The Officer Education System has been successful in developing junior leaders loyal to the Iraqi people. However, certain senior leaders are products of the former regime and continue to view leadership as an entitlement, not a responsibility. As these officers are identified, they are removed.

National Police

Organized into a National Police Headquarters, two National Police Divisions, the 1st National Police Mechanized Brigade, and the Emergency Response Unit (ERU), the National Police are charged with maintaining law and order while an effective community police force is developed.

The National Police Headquarters provides command and control, staffing, equipping, training, and sustainment for these National Police Forces. It also commands the two training and professional development academies at Camp Solidarity and Camp Dublin.

The 1st and 2nd National Police Divisions reached 99% of equipping and authorized manning by July 2006 and will continue to progress through TRA levels, with the completion of force generation by December 2006.

Unprofessional and, at times, criminal behavior has been attributed to certain units in the National Police. This behavior and the decrease in public confidence in these forces has been the impetus for a National Police reform program. Each unit and its leaders will be assessed by a joint (Coalition and Iraqi) committee. Substandard leaders at all levels will be removed and units will undergo re-training.

National Police Training and Personnel

There are currently approximately 24,300 trained and equipped National Police, an increase of approximately 1,600 since the last report. They are trained in Iraqi law, human rights, the rule of law, and democratic policing techniques at the National Police Academy.

New recruits undergo six intense weeks of training at the academy in northern Baghdad. Training includes weapons qualification, urban patrolling techniques, unarmed combat apprehension, use of force, human rights and ethics in policing, introduction to Iraqi law, vehicle checkpoints, and IED characteristics and recognition.

National Police Operations

All National Police battalions are currently conducting counter-insurgency operations, with two battalions having security lead for their areas of responsibility. NPTTs are embedded at all levels of the National Police units, down to the battalion level. All National Police units work in Combined Operations

Areas (COAs) and partner with Coalition forces who provide support and advice.

National Police Recruiting and Vetting

The MOI recruits and vets the National Police force. Coalition forces provide advisors for the recruiting process, but neither actively recruit nor provide lists of names of recruits to the MOI. A National Police officer is recruited and provided an academy start date; upon arrival at the National Police academy, the candidate is interviewed by a senior staff officer (either a Colonel or Brigadier General). If he or she passes the interview, the officer is admitted to the academy. The individual's personnel file is then forwarded to the MOI, where a vetting team reviews it. If the officer is certified by the vetting process, he or she will be retained and allowed to complete the academy. If the candidate is disapproved, the officer is immediately removed from the academy.

National Police Equipment

The National Police have received 92% of their authorized equipment and will have received 96% of their authorized equipment by the end of November, missing its goal of 100% by a small margin. They will have received 100% of their authorized equipment by the end of December. The police are equipped with small arms, medium machine guns, and RPGs, and they patrol in light trucks. The mechanized battalions are equipped with Armored Security Vehicles and REVAs, a South African wheeled APC.

Department of Border Enforcement and Department of Ports of Entry

The DBE and the Department of Ports of Entry (POE) are collectively charged with controlling and protecting Iraq's borders.

DBE Training and Personnel

The DBE has 23,900 trained and equipped personnel, an increase of 1,800 since the previous report. The DBE is organized into 5 regions, 12 brigades, and 38 battalions, and includes the forces that staff 258 border forts.

Three academies, each with a capacity of approximately 800, train border patrol forces. The Iraqi Border Patrol Basic Training Course focuses on an introduction to law enforcement, human relations, human rights, weapons qualification, combat life saving, vehicle searches, Iraqi border law, arrest and detainee procedures, and small unit patrolling.

DBE and POE Operations

The DBE is supported by 27 Coalition Border Transition Teams (BTTs). The 11-man BTTs mentor and support the development of the border units. The BTT members are trained in various specialties, including logistics and communications, and provide critical assistance to the border force commanders in the areas of personnel management, intelligence, operations, budgeting, equipment accountability, and maintenance. Additional BTTs deployed in early June to support the development of the POE at critical high-threat border crossings. In February 2006, MNF-I supported the accelerated development of the POE through the deployment of a combined Border Support Team (BST), consisting of customs border protection agents and BTTs. In March 2006, most DBE units reached TRA Level 3, but remained short of equipment and key personnel. The DBE and POE are a higher priority for allocation of critical equipment; and cross-leveling of personnel has occurred to raise units to TRA Level 2. By November 2006, the DBE and POE are expected to have 28,360 trained and equipped personnel.

There are 14 land POEs, of which 13 are functional. Efforts continue to improve POE security. Progress in designation of POE standard organizations, delineation of responsibilities, and development of detailed policies and procedures has continued. The U.S. Department of Homeland Security, in coordination with Multi-National Security Transition Command-Iraq (MNSTC-I), has continued its rotation of Customs and Border Patrol Teams. These border security experts have had an important impact on the POEs, particularly along the Syrian border. The increased emphasis on BTTs and the Customs and Border Patrol Teams has improved DBE readiness levels, as the Coalition's expertise and mentorship affects the Iraqi border forces.

DBE and POE Equipment

Organizational equipment includes small and medium pick-up trucks, mid-size SUVs, generators, and radios. Personal equipment, including AK-47s, medium machine guns, and individual body armor, complete the outfitting of the border forces. The DBE currently has received 81% of its authorized equipment. They will have received 97% of their authorized equipment by the end of August, just short of the 100% goal for that date. They will reach the 100% goal one month later. Iraqi POEs will have received 100% of their equipment by the end December 2006.

Center for Dignitary Protection

Training and equipping of the Center of Dignitary Protection (CDP) is complete. The force of approximately 600 people has been prepared to serve as the Protective Security Details (PSDs) for Iraq's new government leaders. It is unknown how many of these personnel remain employed by MOI. An Iraqi training team assumed responsibility for training future PSD personnel in June 2006.

Facility Protection Service

In addition to the regular MOI forces, there are an estimated 145,000 Facility Protection Service (FPS) personnel who work directly for each of the 27 ministries. These forces act as security guards at government buildings and allow the IPS to police the communities. They are minimally trained and equipped, generally without Coalition oversight, and lack centralized control. FPS personnel have not always proven reliable, and some have been responsible for violent crimes and other illegal activity. Unfortunately, the FPS uniform looks similar to the police uniform, which causes many Iraqis to confuse the FPS with the better-trained IPS, undermining the reputation and credibility of the IPS. The Coalition and the Government of Iraq are establishing a program of reform to better regulate the FPS.

MOI Capacity Development

The MOI overall TRA remains at TRA 3-Partly Effective. The MOI Transition Team is working daily in the MOI, stressing planning and programming resources. The new Minister of Interior, Jawa al-Bulani, is embracing the need to reform the ministry. Logistics is the only essential system still assessed as ineffective. Improvement of the logistics system is a focal point for the next 90 days. All other major functional areas and systems are considered partly effective. Over the next 90 days, emphasis will also be placed on building a solid framework of plans, policies, and processes to ensure that the MOI can manage personnel efficiently, conduct policing operations effectively, and maintain and sustain capability.

MOI Logistics

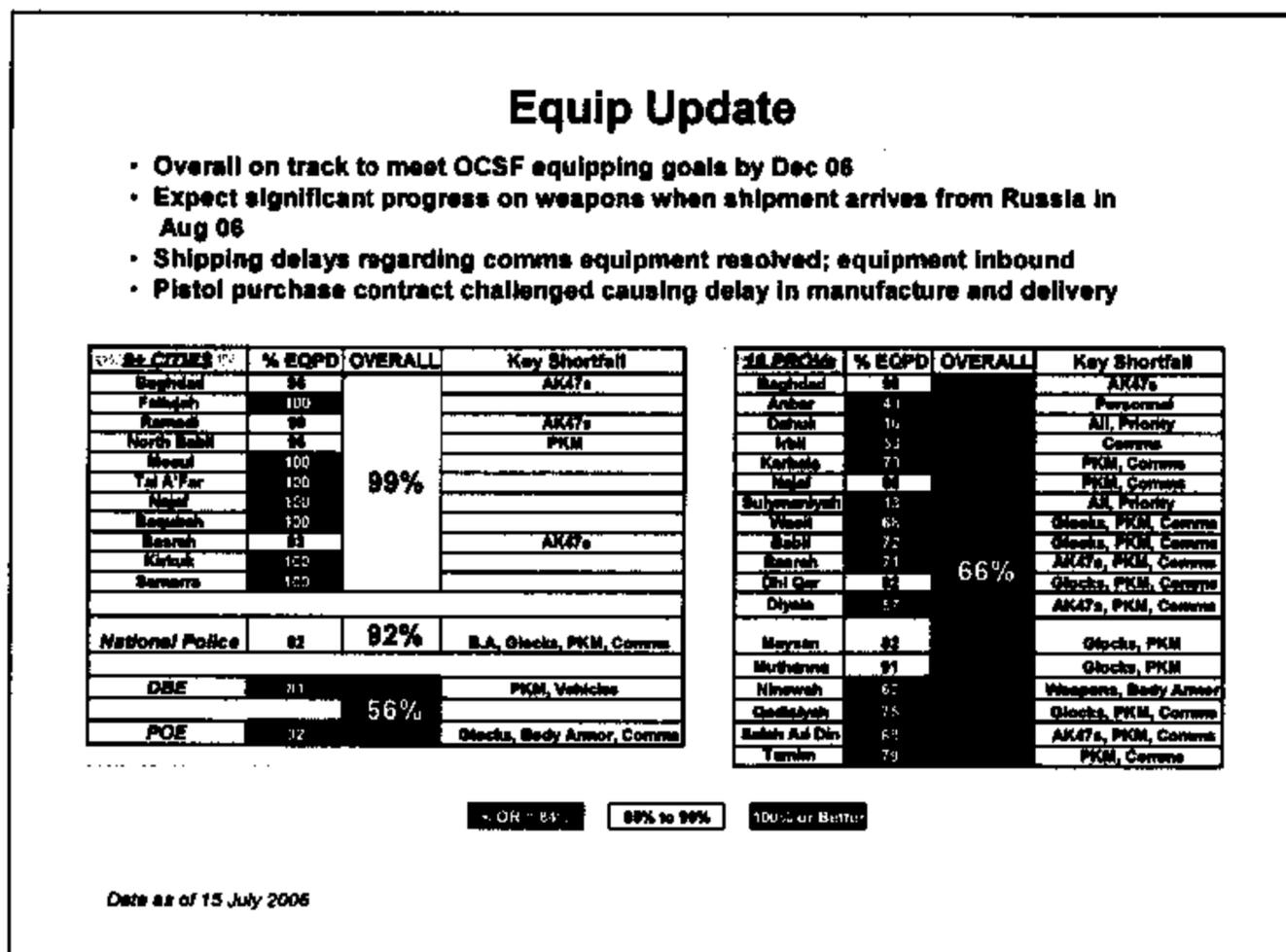
Logistics capabilities continue to be an area of significant concern for the IPS, particularly

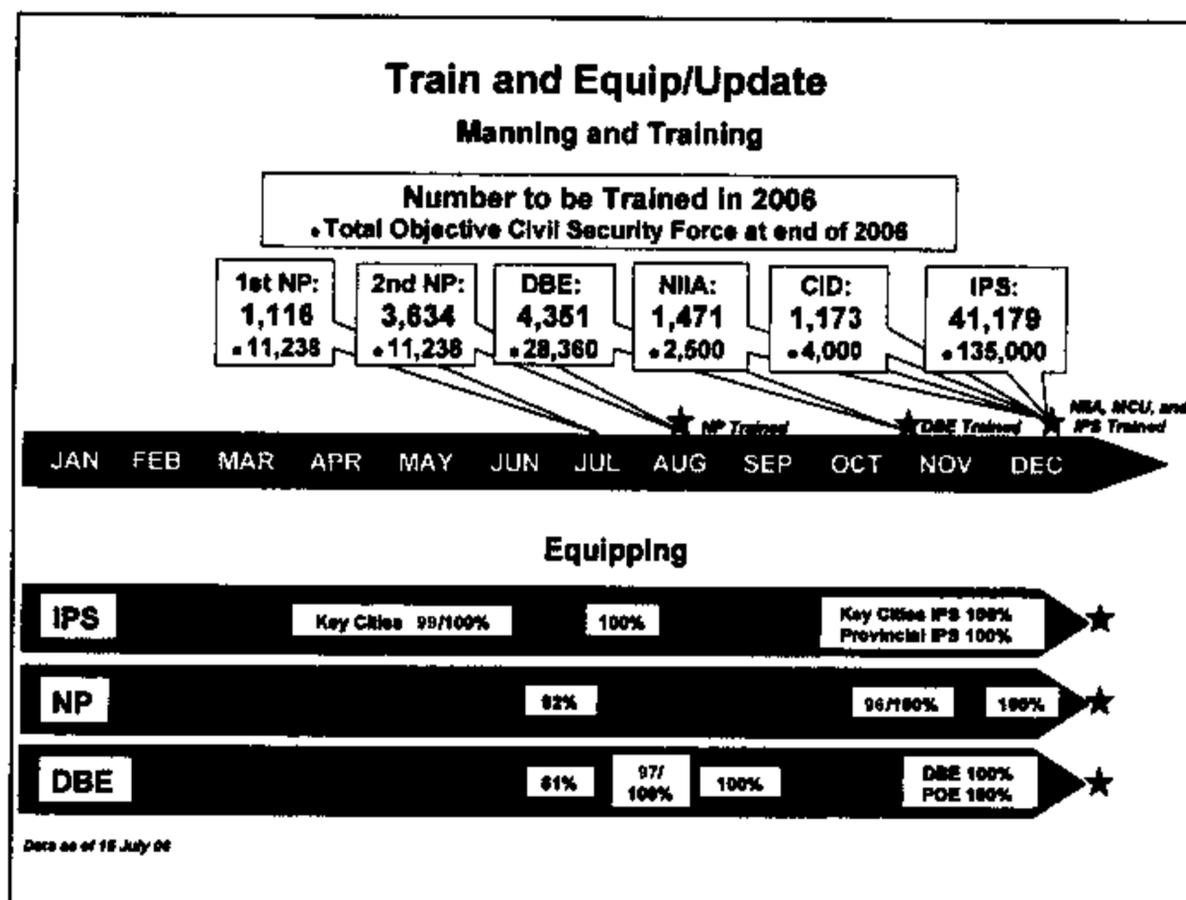
with respect to vehicle maintenance. However, accountability of equipment continues to improve as verified by reports submitted by PTTs. CPATT/MOI-TT continues to provide logistical support in both an advisory and financial capacity to assist with sustainment operations. Recently, a Director General for Logistics and staff were put in place. A 6-month vehicle maintenance contract for the National Police and the Baghdad IPS was agreed upon. Currently, there is a US\$950,000 vehicle spare parts contract for MOI forces, and a US\$350,000 vehicle spare parts contract for the National Police is in place. The average monthly logistical life support provided from April through June was US\$20,266,121, for a total of US\$60,798,363 during that timeframe. Construction of a MOI National Storage and Maintenance Facility was started in June 2006, with an estimated completion in December 2006. Currently, we are in the process of conducting a test case to hand over an LDI storage warehouse (one of seven) to

Iraqi control in August 2006. A plan is being formulated to hold a National Logistics Conference in September 2006.

MOI Equipment

MOI security forces are on track to reach December 2006 Objective Civil Security Force equipping goals. The following graph depicts the equipping status and key shortfalls of Baghdad and the 9 other key cities, 18 provinces, the National Police, the DBE, and the POEs. Equipment-issue priorities focused on equipping Baghdad, the 9 key cities, and the National Police, while simultaneously building initial functionality in the provinces, borders, and ports of entry. In general, these goals were met. However, the MOI does not currently have an effective equipment management system in place. As a result, it is unknown what percentage of the equipment issued to the MOI is still serviceable.





The equipping effort did experience unforeseen delays.

- Large shipments of Russian weapons were delayed clearing customs while exiting Russia and entering Iraq.
- Glock pistol delivery delays occurred when a U.S. manufacturer challenged the award of the pistol contract to a non-U.S. company.
- Communications gear was delayed due to shipping problems.

All matters have now been resolved and items have either arrived or are inbound. All equipment fielding goals are on track to be met by December 2006.

MOI Attrition and Absenteeism

The MOI does not currently have an effective personnel management system. As a result, it is unknown how many of the forces trained by CPATT are still employed by the MOI, or what percentage of the 146,000 police thought

to be on the MOI payroll are CPATT trained and equipped. CPATT estimates attrition to be at least 20% per year going forward. The MOI reports paying death benefits for more than 6,000 police officers since the fall of the Ba'athist regime in May 2003.

In addition to the overall number of police in Iraq, there are some issues with distribution of the police among the various provinces. For example, by the end of the year, Diyala Province will have recruited its authorized force, but will not have trained the entire authorized number. In the case of Diyala, the provincial leadership has resisted sending 100% of the force to training due to security concerns and the reluctance to take its police off the streets. Anbar, Basrah, and Ninewah may also miss their training targets for the same reason. Rather than let training seats go unfilled, other provinces were permitted to send some of their untrained personnel to training. As a result, those provinces will have more than the authorized force trained in their provinces.

As with the IPS, the National Police payroll is significantly larger than its authorized end-strength. There are currently more than 29,000 National Police on the MOI payroll, but it is unknown how many of these have been trained and equipped. Absenteeism among National Police units generally follows the same pattern as in the military. Leave policies and immature personnel management policies account for 30%–40% of personnel not present for duty. Absenteeism in the IPS is difficult to quantify because shift schedules preclude PTTs from ascertaining which police officers are absent and which are simply off-duty.

The DBE payroll is also larger than its authorized end-strength, with 25,832 DBE personnel on the MOI payroll. It is currently unknown how many untrained DBE personnel are on the rolls and how many of the trained and equipped border personnel have left the MOI. As with the other personnel issues, an effective personnel management system will help resolve these reporting and accountability deficiencies.

Sectarian Issues at MOI

The U.S. Government is committed to helping the Government of Iraq create an MOI that reflects the diversity of the Iraqi people. The goal is to create ethnically integrated units at the national level, while still allowing local police to reflect the ethnic composition of the communities in which they serve. The former Police Commandos, now part of the National Police, are becoming increasingly diverse. The former Public Order Battalions, also now part of the National Police, tend to be disproportionately Shi'a, due to a lack of Sunni participation when these units were being formed in preparation for the January 2005 elections. Merging the National Police Commandos and the Public Order Battalions into one National Police force has helped produce a more repre-

sentative National Police. Recruiting initiatives targeting Sunnis have improved the diversity. Unlike the National Police, local police forces tend to be of the same ethnic mix as the communities in which they live and work.

Corruption in MOI

In 2005, the MOI IG conducted 790 corruption-related investigations. Of these, 472 (60%) were closed. Of the 472 closed investigations, 118 (25%) were forwarded to the CPI or to a court for adjudication, 350 (74%) were closed because of "insufficient evidence," and 4 (1%) were handled as internal MOI discipline. To improve the IG's capability to investigate, the Specialized Advance Training Unit at the Baghdad Police College will train new MOI investigators. It will take approximately 18 months to train the Investigations Directorate at the basic investigator level. Beyond the IG training, improvements in leadership oversight, accountability, and reductions in sectarian and militia influence are required before Iraqis become confident that MOI forces can ensure security and uphold the rule of law in Iraq.

Foreign/Political/Militia Influence

Corruption, illegal activity, and sectarian bias have constrained progress in developing MOI forces. Inappropriate tolerance of and infiltration by Shi'a militias, some of which are influenced by Iran, is the primary concern of the Government of Iraq. A lack of effective leadership and policies to stem corruption through accountability for actions, equipment, and personnel have enabled the theft of pay and equipment, unlawful detentions, and reported cases of abduction and torture or execution of Sunnis. The minister is committed to changing corrupt leaders and instituting policies to eliminate corruption.

An additional 45 transition teams were deployed in July to increase PTT coverage across the country. As stations begin to reach TRA Level 2 in August, transition teams will expand their coverage of nearly 1,000 total stations across Iraq. This will limit infiltration by militias, improve adherence to the rule of law, and prevent complicity and participation in sectarian violence.

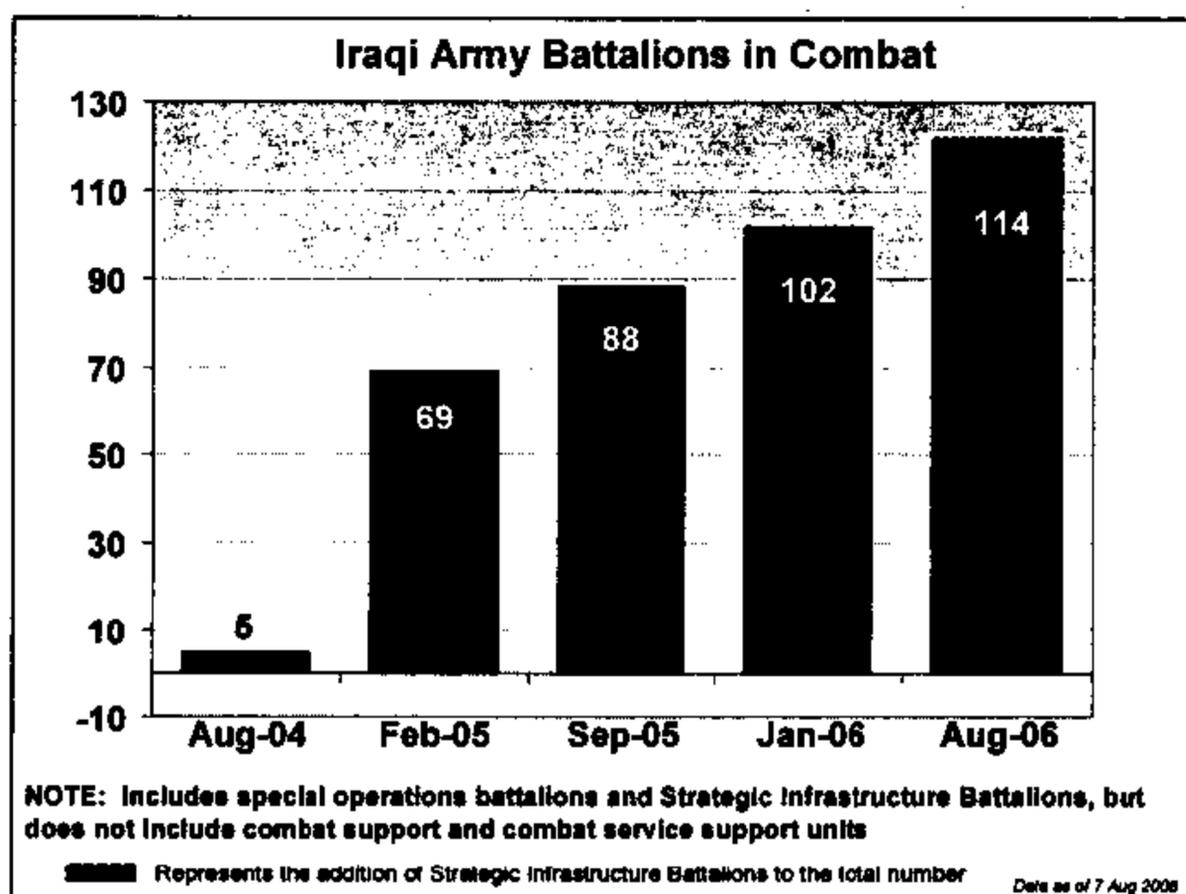
2.4 Ministry of Defense

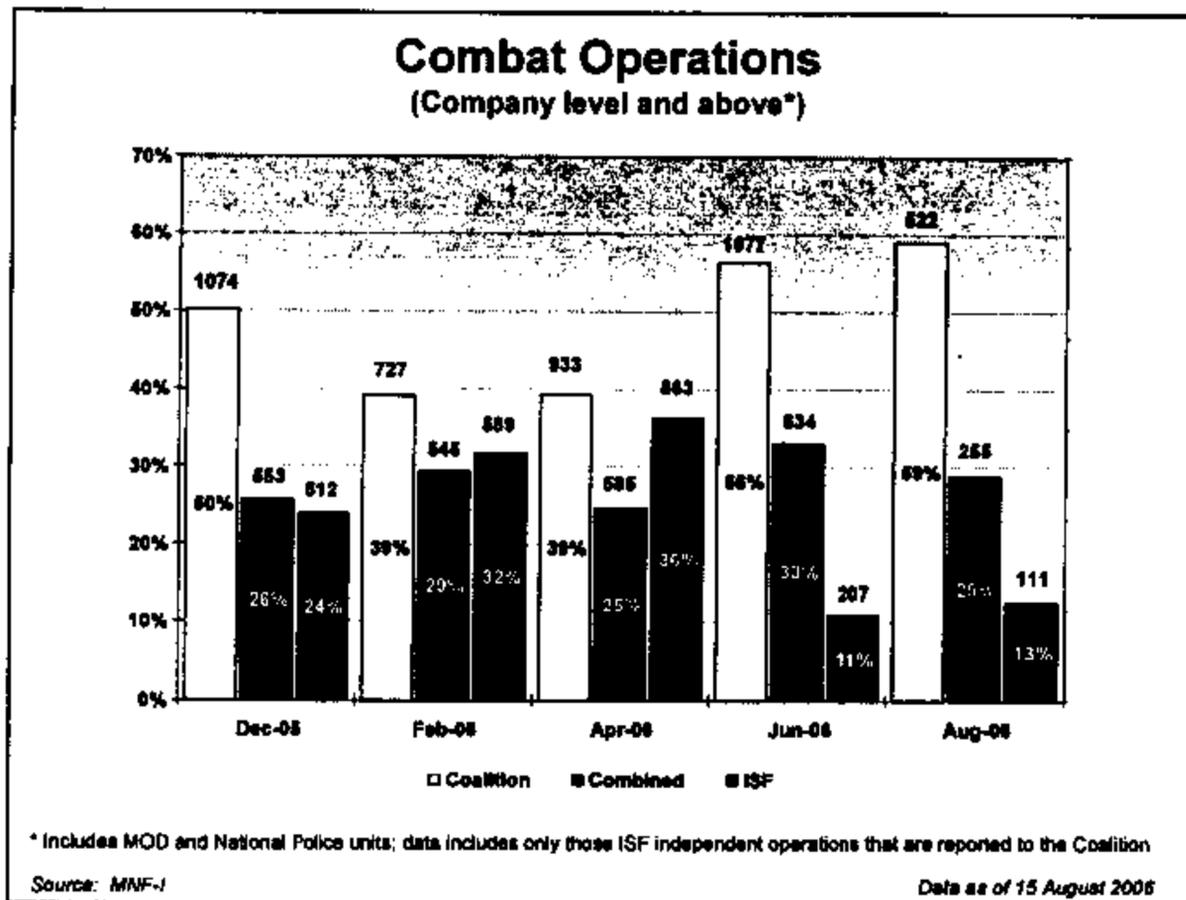
The Iraqi MOD forces consist of Army (including Special Operations Forces), Air Force, and Navy (including Marines) personnel. The end state of the Objective Counter-Insurgency Force will be an approximately 137,500-person force based around an Army with 9 infantry divisions and 1 mechanized infantry division consisting of 36 brigades and 112 battalions. Nine Motorized Transportation Regiments, 5 logistics battalions, 2 support battalions, 5 Regional Support Units (RSUs), and 91 Garrison Support Units (GSUs) are intended to provide

logistics and support for each division, with Taji National Depot providing depot-level maintenance and resupply. Each battalion, brigade, and division headquarters will be supported by a Headquarters and Service Company (HSC) providing logistical and maintenance support to its parent organization. The Army will also include 17 SIBs and a Special Operations Forces Brigade consisting of two special operational battalions. The Air Force will consist of six squadrons, and the Navy will consist of two squadrons and a Marine battalion.

Army

The Iraqi Army includes approximately 115,000 trained and equipped combat soldiers (including SIB personnel and around 9,600 support forces). The capability of Iraqi Army units continues to improve, facilitated by the mentoring by embedded advisors at the battalion, brigade, and division levels, and partnership with Coalition force units.





Force generation of Iraqi Army units is increasingly focused on combat enablers and continues in accordance with the force development plan. All three planned Iraqi Training Battalions are formed and fully operational. These battalions allow the Iraqis to train soldiers independently in sufficient quantities for force generation completion and replacement needs. New recruits attend a 13-week program of instruction. Upon graduation, soldiers receive additional training specific to their military occupation. Depending on their military occupational skill assignment, the length of training ranges from three to seven weeks. Other training initiatives, such as the Military Intelligence School, the Signal School, the Bomb Disposal School, the Combat Arms Branch School, the Engineer School, and the Military Police School, contribute to the growing professionalism of the Iraqi Army through teaching diverse specialties necessary to conduct and sustain counter-insurgency operations.

Three of the nine planned Motorized Transportation Regiments (MTRs) are approaching full operational capability. While a shortfall of fully competent maintenance personnel adversely affects full capability, these MTRs provide improved mobility and sustainment support for Iraqi forces. Progress has been made in establishing HSC units for each combat battalion, brigade, and division to provide transportation, communications, medical, supply, and maintenance support. Approximately 80% of the planned HSCs have been formed; one-third are operational, and the remaining planned HSCs are scheduled for completion by December 2006.

Currently, 17 SIBs are being trained and equipped. Although the Iraqi Army maintains operational control of the SIBs, at present only 1 SIB is capable of planning and executing independent operations, and all 17 require Coalition logistical support. Training of these battalions continues to employ a "train-the-

trainer" model that focuses specifically on squadron- and platoon-level tasks.

The capability of the SIBs is growing as they receive training and more modern equipment. MNC-I is partnering the more capable SIBs with locally deployed Iraqi Army units to provide them with counter-insurgency experience and to accelerate their leaders' professional development. Evaluation of their effectiveness in securing infrastructure, particularly oil pipelines in northern Iraq, is ongoing.

The Iraqi Armed Service and Supply Institute (IASSI) at Taji plays a critical role in training the officers and non-commissioned officers (NCOs) to fill support and combat service support positions in the Iraqi Army. The IASSI has trained more than 5,000 officers and NCOs who serve as leaders in the MTRs, RSUs, and HSCs. The IASSI continues to support the development of critical Iraqi Army support and combat support capabilities.

Special Operations Forces

The Iraqi Special Operations Forces (ISOF) are composed of approximately 1,600 soldiers organized into the Iraqi Counter-Terrorism Task Force, the Iraqi Commandos, a support battalion, and a special reconnaissance unit.

Navy

The Iraqi Navy is tasked with defending Iraq's coast, territorial waters, vital ports, and offshore oil platforms. The Iraqi Navy has more than 1,100 trained and equipped sailors and marines organized into an operational headquarters, two afloat squadrons, and five Marine companies. The Iraqi Navy is developing independent capabilities for surface surveillance, maritime interdiction, oil terminal protection, and support operations.

The Iraqi Navy Training Department continues to develop unit-level refresher training and naval skills improvements, including basic seamanship and maritime security operations. In June 2006, the Training Department independently conducted basic training and successfully graduated 324 naval recruits. Its training efforts range from mentorship, as conducted by the Naval Transition Team, to active skills training, as conducted by Coalition Navy, Marine, and Coast Guard Forces.

Air Force

The Iraqi Air Force continues to evolve toward supporting the counter-insurgency force, but progress has been slowed by difficulty in recruiting qualified applicants. There are currently 750 personnel in the Iraqi Air Force, with development plans calling for a concentrated recruitment effort over the next 18 months to at least double the personnel by the end of December 2007. This effort is intended to provide a satisfactory corps of professionals as a foundation for future growth.

The Intelligence Surveillance and Reconnaissance aircraft at Kirkuk Air Base (7th Squadron with five CompAir 7SLs) and Basrah Air Base (70th Squadron with two Seekers and six CH-2000s) are performing operational missions. These aircraft are primarily deployed to patrol oil pipeline infrastructure in the north and south, with occasional missions conducted in support of Iraqi Army units. There have been recent airworthiness issues with the CompAir 7SL aircraft, and the Coalition is working with the Iraqi Air Force to develop solutions and alternatives to continue supporting the mission.

Helicopter operations from Taji Air Base in central Iraq are still in their infancy, but the

next six months should see a marked improvement. The 2nd Squadron is expected to receive the first 6 of 16 Huey IIs from a modification factory in the United States by the end of January 2007 and the remainder before April 2007. The 2nd Squadron will primarily be used for casualty evacuation. It is expected to reach initial operational capability by the third quarter of FY2007.

Three C-130Es from 23rd Squadron at New Muthanna Air Base round out the Iraqi Air Force fleet. Early complications with low mission capable rates have been solved, and fleet-wide readiness was measured at 72% in July 2006. The Iraqi Air Force has requested an additional three aircraft from the U.S. Government to bring the fleet total to six. These additional aircraft reflect the Coalition Air Force Transition Team's force generation plan and efforts are under way to identify additional funding to meet this request.

Assessing MOD Capability

Operational/Unit Readiness

Embedded Transition Teams continue to provide monthly TRAs measuring the staffing, command and control, training, sustainment/logistics, equipping, and leadership of their partnered Iraqi units.

Personnel and Equipment Status

The total number of MOD military personnel trained and equipped is currently more than 115,000, approximately 84% of the objective end-strength.

With the generation of Iraqi Army battalions more than 92% complete, the focus of the Iraqi Army's train-and-equip effort shifted during this reporting period toward building combat support and combat service support forces. More than 65% of authorized per-

sonnel in the Iraqi Army's support forces are trained and equipped.

Equipping the Iraqi Armed Forces continues as planned since the May 2006 report, with 92% of authorized equipment issued to the 10 Iraqi Army Divisions and subordinate formations. MNSTC-I is on track to issue all currently authorized equipment by the end of December 2006. Equipment is distributed and filled according to the commander's operational assessment. MNSTC-I is currently working with the MOD to transition maintenance capabilities to the Iraqi Army. To date, two Regional Support Units facilities have been transitioned to the Iraqi Army.

Leadership

The lack of junior officers and NCOs continues to be one of the biggest factors impeding development of MOD forces. There is a shortage of school-trained officers and NCOs to fill lower-level staff and leadership positions. The shortage of leaders will abate as officer recruits are commissioned and they join their units. For NCOs, qualified soldiers are being "grown from within" through development and schooling to achieve promotion to NCO leadership positions.

The Regional Training Centers (RTCs) and the NCO Academy focus on junior leader development that is critical to building a professional force. The RTCs conduct Squad Leader and Platoon Sergeant Courses. Newly formed Sergeants Major and Chief Warrant Officer Courses have been added to the NCO Professional Education System. Specialized leadership courses, such as Logistics Supervisor, are being conducted at the Iraqi Army Service and Support Institute at Taji. Three Iraqi Military Academies at Zahko, Qalachwalan, and Ar Rustimiyah continue to train future officers.

The institutional leadership courses are complemented and reinforced through partnership with Coalition Military Transition Teams. These teams, embedded with every Iraqi battalion, brigade, and division, provide daily guidance and mentorship. In addition, Iraqi units are partnered with Coalition force units. These partnerships, combined with the expertise and leadership taught through the institutional base, are critical for development of both unit proficiency and leadership essential to increased operational effectiveness.

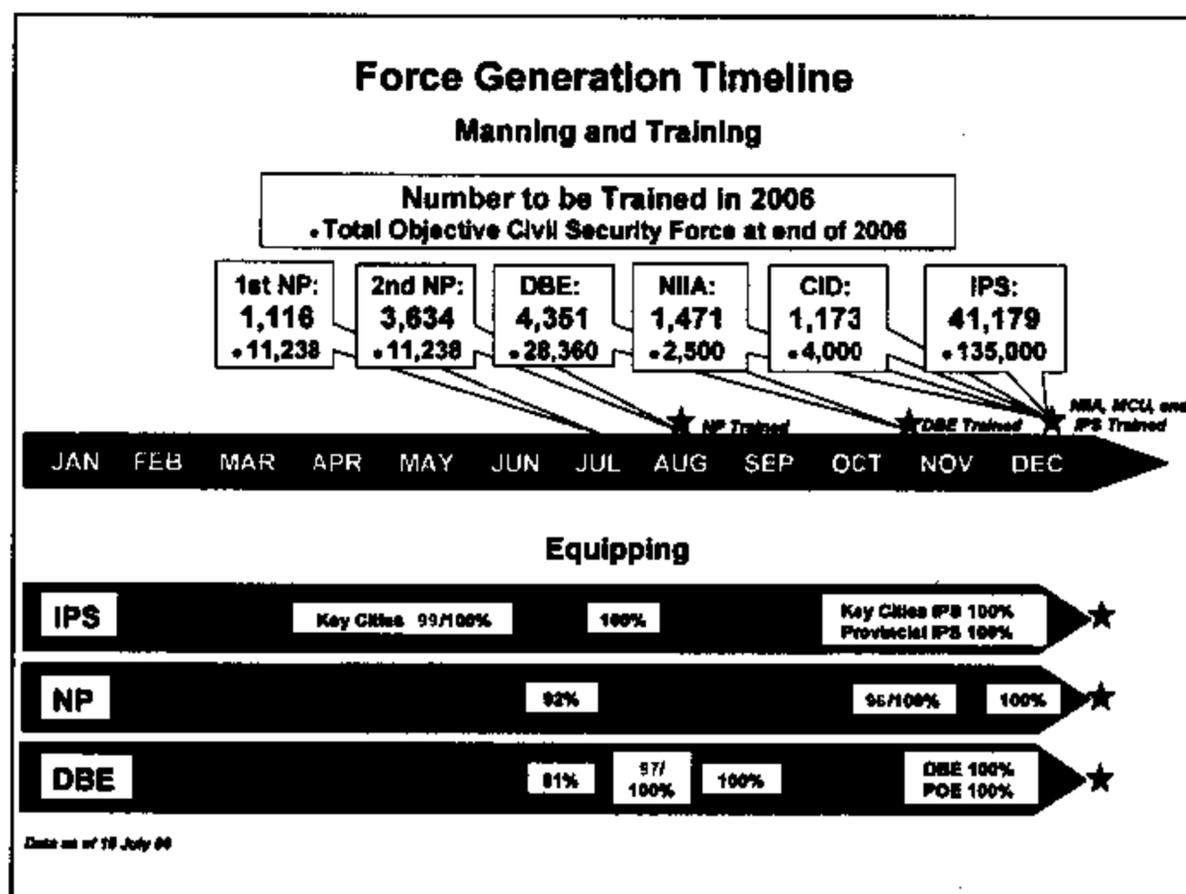
The importance of ethics, human rights, and leadership in the Iraqi Armed Forces has engendered a concept for a Center for Ethics and Leadership to provide institutional oversight for ethics education, training, and assessment.

A promising trend is that military leadership has become more involved with civic leaders and sheiks in their areas of operation. This activity will continue to reinforce and establish the importance of Iraqis leading and

taking responsibility for their own security and interests.

MOD Capacity Development

The new Minister of Defense, Abd al-Qadr Muhammad Jassim al-Mufraji, is confronting the challenges he faces and is already making his mark. Previous logjams in acquisitions and contracting are being eased, and he is working closely with MNSTC-I to proceed on force development, force expansion, and logistics support. The MOD Transition Team grew to meet this accelerated pace of business and expanded to more than 50, half of whom are Military Professional Resources Incorporated contractors. Close and effective relationships are being forged by team members with all senior MOD headquarters officials, and the confidence, and thus capacity, of these officials is strengthening. The ministries and the Joint Headquarters are expected to be in the lead with Coalition support by the end of 2007. However, a partnership with these institutions will be



required through at least the first peaceful transfer of power in 2010.

Coalition Support Requirements

MNC-I continues to provide logistical support to the Iraqi Armed Forces where the established system falls short. Although there has been some success with Iraqi Army units using their own processes, there is still a great deal of institutional development remaining. MNF-I is working with both MNC-I and MNSTC-I to aid the Government of Iraq in developing a defense logistics system, but in the absence of a self-reliant system, MNF-I must provide extensive support to Iraqi forces.

MNSTC-I processed life support contracts in a total amount of approximately US\$7.8 million for the months of May and June 2006. Currently, all life support contracts have been transitioned to the MOD. MNSTC-I has formed a Transition Working Group tasked

with ensuring that the MOD properly supports all Iraqi Army life support requirements.

DOD requested US\$151 million for MOI sustainment in the FY2007 Budget Amendment request, but did not ask for funding for MOD sustainment.

Coalition forces are also supporting the Government of Iraq with fuel. In June 2006, all Iraqi Army units submitted requisitions for fuel; MTRs provide the majority of the fuel distribution. Storage capacity will not be fully fielded until December. Additionally, the GSUs will not be fully on-line until March 2007. Until the MTRs and GSUs are in place, the Iraqi Army units will not be fully self-sufficient in terms of bulk fuel transportation and storage.

Coalition forces supported the Iraqi Army units with the combined fuel report listed below.

APRIL 2006		MAY 2006		JUNE 2006		TOTAL	
Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons	Fuel Type	Gallons
DIESEL	133,590	DIESEL	964,598	DIESEL	352,042	DIESEL	1,450,230
MOGAS	89,935	MOGAS	83,956	MOGAS	73,613	MOGAS	247,504
JP8	42,347	JP8	29,101	JP8	34,955	JP8	106,403
Quarterly Subtotal	265,872		1,077,603		460,610		1,804,085

Obstacles to Progress

Absenteeism

In the Iraqi Army, approximately 15% attrition is the norm for initial training. When a unit is fully trained and employed in combat operations, some soldiers find that they do not like the particular location or they cannot cope with dangers of the counter-insurgency. Absent-without-leave rates are typically about 1%–4% for most Iraqi Army divisions, although deployments to combat sometimes cause absentee spikes of 5%–8%. However, soldiers in units in this final stage of development are less likely to abandon the service. As with any organization, the units with strong, competent leaders tend to have higher present-for-duty rates than those with weak leaders. However, there is currently no judicial punishment system within the Iraqi Army. Therefore, Iraqi Army commanders have little legal leverage to compel their soldiers to combat, and soldiers and police can quit with impunity.

Sectarian Issues

The U.S. Government is committed to creating an Iraqi military that reflects the ethnic and religious fabric of Iraq, with diverse units loyal to the nation and not sectarian interests. Although competence and merit are the deciding factors when selecting recruits, particularly leaders, the ISF are developing so that they generally mirror the demographic make-up of Iraq. Sectarian lines remain drawn, however, along geographic lines, with Sunni, Shi'a, or Kurdish soldiers mostly serving in units located in geographic areas familiar to their group. These divisions are even stronger at the battalion level, where

battalion commanders of one particular group tend to command only soldiers of their own sectarian or regional backgrounds. The Minister of Defense, through an Officer Selection Committee, has used the normal transitions to continue to diversify the senior leadership in the Iraqi Army. This continuing process strives to ensure that the Iraqi Army is led by competent leaders who are representative of the national fabric. In the aggregate, Sunni, Kurd, and Shi'a are well and appropriately represented in senior leadership positions. The Sunni and Kurds are slightly over-represented, while the Shi'a are slightly under-represented, though Shi'a commanders still hold a large majority of command positions. The percentage of Sunni leaders at each level remains constant. At the battalion level, the echelon in which the Shi'a have the highest percentage of commands, they are appropriately represented when compared to the demographics of the Iraqi population. The relatively high percentage of Sunni and Kurds in higher-level commands is a result of the requirement for experienced military leaders, of which few were Shi'a. Generally, Shi'a and Kurds were excluded from higher-level positions in the former regime. The Kurds, however, benefited from years of experience in the *Peshmerga*. Nationally recruited Iraqi Army divisions are otherwise representative of the ethno-religious composition of the country. The even-numbered divisions were originally formed as National Guard units, with the intent that these units would serve in the respective local regions. The composition of these units tends to be representative of the region in which they serve. Over time, replacements from the national recruiting pool will increase the diversity of these divisions.

3. Transition

3.1 Transitioning Security Responsibility

Process for Implementing Provincial Iraqi Control

The transfer of security responsibility from Coalition forces to the Government of Iraq is an objective of the security track outlined in the National Strategy for Victory in Iraq. Such transfers reflect the capability of the Government of Iraq to fulfill its sovereign responsibility in the most fundamental, vital interest of any state—to protect its citizens and safeguard its territory. As Iraqis take on more responsibility for security, Coalition forces will increasingly move to supporting roles in most areas. This may allow for future personnel reductions or a delay in previously scheduled deployments. The Coalition's military posture on the ground will remain responsive and flexible. As the security situation evolves, MNF-I will maintain sufficient forces on the ground to help Iraq consolidate and secure its gains on many different fronts. The recent agreement between Prime Minister al-Maliki and President Bush to increase force presence in Baghdad is indicative of this flexibility.

Iraq achieved a historic milestone on July 13, 2006, with the transfer of security responsibility in Muthanna Province from MNF-I to the Provincial Governor and civilian-controlled Iraqi Police Service. Muthanna is the first of Iraq's 18 provinces to be designated for transition to Provincial Iraqi Control, which represents the successful development of Iraq's capability to govern and protect itself as a sovereign and democratic nation.

The joint decision between the Government of Iraq and MNF-I to hand over security responsibility is the result of Muthanna's demonstrated ability to take the lead in man-

aging its own security and governance duties at the provincial level. The transition decision also reflects a joint assessment of the overall threat situation in Muthanna, the capabilities of the IPS and the Iraqi Army, and the provincial leadership's ability to coordinate security. Transition Teams are in place to smooth the transfer process, and multinational forces stand ready to provide assistance if needed.

Dhi Qar Province appears to be ready to assume security independence within the next 45 days, and several other provinces should meet the transition criteria before the end of the year. The Government of Iraq and the MNF-I will continue to transfer security responsibilities in other provinces as prerequisite conditions are met.

In concept, security transition is a four-phased process.

1. **Implement Partnerships**. MNF-I and its Major Subordinate Commands establish and maintain partnerships across the entire spectrum of ISF units, from battalion to ministerial level.
2. **Iraqi Army Lead (IAL)**. Process during which Iraqi Army units progress through stages of capability from unit formation to the ability to conduct counter-insurgency operations.
3. **Provincial Iraqi Control (PIC)**. Iraqi civil authorities satisfy the conditions required to assume control and to exercise responsibility for the security of their respective provinces.
4. **Iraqi Security Self-Reliance**. The Government of Iraq achieves PIC (or a combination of PIC and IAL) throughout Iraq, and the government, through its security ministries, is capable of planning, conducting, and sustaining security operations and forces.

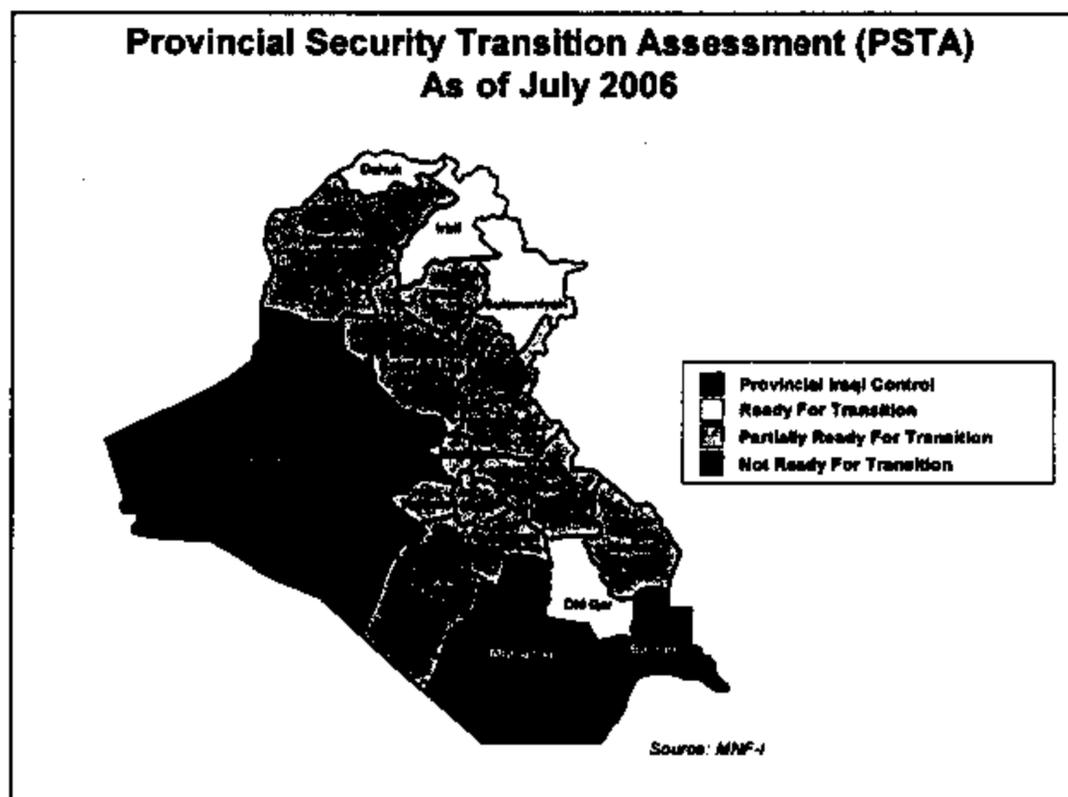
These phases are not strictly sequential. For example, the Iraqi Army does not have to assume the lead in a province before Coalition forces may begin transfer of provincial control. This was the case in Muthanna.

Phase 1 of the security transition concept—implementing partnerships—is already complete. As described above, the second phase, Iraqi Army lead, is well under way in many provinces. The third phase, establishing provincial Iraqi control over security, will be implemented on an area-by-area basis. The Government of Iraq, jointly with military and political leadership of the United States and Coalition partners in Iraq, will assess when conditions permit handing over security responsibility for specific areas from Coalition forces to the Iraqi civil authorities. The Joint Committee to Transfer Security Responsibility (JCTSR) has developed criteria to guide the transfer of security responsibility. Recommendations for transfer include an assessment of conditions in four categories:

1. Threat Assessment
2. ISF Readiness
3. Local Governance Capability

4. MNF-I Ability to Respond Quickly to Major Threats, if Needed

The recommendation to transfer security responsibility is based on the specific situation in any one province or provincial capital in the context of the overall security environment. The appropriate Multi-National Force Division Commander and Provincial Governor, assisted by representatives of the Iraqi Ministries of Interior and Defense and U.S. and United Kingdom Embassies, conduct monthly assessments of provinces and of provincial capitals. The JCTSR working group meets monthly to review the assessments and to present recommendations to the JCTSR principals regarding which provinces are ready to be transferred. Once a decision is made, the JCTSR working group will provide oversight of the development of transition directives, develop a public affairs plan, and arrange a post-transfer security agreement between MNF-I forces and provincial governors. Every transfer will ensure an effective and successful handover of security responsibilities. Moreover, the transition and reduced presence of MNF-I forces will be plainly visible to the Iraqi people.



Detainee Operations

Releases

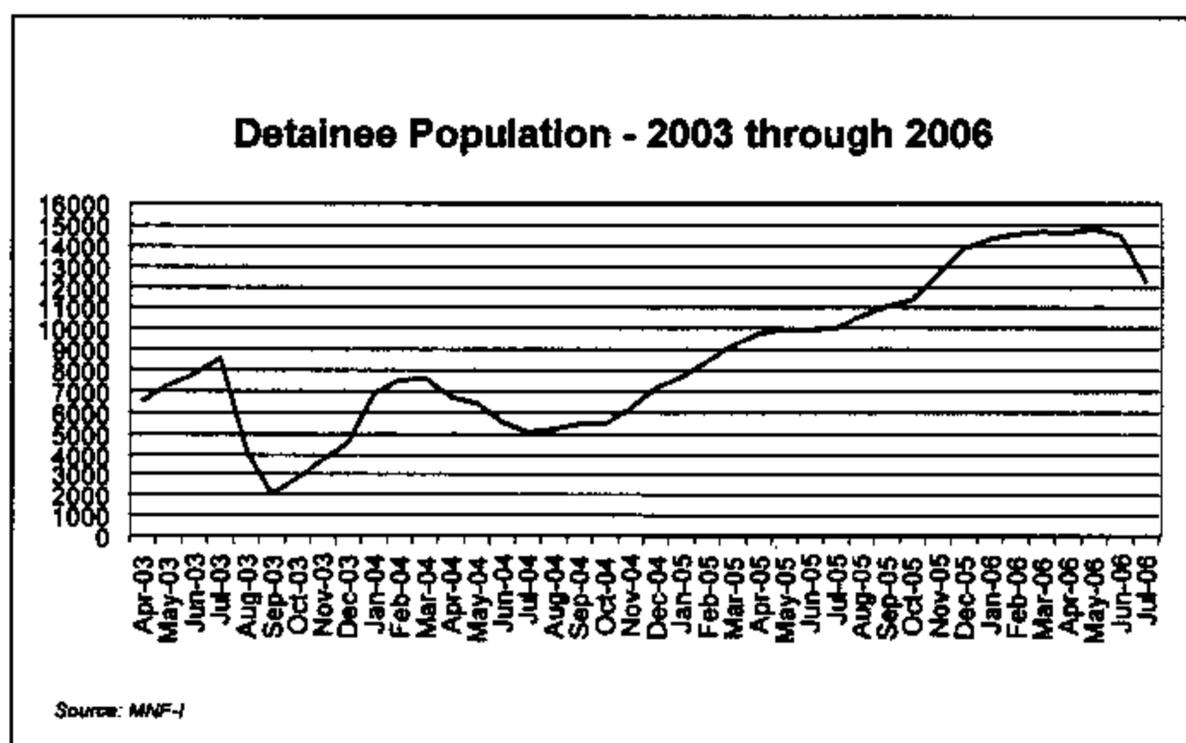
In June 2006, MNF-I, in coordination with the Government of Iraq, conducted a large-scale release of detainees in support of the newly formed national unity government. The release served as a visible symbol of the government's commitment to national unity and reconciliation in the progress toward democratic governance and the rule of law. MNF-I released 2,500 low-risk detainees over a period of three weeks. Coupled with the 500 detainees from the normal Combined Review and Release Board process, MNF-I had a net reduction of more than 2,000 detainees in June. A MNF-I special board reviewed approximately 6,500 records to identify the low-risk detainees. Each file was also reviewed by the MNF-I Deputy Chief of Staff for Intelligence to consider any additional intelligence reports. Detainees involved in violent acts, IED making/placement, financing insurgent operations, identified as key insurgent leaders, or who have been recaptured were not considered for release.

Transition of Coalition Detention Facilities and Detainees to the Government of Iraq

MNF-I has begun training Iraqi guards for a potential transition of the Coalition detention facilities and detainees. Transitioning detainee operations is a three-phase process.

1. Phase 1 consists of individual and collective training of Iraqi guards and leaders, including training alongside their U.S. counterparts inside the facility.
2. Phase 2 consists of the removal of U.S. guards and establishment of a U.S. transition team to supervise Iraqi Security Forces and to maintain legal custody of detainees.
3. Phase 3 consists of the final removal of all U.S. personnel and turnover of the facilities and legal custody of the detainees to the Government of Iraq.

The criteria for transfer includes the requirement for the Government of Iraq to possess the legal authority to hold security detainees, each facility demonstrating the ability to meet the care and custody standard, and the MOJ



having effective oversight of the program. MNF-I is currently in Phase I. Significant challenges exist to ultimately meeting these criteria. The Iraqi Corrections System has not demonstrated the capacity to effectively resource and run a major facility, such as Camp Bucca. Additionally, based on the composition of the guard force, serious questions remain as to whether they would be able to maintain the required standards of care and custody. The most significant obstacle remains establishing the legal authority to hold security detainees. There is widespread opposition inside the Sunni political leadership to providing this authority to the Government of Iraq.

3.2 U.S. Force Adjustments

In consultation with the military commanders in Iraq, the Government of Iraq, and Coalition partners, the Secretary of Defense continues to advise the President on the appropriate level of U.S. forces in Iraq and the surrounding theater of operations based on current conditions. These conditions include, but are not limited to, key elements of the MNF-I Campaign Plan, such as the increasing responsibility of the ISF in counter-insurgency operations and ownership of areas of responsibility and progress in the political process.

Arbitrary deadlines or timetables for withdrawal of Coalition forces—divorced from conditions in Iraq and the region—would be a serious strategic error, as they would suggest to the terrorists, the Rejectionists, and the various illegal armed groups in Iraq that they can simply wait or stall to win. The absence of a specific timetable does not mean that the Coalition's posture in Iraq is static. On the contrary, the Coalition continually reviews the situation in Iraq and adjusts its posture and approaches as conditions evolve and Iraqi capabilities grow.

As security conditions improve and as the ISF becomes more capable of securing their own country, Coalition forces will move out of the cities, reduce the number of bases from which they operate, and conduct fewer visible missions. However, they will remain postured to assist, including supporting the ISF with transition teams. Although the Coalition military presence may become less visible, it will remain lethal and decisive, able to confront the enemy wherever it may gather and organize.

The Coalition retains the ability to quickly reinforce the Iraqi Army as required and to provide critical enablers as Iraqis develop their own capabilities. Coalition personnel levels will increase, if necessary, to defeat the enemy or to provide additional security for key events, like the 2005 referendum and elections. But the goal, over time, is to reduce Coalition forces as Iraqis continue to assume more of the security and civilian responsibilities themselves. This process is already under way.

The Government of Iraq has agreed to form a Joint Committee with MNF-I and the U.S. and UK Embassies to develop a conditions-based roadmap for the full transition of security responsibility to the ISF. This roadmap will consist of recommended conditions intended to lead to the eventual and gradual withdrawal of multi-national forces from Iraq.

The Joint Committee for Achieving Iraqi Security Self-Reliance (JCAISSR) will base its roadmap on much of the successful work that has already gone into developing the strategy for transition of security responsibility in Iraq:

Governance

The seating of the new Government of Iraq's, based on its Constitution, sets the conditions

for continuing progress toward Iraqi security self-reliance. Toward this end, the government's program calls for speeding up plans for completing the preparation of the ISF; speeding up the process of transferring security responsibilities and powers to the Iraqi Army, police, and security forces; and cooperation with the multi-national forces in a way that will allow the handover of security responsibilities to the ISF, the completion of the mission, and the exit of the multi-national forces.

Development of the ISF

Efforts to develop the capacity of the ISF have been successful. In November 2005, the Iraqi Army had 4 brigades and 23 battalions in the lead. As of August 7, 2006, the Iraqi Army has 6 Division Headquarters, 25 brigades, and 85 battalions that have assumed responsibility. MOI forces also grew significantly, from approximately 93,000 trained and equipped members in November 2005 to more than 160,000 today.

Provincial Iraqi Control Plan

The Government of Iraq and MNF-I have already developed a conditions-based framework for the transition of security responsibility from multi-national forces to Iraqi leadership. As a result of this work, security responsibility for Muthanna Province transitioned to the provincial governor on July 13, 2006. Security responsibility for as many as nine of Iraq's provinces could transition to Government of Iraq authority by the end of 2006.

The JCAISSR will comprise the Iraqi Prime Minister, the Iraqi National Security Advisor (Chair), the Minister of State for National Security Affairs, the Ministers of Defense and Interior, the Director of the Iraqi National Intelligence Service, the U.S. Ambassador,

the UK Ambassador, and the Commanding General and Deputy Commanding General, MNF-I. This committee will be supported by a working group of direct subordinates.

Conditions recommended by JCAISSR will, at a minimum, include consideration of the threat situation across Iraq, security force readiness, capacity of key security and supporting ministries, and development of the overall Iraqi national security processes.

MNF-I Basing Construct

MNF-I will efficiently consolidate its footprint in Iraq to reduce its military basing requirements progressively. The MNF-I basing strategy is an integral part of the Campaign Plan. MNF-I uses a conditions-based process to synchronize basing requirements with Coalition force structure and projected command and control structure. Several factors are considered when employing this process, including cost-effective use of resources, maintaining security presence where required by the mission and maintaining only those bases required, transition of operations to the ISF as they continue to assume the lead in security operations, and other factors. Specifically, MNF-I seeks to minimize its presence in major cities while building the flexibility required to support other elements in Iraq, including Coalition partners, PRTs, Transition Teams, Department of State activities, and other supporting units and entities. This process will culminate in the transition through Operational and Strategic Overwatch, which will leverage and maximize support through a minimum number of strategically located FOBs and Convoy Support Centers.

As of August 7, 2006, MNF-I has closed 48 of its 110 FOBs, handing over 31 to ISF, MOD/MOI; and 17 to the Ministry of Finance. Thirteen more FOBs are scheduled for closure and handover by January 2007.

Strategic Communication Plan
5th Stability and Security Report to Congress
(as of 29 Aug 06)

Background/Analysis: Section 9010 of the Department of Defense Appropriations Act 2006 requires the SECDEF to provide a quarterly report to Congress that measures the progress toward achieving stability and security in Iraq. Media attention of the previous report focused on sectarian violence (high attack trends and casualty stats), opinion polls regarding coalition forces, ISF numbers and operations, and report data in context of events of the day (increase in US troop levels).

Media focus for this quarter's report will likely focus on discussion of civil war, and the rise in attacks and increased civilian/ISF casualties.

Goal: Provide information to media, Congress, and public that communicates the progress of stability and security operations in Iraq.

Objectives:

- Communicate to the public metrics measure progress toward well-established objectives
- Communicate that the metrics show progress toward achieving stability and conditions that will enable the withdrawal of coalition forces when conditions warrant
- Communicate that metrics are one aspect of tracking progress within Iraq—progress is often intangible

Strategy:

- Reinforce messages and talking points in conjunction with delivering report to Congress

Top Line Messages:

- We have a comprehensive and coherent strategy for unity, security and prosperity in Iraq
- The Iraqi security forces are better equipped, better trained and more experienced than they were three months ago.
- This metrics report helps us keep Congress informed, but it is only one aspect of our assessment for progress in Iraq
- Metrics help us achieve our strategy by focusing efforts on accomplishing actions that support a secure, stable Iraq with a democratic system supported by all Iraqis and accepted by the international community

Talking Points:

- There is a qualitative difference between civil war and sectarian violence, and we are not in a civil war.
 - The majority of Iraq's provinces remain in relative peace, but Baghdad, in particular, draws global attention and is the target for sensational attacks that exaggerate the impact of terrorists, illegal armed groups, and violent extremists.
 - Central institutions such as the government and security forces are functioning, and violence is geographically defined, not resulting in the mass movement of population.
- ♣ This is a decisive time in Baghdad and it requires decisive Iraqi action with our clear support.
 - In Operation Together Forward, Iraqi security forces, with coalition in support, are focusing on key neighborhoods in Baghdad.
 - Since mid-July, statistics measuring levels of violence have trended down. While a positive indication, it is far too early to call this a continuing trend.
 - Lots of hard work remains for Coalition forces, Iraqi security forces, the Iraqi government and the Iraqi people.
 - The security situation is at its most complex state since OIF began, so the results of the stepped up effort will take time.
 - The Baghdad initiative's initial phases demonstrate that the combination of security forces, government action, and cooperation of citizens can accomplish a great deal.
- The first truly representative government is in place and dealing with the security issue.
 - Prime Minister al-Maliki's government and Coalition forces are adapting the Baghdad security plan to meet the changing conditions on the ground.
- ♣ While terrorists and extremists continue to destroy innocent life in Iraq, they have not shaken the determination of the Iraqi people to build a free country.
 - ♣ The political process continues
 - ♣ Polls show Iraqis have confidence in their government to improve the situation (approximately 80% of Baghdad, Kurdish, Mid-Euphrates and southern citizens said in June they have great deal or fair amount of confidence new Iraqi gov't can improve situation in Iraq) (p8)
 - ♣ While the majority of the population is concerned about an increase in sectarian violence, their concern that a civil war might happen has decreased since March (p40)
 - ♣ Confidence in the Iraqi Army has stayed stable or increased (p43)
 - ♣ Iraqis must choose to end sectarian strife that has potential to be self-sustaining
- ♣ The Iraqi security forces continue to progress
 - ♣ 5 Iraqi divisions, 25 brigades and 85 Iraqi army battalions are in the lead (32 percent increase since last report)
 - ♣ More than 84 percent of MOD end-strength have been trained and equipped
 - ♣ More than 92 percent of authorized Iraqi Army battalions have been generated

DATE	TACTICS	PRINCIPAL	STAFF	TARGETS	INTENDED EFFECT
31 Aug	Transmittal to Congress	OSD/LA	OSD(LA)	Congressional Leadership	Deliver DoD themes in addition to required data
31 Aug	Congressional Briefings	OSD/LA	OSD(LA)	Congressional Leadership	Discussion with members and staffers
1 Sep	Media Roundtable	Rodman/Sullivan	OSD(PA)	Media	Deliver overarching comm. points and shape/correct stories
1 Sep	Mil Analyst Call	Rodman/Sullivan	DoD Public Liaison Joint Staff PA	Opinion Leaders	Deliver overarching comm. points and shape/correct stories
1 Sep	Post Report on DefenseLink	OSD/PA	AFIS	Public and Press	Deliver DoD themes in addition to required data
1 Sep	Internal Coverage (DefenseLink, Pent. Channel)	OSD/PA	AFIS	Internal Audience	Reinforce messages to internal and external audiences

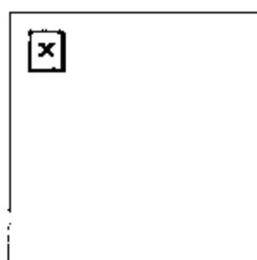
(b)(6)

From: Chuck Nash (b)(6)
Sent: Thursday, August 31, 2006 10:49 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

(b)(6)

Will not be able to make it.
All the best,
Chuck

(b)(6) CIV, OASD-PA wrote:



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: Conference Call with Senior DoD Officials

We invite you to participate in a conference call, **FRIDAY, September 1, 2006, from 11:45-12:15.**

Assistant Secretary of Defense for International Security Affairs Peter Rodman (bio at: <http://www.defenselink.mil/Bios/BiographyDetail.aspx?BiographyID=89>) and Vice Director for Strategic Plans and Policy Rear Admiral William Sullivan (bio at: <http://www.navy.mil/navydata/bios/bio.asp?bioID=276>) will brief you on the Quarterly Report on Iraq Stability and Security. This call will be On Background.

To participate in this conference call, please dial (b)(2) and ask the operator to connect you to the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

12/3/2007

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1631

(b)(6)

From: Tim Eads (b)(6)
Sent: Thursday, August 31, 2006 7:20 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

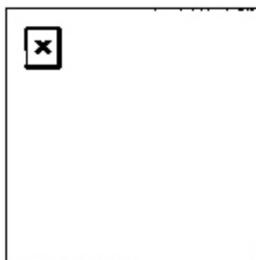
(b)(6)

I can't make this time because I am on a plane but thanks for the invite.

Timur J. Eads
Blackbird Technologies Inc.
13900 Lincoln Park Dr.
Suite 400
Herndon, Va. 20171
Office: 703-480-1215
Cell: (b)(6)
Fax: 703-464-9381

(b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
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We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 6:37 PM
To: (b)(6) CIV. OASD-PA
Subject: Re: (no subject)

Nope - right in middle of an important conference - Don

12/3/2007

NY TIMES

1634

(b)(6)

From: jack jacobs (b)(6)
Sent: Thursday, August 31, 2006 5:43 PM
To: (b)(6) CIV, OASD-PA
Subject: conf call

I'm hoping to get out of a board meeting in time for the call, but I'm not optimistic...my fellow board members like to talk, not listen.
Jack Jacobs

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 5:33 PM
To: (b)(6) CIV, OASD-PA
Cc: Grange, David
Subject: RE: Conference Call TOMORROW

Dear (b)(6)

Gen. Grange will not be able to join tomorrow's conference call.

(b)(6)

(b)(6)
Executive Secretary
McCormick Tribune Foundation
435 N. Michigan Ave., Suite 770
Chicago, IL 60611
Tel 312/222-3579
Fax 312/222-3523

(b)(6)

www.McCormickTribune.org

Investing in our children, communities and country
www.McCormickTribune.org

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 2:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



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From: Dallas Lawrence
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We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1637

(b)(6)

From: Thomas McInerney (b)(6)
Sent: Thursday, August 31, 2006 8:25 PM
To: (b)(6) CIV, OASD-PA
Subject: RSVP ON CONFERENCE CALL

(b)(6)

I will PARTICIPATE

THANKS

Tom

Thomas G. McInerney
Lt. Gen. USAF (Ret)

(b)(6)

Voice (b)(6)
Cell:
Fax:

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 5:15 PM
To: (b)(6) CIV, OASD-PA
Subject: (no subject)

I'll be on - am in Denver - BTW, FYI, several mil analysts are being invited to Israel 20-29 OCT.

Is your trip still on and any date changes? - Don Shepperd

12/3/2007

NY TIMES

1639

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 5:14 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

Count me in. Thanks.

--

Robert L. Maginnis

(b)(6)

[\(b\)\(6\)](http://home.comcast.net/~(b)(6))

----- Original message -----

From: (b)(6) CIV, OASD-PA" (b)(6)


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To: Retired Military Analysts
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Director, Community Relations and Public Liaison
Office of the Secretary of Defense
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We hope you are able to participate.

(b)(6)

OSD Public Affairs

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

(b)(6)

From: Tom Wilkerson (b)(6)
Sent: Thursday, August 31, 2006 5:09 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

(b)(6)

I will be goofing off this weekend -- take a pass. Hope you can escape for Labor Day, too.

**Semper Fortis,
Fidelis & Paratus**

Tom W

Thomas L. Wilkerson
CEO & Publisher

U. S. Naval Institute
291 Wood Road
Annapolis, Maryland 21402

Office: 410-295-1060
Cell: (b)(6)

(b)(6)

On Aug 31, 2006, at 3:41 PM, (b)(6) CIV, OASD-PA wrote:

<attf295d.gif>

MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
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(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 4:54 PM
To: (b)(6) CIV, OASD-PA
Subject: FW: trip

Attachments: Garrettbio.pdf; WASHINGTON-#3678417-v2-list_JCG_combat_experience.DOC\$



Garrettbio.pdf (152 KB)
WASHINGTON-#3678417-v2-list_JC.

(b)(6)

John's Garrett's firm bio and a sketch about his military experience are attached.

Thanks,

(b)(6)

Assistant to John Garrett
Patton Boggs LLP
2550 M Street, N.W.
Washington, DC 20037

tel.: 202.457.6475
fax: 202.457.6315

-----Original Message-----
From: (b)(6) CIV, OASD-PA
To: (b)(6) CIV, OASD-PA
Sent: Thu Aug 31 15:12:08 2006
Subject: trip

Gentlemen,
Thank you for your patience as we continue to plan on our next trip to the CENTCOM AOR. We continue to move forward on the trip and at this point it looks very solid. We are planning for an evening departure on 14 September and a return date of 19 September. I am hoping to have the itinerary finalized and approved in the next couple of days. As soon as I receive that, I will contact you so that you can start booking your flights.

In the meantime, would you please forward me your most current bio?
Please let me know if you have any questions or if there is anything I can do for you,
Thanks (b)(6)

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

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and deleting it from your system. Thank you.

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COLONEL JOHN C. GARRETT
Senior Defense Policy Advisor

Defense and National Security
International Trade and Transactions
Public Policy and Lobbying

2550 M Street, NW
Washington, DC 20037
T: 202-457-5207 F: 202-457-6315
jgarrett@pattonboggs.com

Education

- Georgetown University, M.A., 1986
- Virginia Polytechnic Institute and State University, B.S., 1969

Through daily contact with U.S. government requirements and procurement agencies, Col. John Garrett, USMC (retired) helps clients identify federal grants and contracting opportunities, for government projects in the United States and abroad. Domestically, Col. Garrett's work focuses on programs and procurements in the homeland security arena; internationally, his efforts emphasize such areas as Iraq reconstruction and Afghanistan reconstruction. Once an opportunity is identified, Col. Garrett helps clients navigate the complex process of defining the government's specific program requirements and then developing comprehensive capability statements that communicate that the client provides the best value and is best able to meet government requirements.

In nearly 30 years of developing relationships throughout the U.S. government and defense industry, Col. Garrett has developed strong networks with policy and decision makers in the U.S. Congress; the Departments of State, Defense and Energy; and the Department of Homeland Security. The access that comes with these relationships allows Col. Garrett to know in advance—and in detail—how best to meet the needs of each agency's procurement programs.

Additionally, Col. Garrett assists clients in a variety of issues regarding export control and licensing, and enjoys unique access to key administrative professionals at the Directorate of Defense Trade Controls and to the key players at other agencies, including the Departments of Defense, State, and Commerce. His involvement with the DDTC enables him to regularly facilitate and expedite clients' export license applications for defense and security related articles and technologies. His association with policymakers allows him to successfully argue and prevail in removing presumptions of license denial for several countries to whom our clients now export millions of dollars in merchandise.

Col. Garrett also serves foreign sovereign governments and their embassies in the planning and implementation of political, security and economic strategies as well as programs with the U.S. government and with U.S. commercial business and investment entities.

In conjunction with Patton Boggs' vast network of international contacts, Col. Garrett develops joint venture partnerships and other relationships in virtually all fields of commercial endeavor, to include security/defense, infrastructure, and logistics.

ARTICLES

Middle East Contracting Newsletter - May 2006
May 2006

Middle East Contracting Newsletter - January 2006

Col. John C. Barrett, SMC et.
Summary of relevant experience

Operations highlights

- Infantry Battalion and Company Commander, Vietnam, 1969-70
- Infantry Battalion Commander, Desert Shield/Desert Storm
- Led U.S. Marines in support of the Saudi Arabian forces that attacked and regained the town of Hafji in northern Saudi Arabia, January 1991
- Commanded the first American combat unit to breach the Iraqi defenses on 28 February 1991, and continued the attack to ultimately secure Kuwait International Airport, Kuwait City
- Commander, Marine Expeditionary Unit Special Operations Capable, 1991
- Conducted ship seizure of Syrian flagged ship, a sanctions violator, on Christmas Day 1991, in the Arabian Gulf
- Commanded a multinational force which protected the final withdrawal of 1,000 UN peacekeepers from the Somali Brigade and Bangladesh Infantry Battalion and closed the UN occupation in Somalia, February-March 1991
- Planned and executed antiterrorism and counterterrorism missions during the course of two deployments to Southwest Asia and the Middle East

20 years Training Advisor Combined Operational Experience with the command, ground operations, aviation, and logistics forces of Thailand, Singapore, AUSAID, Qatar, Saudi Arabia, Kuwait, Jordan, Australia, etc.

January 2006

Middle East Contracting Newsletter - September 2005
September 2005

- Speaker, "Contracting with the United States Government in the Middle East: Fundamentals of Understanding and Making the United States Procurement Process Work for You," Doha, Qatar (May 2005)
- Col. Garrett is a regular commentator on *The Fox News Channel*, presenting observations and analysis on the war on terrorism, Operation Enduring Freedom, Operation Iraqi Freedom, and a range of topics relating to national and homeland security. He was Dan Rather's featured guest on *60 Minutes II*, regarding the history of U.S. anti-terrorism programs. He has also appeared on *Radio America* and *Canada TV* regarding Operation Iraqi Freedom.
- Col. Garrett is a member of the Department of Defense Media Military Analysts Group, which receives weekly access and briefings with the secretary of Defense, chairman of the Joint Chiefs of Staff, and other high level policymakers in the Administration. He is also a frequent speaker and panelist on homeland security, Iraq reconstruction, and national security at conferences and seminars throughout the country.

www.pattonboggs.com

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Thursday, August 31, 2006 4:52 PM
To: Vician, Todd M LtCol OSD PA
Subject: RE: Conference Call TOMORROW
Attachments: Retired Military Analysts Outreach Group- Names only.doc

sure. attached. (altho i don't expect more than two handfuls... labor day weekend and all)
 thanks

(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Thursday, August 31, 2006 4:13 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

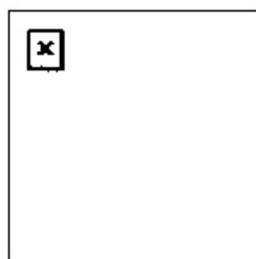
Many thanks, (b)(6) Mr Rodman's staff asked for a list of analysts. I know we don't know who will attend, but can you provide a list of those invited?

Thanks,
 Todd

Lt Col Todd Vician, USAF
 Defense Press Officer
 Office of Assistant Secretary of Defense (Public Affairs)

(b)(2) fax (b)(2)
 DSN (b)(2)

From: (b)(6) CIV, OASD-PA
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts

From: Dallas Lawrence
 Director, Community Relations and Public Liaison
 Office of the Secretary of Defense

Date: August 31, 2006

12/3/2007

NY TIMES

1649

Re: **Conference Call with Senior DoD Officials**

We invite you to participate in a conference call, **FRIDAY, September 1, 2006, from 11:45-12:15.**

Assistant Secretary of Defense for International Security Affairs Peter Rodman (bio at: <http://www.defenselink.mil/Bios/BiographyDetail.aspx?BiographyID=89>) and Vice Director for Strategic Plans and Policy Rear Admiral William Sullivan (bio at: <http://www.navy.mil/navydata/bios/bio.asp?bioID=276>) will brief you on the Quarterly Report on Iraq Stability and Security. This call will be On Background.

To participate in this conference call, please dial (b)(2) and ask the operator to connect you to the Analysts conference call.

Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate..

(b)(6)

OSD Public Affairs

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1650

RETIRED MILITARY ANALYSTS

(As of April, 2006)

Colonel Ken Allard (USA, Retired) MSNBC
Mr. Jed Babbin (AF, Former JAG) American Spectator, national radio
Admiral Dennis C. Blair (USN, Retired)
Commander Peter Brookes (USN, Reserve) Heritage Foundation
Lieutenant General Frank B. Campbell (USAF, Retired)
Dr. James Jay Carafano (LTC, USA, Retired) Heritage Foundation
Lieutenant Colonel Gordon Cucullu (USA, Retired) Fox News
Lieutenant General Michael P. DeLong (USMC, Retired) Fox News
Major Dana R. Dillon (USA, Retired) Heritage Foundation
General Wayne A. Downing (USA, Retired) MSNBC
Lieutenant Colonel Tim J. Eads (USA, Retired) Fox News
General Ronald Fogleman (USAF, Retired)
Lieutenant Colonel Rick Francona (USAF, Retired) NBC
Colonel John Garrett (USMC, Retired)
Lieutenant General Buster Glosson (USAF, Retired)
Brigadier General David L. Grange (USA, Retired) CNN
Command Sergeant Major Steven Greer (USA, Retired) Fox News
Colonel Jack Jacobs (USA, Retired) MSNBC
Admiral David E. Jeremiah (USN, Retired)
General Jack Keane (USA, Retired) ABC
General William F. "Buck" Kernan (USA, Retired)
Colonel Glenn Lackey (USA, Retired)
Admiral Thomas Joseph Lopez (USN, Retired)
Lieutenant Colonel Robert L. Maginnis (USA, Retired) Fox News
Major General James "Spider" Marks (USA, Retired) CNN
Dr. Jeff McCausland (Colonel, USA, Retired) - CBS
Lieutenant General Thomas McInerney (USAF, Retired) - Fox News
Major Andy Messing Jr. (USAR, Retired) - Fox News
Major General Burton R. Moore (USAF, Retired)
General Thomas S. Moorman, Jr. (USAF, Retired)
Major General Michael J. Nardotti, Jr. (USA, Retired)
Captain Chuck Nash (USN, Retired) - Fox News
General William L. Nash (USA, Retired)
General Glenn K. Otis (USA, Retired)
General Joseph Ralston (USAF, Retired)
Lieutenant General Erv Rokke (USAF, Retired) -
Major General Robert H. Scales, Jr. (USA, Retired) - Fox News
General H. Hugh Shelton (USA, Retired)
Major General Donald W. Shepperd (USAF, Retired)
Lieutenant Colonel Carlton Sherwood (USMC, Retired)
Command Sergeant Major Steve Short (USA, Retired)
Mr. Wayne Simmons (USN, Retired) - Fox News
Major General Perry Smith (USAF, Retired)
Captain Martin L. Strong (USN, Retired)
Captain Robert R. Timberg (USMC, Retired)
Major General Paul E. Valley (USA, Retired) - Fox News
Colonel John Warden (USAF, Retired)
General Larry D. Welch (USAF, Retired)

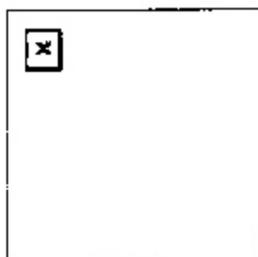
Mr. Bing West (USMC, Retired) -
General Charles E. Wilhelm (USMC, Retired)
General Tom Wilkerson (USMC, Retired)

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 4:33 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

Hello (b)(6)
James Carafano may be able to make this call.
Thank you,
(b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: **Conference Call with Senior DoD Officials**

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12/3/2007

We hope you are able to participate.

(b)(6)

OSD Public Affairs

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

12/3/2007

NY TIMES

1654

(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Thursday, August 31, 2006 4:13 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

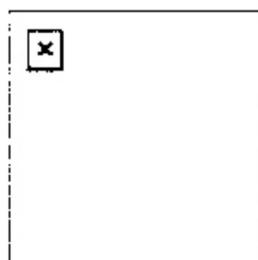
Many thanks, (b)(6) Mr Rodman's staff asked for a list of analysts. I know we don't know who will attend, but can you provide a list of those invited?

Thanks,
 Todd

Lt Col Todd Vician, USAF
 Defense Press Officer
 Office of Assistant Secretary of Defense (Public Affairs)

(b)(2), fax (b)(2)
 DSN (b)(2)

From: (b)(6) CIV, OASD-PA
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

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 Director, Community Relations and Public Liaison
 Office of the Secretary of Defense

Date: August 31, 2006

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1655

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Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison

(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

(b)(6)

From: Bing West (b)(6)
Sent: Thursday, August 31, 2006 4:11 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

(b)(6) - I must regret, but please tell Peter (Rodman) I send my regards/ (Peter now has my old job as ASD/ISA) Tx Bing
 On Aug 31, 2006, at 3:41 PM, (b)(6) CIV, OASD-PA wrote:

<attf295d.gif>

MEMORANDUM

To: Retired Military Analysts

From: Dallas Lawrence
 Director, Community Relations and Public Liaison
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Date: August 31, 2006

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We hope you are able to participate.

(b)(6)

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 (b)(2) The Pentagon
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(b)(2)

12/3/2007

NY TIMES

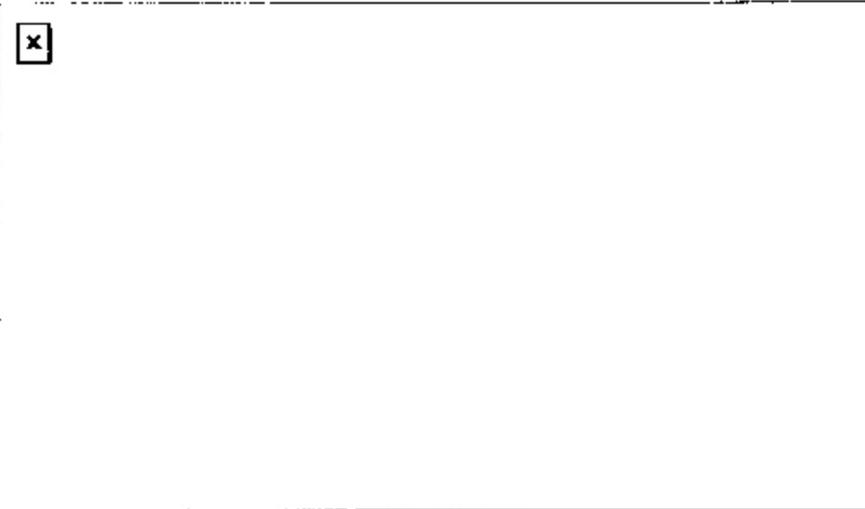
1658

(b)(6)

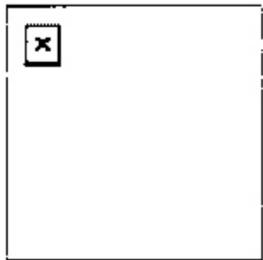
From: Rick Francona (b)(6)
Sent: Thursday, August 31, 2006 4:08 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

I will participate – and thanks for your earlier help in contacting the generals.

Rick



From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 12:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: **Conference Call with Senior DoD Officials**

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Assistant Secretary of Defense for International Security Affairs Peter Rodman (bio at:

12/3/2007

<http://www.defenselink.mil/Bios/BiographyDetail.aspx?BiographyID=89>) and Vice Director for Strategic Plans and Policy Rear Admiral William Sullivan (bio at: <http://www.navy.mil/navydata/bios/bio.asp?bioID=276>) will brief you on the Quarterly Report on Iraq Stability and Security. This call will be On Background.

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We hope you are able to participate.

(b)(6)

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(b)(2) The Pentagon

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(b)(2)

12/3/2007

NY TIMES

1660

(b)(6)

From: Nardotti, Michael (b)(6)
Sent: Thursday, August 31, 2006 4:21 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

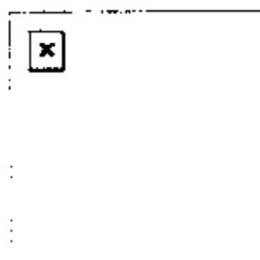
(b)(6)

I will not be available for the call tomorrow due to a funeral at the same time. Thanks again, though, for the invitation.

MJN

Michael J. Nardotti, Jr.
Major General, US Army, Retired
Patton Boggs LLP
2550 M Street, NW
Washington, DC 20037-1350
(b)(6) (direct)
202-457-6315 (facsimile)
(b)(6)
www.pattonboggs.com

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: **Conference Call with Senior DoD Officials**

12/3/2007

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Please R.S.V.P. to (b)(6) at (b)(6) or call her at (b)(2)

We hope you are able to participate.

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(6)

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NY TIMES

1662

(b)(6)

From: Gordon Cucullu (b)(6)
Sent: Thursday, August 31, 2006 4:07 PM
To: (b)(6) CIV, OASD-PA
Subject: From Gordon

Hi, (b)(6) I'll be on the con call tomorrow, thanks for the invite, best, Gordon

PS if you have anything on CDR Diaz, the GTMO attorney under investigation that is releasable, please put me on distribution. Looks like a new chapter or so in the book is unfolding.

12/3/2007

NY TIMES

1663

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 4:03 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

Thank you (b)(6) Take care.
Wayne

-----Original Message-----

From: (b)(6)
To: (b)(6)
Sent: Thu, 31 Aug 2006 3:41 PM
Subject: Conference Call TOMORROW

[Image Removed]

MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
Office of the Secretary of Defense
Date: August 31, 2006
Re: **Conference Call with Senior DoD Officials**

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We hope you are able to participate.

(b)(6)
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Community Relations and Public Liaison
(b)(2) The Pentagon

12/3/2007

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(b)(2)

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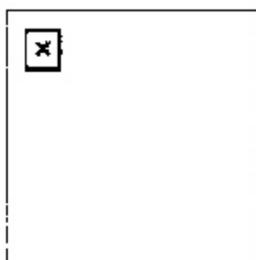
1665

(b)(6)

From: Steven J. Greer CSM (Ret) (b)(6)
Sent: Thursday, August 31, 2006 4:01 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

I'm in. thx.

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts

From: Dallas Lawrence
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We hope you are able to participate.

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(b)(6)

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(b)(2)

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1667

(b)(6)

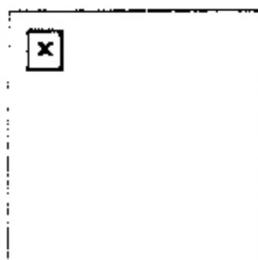
From: (b)(6)
Sent: Thursday, August 31, 2006 4:00 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Conference Call TOMORROW

Admiral Jeremiah is unable to participate.

Thanks -
(b)(6)

-----Original Message-----

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

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We hope you are able to participate.

(b)(6)
OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301
(b)(2)

12/3/2007

NY TIMES

1669

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 3:47 PM
To: (b)(6) CIV, OASD-PA
Subject: Telephone Call

I do not think that General Larry Welch will be able to participate in the phone call tomorrow.

Thanks,

(b)(6)

(b)(6)

From: Bing West (b)(6)
Sent: Thursday, August 31, 2006 3:44 PM
To: (b)(6) CIV, OASD-PA
Subject: bing west bio



Untitled Attachment

attached

On Aug 31, 2006, at 3:12 PM, (b)(6) CIV, OASD-PA wrote:

> Gentlemen,
> Thank you for your patience as we continue to plan on our next trip to
> the CENTCOM AOR. We continue to move forward on the trip and at this
> point it looks very solid. We are planning for an evening departure on
> 14 September and a return date of 19 September. I am hoping to have
> the itinerary finalized and approved in the next couple of days. As
> soon as I receive that, I will contact you so that you can start
> booking your flights.
>
> In the meantime, would you please forward me your most current bio?
> Please let me know if you have any questions or if there is anything I
> can do for you, Thanks (b)(6) OSD Public Affairs Community
> Relations and Public Liaison 2C546, The Pentagon Washington, D.C.
> 20301
> (b)(2)
>
>

Bing West, a former assistant secretary of defense, is a correspondent for The Atlantic Monthly. West served in Marine infantry in Vietnam (Combined Action Platoon and Recon). He has been to Iraq ten times, accompanying over 20 battalions on operations. His articles have appeared in The New York Times, The Washington Post and The Wall St. Journal. His books include *The Village: a Combined Action Platoon in Vietnam*, *The March Up: Taking Baghdad with the US Marines*, and *No True Glory: a Frontline Account of the Battle for Fallujah*. He appears regularly on The News Hour.

On Aug 31, 2006, at 3:12 PM, (b)(6) CIV, OASD-PA wrote:

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Please let me know if you have any questions or if there is anything I can do for you,

Thanks

(b)(6)

(b)(6)

OSD Public Affairs

Community Relations and Public Liaison

(b)(2) The Pentagon

Washington, D.C. 20301

(b)(2)

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 3:43 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: Conference Call TOMORROW

(b)(6) Please count me in. Thanks. Best, Jed.

Jed Babbie

(b)(6) (home office)
(b)(6) (home fax)
(b)(6) (mobile)

(b)(6)

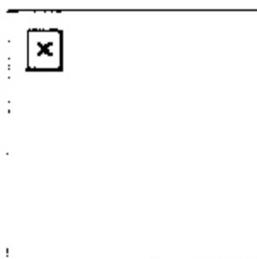
From: Brookes, Peter (b)(6)
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Out of Office AutoReply: Conference Call TOMORROW

Gone Fishin'. Back after Labor Day.

Pete

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Thursday, August 31, 2006 3:41 PM
To: (b)(6) CIV, OASD-PA
Subject: Conference Call TOMORROW



MEMORANDUM

To: Retired Military Analysts
From: Dallas Lawrence
Director, Community Relations and Public Liaison
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Date: August 31, 2006
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(b)(6)

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Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

12/3/2007

(b)(2)

12/3/2007

NY TIMES

1677

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 3:33 PM
To: (b)(6) CIV, OASD-PA
Cc: Grange, David
Subject: RE: trip
Attachments: GrangeDavidPresCEO CNNPPD.doc; Major General David L BIO 2004.doc

(b)(6)

Gen. Grange's bios. are attached. The first is civilian. The second is military.

(b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 2:12 PM
To: (b)(6) CIV, OASD-PA
Subject: trip

Gentlemen,
 Thank you for your patience as we continue to plan on our next trip to the CENTCOM AOR. We continue to move forward on the trip and at this point it looks very solid. We are planning for an evening departure on 14 September and a return date of 19 September. I am hoping to have the itinerary finalized and approved in the next couple of days. As soon as I receive that, I will contact you so that you can start booking your flights.

In the meantime, would you please forward me your most current bio?
 Please let me know if you have any questions or if there is anything I can do for you,
 Thanks

(b)(6)

(b)(6)

OSD Public Affairs
 Community Relations and Public Liaison
 (b)(2) The Pentagon
 Washington, D.C. 20301

(b)(2)

12/3/2007



DAVID L. GRANGE

President and Chief Executive Officer

Robert R. McCormick Tribune Foundation

David L. Grange began serving as president and chief executive officer of the Robert R. McCormick Tribune Foundation in September 2005. He was the foundation's executive vice president and chief operating officer from 1999 to 2005.

Grange came to the foundation after 30 years of service in the U.S. Army with his final position as Commanding General of the First Infantry Division, known as the "Big Red One." In that position, he served in Germany, Bosnia, Macedonia, and Kosovo.

During his military career, Grange served as a Ranger, Green Beret, Aviator, Infantryman, and as a member of Delta Force. Assignments and conflicts took him to Vietnam, Korea, Grenada, Russia, Africa, former Warsaw Pact countries, Central and South America, and the Middle East, to include the Gulf War.

Grange sits on the Board of Governors of the Center on Philanthropy at Indiana University. He is on the Board of Directors of the Chicago Council on Foreign Relations, the National Strategy Forum, Pharmaceutical Product Development, the Society of the First Infantry Division, and the Vietnam Veterans Memorial Corporate Council, and he is a trustee for the First Infantry Division Foundation and Marmion Academy. Grange is a military analyst for CNN.

A Long Island, New York native, born on December 29, 1947, Grange holds a bachelor's of science degree from North Georgia College and a master's of public service from Western Kentucky University.

Grange, his wife Holly, and their two sons, David and Matthew, reside in Wheaton, Illinois.

Major General David L. Grange Biography

Major General David L. Grange was born in Lake Ronkonkoma, New York. After receiving his commission from North Georgia College in December 1969, he was assigned to duty as the reconnaissance platoon leader with the 2nd Battalion, 505th Infantry Regiment, 82nd Airborne Division.

In 1970, he volunteered for Vietnam and served as a rifle platoon leader with the 101st Airborne Division and later as reconnaissance platoon leader in L Company, 75th Rangers. During a second tour in Vietnam, he served as a reconnaissance advisor to the 81st Airborne Ranger Group. He returned to Fort Bragg, North Carolina in 1972 as executive officer and then commander of HALO and Scuba Detachments in the 3rd Battalion, 5th Special Forces Group.

After flight school in 1974, Grange was assigned to the 101st Airborne Division at Fort Campbell, Kentucky, where he served as Flight Platoon Commander in the 158th Aviation Battalion. Later, he commanded a rifle company in 2/503 Infantry and then served as Current Operations Officer in Division G3.

After the Infantry Advanced Course in June 1978, Grange served as the 1st Ranger Battalion Adjutant, Charlie Company Commander, and Battalion Special Operations Liaison Officer in the 75th Infantry, Rangers.

After the British SAS course in 1981, he studied at the USMC CGSC and then served as Squadron Commander and the Operations Officer for 1st SFOD.

Grange volunteered for service in Korea and commanded the 1st Battalion, 503rd Infantry, 2nd Infantry Division from 1987-1989. He returned to the U.S. and served as a Special Operations Officer with the SOCOM Washington, D.C. office enroute to the National War College. Upon completion of the war college, he reported to Fort Bragg as the Deputy Commander of the 1st SFOD, where he commanded a Task Force during DESERT STORM. From 1991-1993, he commanded 75th Ranger Regiment.

In Aug. 1993, Grange was reassigned to Fort Bragg, North Carolina where he served as DCO, Army Special Operations Command. In 1994, he deployed to Germany as ADC, for Support and then Maneuver, of the 3rd Infantry Division. After service with 3ID, Grange was assigned in 1995 to the Pentagon as Deputy Director, and then as Director, for Army Operations, Readiness and Mobilization. In this capacity, he was also the Director of Military Support (DOMS) responsible for military support throughout the United States for national disasters and consequence management of terrorist attacks.

In July 1997, Grange redeployed to Germany and took command of the Big Red One and Task Force Eagle in Bosnia. During his command, Grange was responsible for U.S. forces and operations in Macedonia and Kosovo. MG Grange retired from military service in Jan. 2000.

Military qualifications include the CIB, EIB, Special Forces Tab, Ranger Tab, Army Aviation Wings, Master HALO Wings, Master Parachutist Wings, Air Assault Wings, Pathfinder Badge, Scuba Badge, and SAS Badge. Awards include: 2 DSM, 3 SS, 2 DSSM, 3 LOM, 2 BS, and 2 PH.

He is married to the former Holly Getz and they have two sons, David and Matthew.

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 3:18 PM
To: (b)(6) CIV, OASD-PA
Subject: Re: trip
Attachments: jlbjournres.doc

(b)(6) Here's the bio, but I'm pretty doubtful about being able to do. Thanks. Best, Jed.

Jed Babb

(b)(6) (home office)
(b)(6) (home fax)
(b)(6) (mobile)

Jed L. Babbin

(b)(6) (Home Office)

(b)(6) (Mobile)

Jed Babbin is the best-selling author of, "*Inside the Asylum: Why the UN and Old Europe are Worse than You Think*" (Regnery 2004) and, "*Showdown: Why China Wants War with the United States*," (with Edward Timperlake, Regnery, 2006.) He is a former Air Force officer who served as a deputy undersecretary in the George H. W. Bush administration.

Mr. Babbin writes weekly columns for *RealClearPolitics.com* and *The American Spectator*. Mr. Babbin's expertise is in national security and foreign affairs. However, he also writes about all things political and for *The American Spectator's* "Saloon" series on subjects such as single barrel bourbon and fine cigars. He also wrote the military adventure novel, *Legacy of Valor*. (Pentland Press, 2000).

Mr. Babbin is a military and foreign affairs analyst and appears frequently on the Fox News Channel on shows such as "The Big Story with John Gibson," "The O'Reilly Factor," "Fox & Friends," CNN's "Kudlow & Company," MSNBC's "Scarborough Country" and many others.

For about four years, Babbin served as designated guest host of Oliver North's "Common Sense Radio" when Col. North was unavailable. During the Iraq military campaign in 2003, Babbin subbed for North for nine weeks straight. Since then, Babbin has also subbed for Laura Ingraham, Hugh Hewitt, John Batchelor, Mark Larson (KOGO, San Diego) and Greg Garrison (WIBC, Indianapolis). He has traveled to the terrorist detention facility at Guantanamo Bay, Cuba, and to Iraq in 2005.

Mr. Babbin is a graduate of Stevens Institute of Technology (B.E. 1970), Cumberland School of Law (J.D. 1973) and the Georgetown University Law School (LL.M. 1978).

(b)(6)

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Thanks

(b)(6)

(b)(6)

OSD Public Affairs
Community Relations and Public Liaison
(b)(2) The Pentagon
Washington, D.C. 20301

(b)(2)

12/3/2007

(b)(6)

From: (b)(6)
Sent: Thursday, August 31, 2006 12:21 PM
To: (b)(6) CIV, OASD-PA
Subject: RE: Iraq

Thanks so much, (b)(6)

From: (b)(6) CIV, OASD-PA [mailto:(b)(6)]
Sent: Thursday, August 31, 2006 8:34 AM
To: (b)(6)
Subject: RE: Iraq

hi (b)(6)
the trip appears at this point to be very solid. please keep those dates open and i am hoping to confirm everything this week or early next.
thanks
(b)(6)

From: (b)(6) [mailto:(b)(6)]
Sent: Wednesday, August 30, 2006 5:14 PM
To: (b)(6) CIV, OASD-PA
Subject: Iraq

Dear (b)(6)

As we approach September, can you tell me how likely the Iraq trip is? I am holding Sept. 14-20 on Dave Grange's calendar.

(b)(6)

(b)(6)
Executive Secretary
McCormick Tribune Foundation
435 N. Michigan Ave., Suite 770
Chicago, IL 60611
Tel 312/222-3579
Fax 312/222-3523

(b)(6)
www.McCormickTribune.org

Investing in our children, communities and country
www.McCormickTribune.org

12/3/2007

(b)(6)

From: Bing West (b)(6)
Sent: Wednesday, August 30, 2006 10:25 AM
To: (b)(6) CIV, OASD-PA
Subject: News Hour
Attachments: news hour 29aug.doc; ATT1751512.htm

The News Hour asked me to debate a few others last night re Iraqi Army performance. Below and attached are my comments.

PBS NEWS HOUR with Jim Lehrer

29 August 2006

Diwaniyah: militia loyal to Muqtada al-Sadr and the Iraqi army battled for 12 hours, killing 40 gunmen and 23 soldiers.

JEFFREY BROWN: Bing West. You've been watching the role of the Iraqi army. How did it do yesterday? How significant was it that it was involved?

BING WEST, Former Assistant Secretary of Defense: It was very significant. Any time you have 30 to 50 people killed in a fight that goes on for 12 hours, that's a major battle. And the Iraqi army went after the militia. The militia didn't expect the army to do it, and the army took the battle to them. They fought by themselves. In 2004, this Iraqi army could not have done that. The only help that the Americans gave in this fight was to fly in helicopters to give them re-supply.

So this shows a new model, an Iraqi army taking on the Shiite militia - and the army is predominantly Shiite - and not asking the Americans to do the fighting for them. This is a very positive development on the battlefield.

JEFFREY BROWN: Well, we're all using the word "militia." Bing West, what do we mean when we use that word? Is it organized? In this case, the important question is, how much control does Muqtada al-Sadr himself have over the militia?

BING WEST: He has a lot of control. This militia for this particular fight in Diwaniya came from 60 miles away, so they had enough command and control for all to come to that battlefield.

More clashes between the Iraqi army and the Sadr militia are inevitable until one side or the other establishes dominance on the battlefield. And that will be the pre-condition for serious political talks. This is just the first round; this is going to continue.

12/3/2007

JEFFREY BROWN: Well, Bing West, you were positive about the results yesterday.

BING WEST: A battle is a battle. Any time you have 50 or 60 people killed, you're in a battle. The Iraqi soldiers took losses; the militia took losses. The Iraqi soldiers held their ground. They're still there in Diwaniya. This fight is going to continue. Sadr is a very dangerous man. He's playing a lot of different games. He will have to be dealt with sooner or later.

But this is a war. And in the end, any of the political deals will be made only if the Iraqi army turns out to be tougher than both the Sunni insurgents and the Shiite militia. So the fact that the Iraqi army, 80 miles from Baghdad, by itself with no Americans took on this militia -- and they took on the militia, not the other way -- I see as a positive sign.

JEFFREY BROWN: And, Mr. West, you're saying it's going to continue, this is just the first step. Will there be a role for U.S. military forces in battling these militias?

BING WEST: Well, I liked what we saw in this case where the Americans were not there, but they provided this fire support potential and they provided the re-supply. So it was the Iraqis doing the fighting, the Americans in the background. The sooner we can get that kind of model working other places, the better off America will be and the better off Iraq will be.

JEFFREY BROWN: All right. Bing West, Juan Cole, and Laith Kubba, thank you very much.

PBS NEWS HOUR with Jim Lehrer

29 August 2006

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JEFFREY BROWN: All right. Bing West, Juan Cole, and Laith Kubba, thank you very much.

(b)(6)

From: WSSInter@(b)(6)
Sent: Tuesday, August 29, 2006 11:44 AM
To: alan.colmes@(b)(6); brian.kilmeade@(b)(6); brian.wilson@(b)(6);
 bruce@(b)(6); donovan.grannum@(b)(6); Elizabeth.Rhodes@(b)(6);
 nate.fredman@(b)(6); gavin.gibbons@(b)(6); Hannity@(b)(6);
 mikejerrick@(b)(6); kim.bell-simensky@(b)(6); lauren.clabby@(b)(6);
 Mary.Ragsdale@(b)(6); michael.skrzenski@(b)(6);
 rob.monaco@(b)(6); rsmith@(b)(6); Tara.New@(b)(6);
 Tom@(b)(6); Bill_cowan@(b)(6); PAULVALLELY@(b)(6);
 tmcinerney@(b)(6); JedBabbin@(b)(6); gordon@(b)(6); DHunt12348
 @ (b)(6); Lawrence, Dallas Mr OSD PA; timmerman.road@ (b)(6); nashct@ (b)(6);
 gresham.striegel@ (b)(6); (b)(6); CIV, OASD-PA; ShepDonald@ (b)(6);
 sean.mcgrane@ (b)(6); Andrew.Napolitano@ (b)(6);
Subject: Simmons - IRAN, THREE YEARS LATER

All:
 I felt compelled to send this news article written almost 3 years ago
<http://www.mensnewsdaily.com/archive/p/pawlik/03/pawlik101903.htm>
 NOTHING has changed unless you are Iran. The US has given Ahmandinjad 3 years to put the finishing touches on his nuclear program. I, along with my good friends, Generals Tom McInerney and Paul Vallely called for military action against Iran all of those years ago but to no avail. Now, Iran has emerged as a potential Superpower with the ability to control the entire Middle East and forge alliances around the world. Iran currently controls the rebels in Iraq and Lebanon not to mention their alliance with Syria and pledge to obliterate Israel. They have begun negotiations with Hugo Chavez for missile technology and weapons. Not to worry, we're being protected by Kofi and the UN. More resolutions. More time. I'm sleeping better. Oh, where oh, where have our leaders gone? We have almost reached a point of no return. Thanks for putting the future of our nation, our people and our children in the hands of the UN.

Take care.
 Wayne

(b)(6)

From: Bing West (b)(6)
Sent: Saturday, August 26, 2006 8:58 AM
To: bingwestlist
Subject: Fiasco - Iraq: Phase One

National Review

SEPTEMBER 11, 2006 VOL. LVII, NO. 16

Bing West on Thomas Ricks's *Fiasco*

Fiasco: The American Military Adventure in Iraq, by Thomas E. Ricks (Penguin, 416 pp., \$27.95)

Iraq: Phase One

*(Mr. West, who served in the Marine infantry in Vietnam and later as assistant secretary of defense, is the award-winning author of several military histories, including *The Village: A Combined Action Platoon in Vietnam* and *No True Glory: A Frontline Account of the Battle for Fallujah*. He has been to Iraq nine times, accompanying over 20 battalions on operations.)*

Tom Ricks, who has a keen eye and a depth of contacts in the military, believes the likely outcome in Iraq will be a net loss for America. "There is a small chance the Bush administration's inflexible optimism will be rewarded," he writes, and "a greater chance that Iraq [will offer] a new haven for terrorists."

Ricks builds a devastating case, with a focus exclusively upon the military aspects of Iraq. He portrays systemic failures of political-military leadership, of a kind not seen since World War I. The scale is vastly different, of course, but there are undeniable similarities—both in the initial unwillingness to adapt and in the unswerving loyalty accorded to self-assured incompetents. At the end of 2004, President Bush presented the Medal of Freedom to Gen. Tommy Franks and Amb. L. Paul Bremer. Ricks does not mince words about his opinion of those three men: "The U.S.-led invasion was launched recklessly (Bush), with a flawed plan for war (Franks) and a worse approach to occupation (Bremer)."

Ricks's premise is that invading Iraq turned into a military mess that could have been avoided. The first portion of the book addresses the run-up to the war, the swift seizure of Baghdad, and the chaotic aftermath in May 2003. Numerous books and articles have examined this period, and Ricks presents findings similar to theirs: President Bush had Saddam in his sights since 9/11; deputy secretary of defense Paul Wolfowitz pushed an idealistic dream of transforming the Middle East by establishing an enlightened democracy in Iraq; the influential Iraqi expatriate Ahmed Chalabi was untrustworthy; secretary of state Colin Powell opposed invading but was outmaneuvered; etc. This familiar catalogue is enlivened by a portrayal of Franks, then head of Central Command, as abusive and impatient, "a cunning man, but not a deep thinker," who "ran an extremely unhappy

headquarters." Franks, according to the author, had no plan for the occupation, and no intention of remaining the commander responsible for implementing it.

In the middle section of the book, Ricks explains in detail how the U.S. military, once confronted with an insurgency, responded in 2003 and 2004 with sweeps, raids, and arrests that only inflamed the opposition. He lays the blame on three factors. The first was the appointment of Paul Bremer as the president's proconsul. Bremer wielded his wide-ranging powers decisively but not judiciously. His key failure was to disband the Iraqi army, an error the American military did not appeal to secretary of defense Donald Rumsfeld to overturn. The second mistake was the appointment by Central Command of Lt. Gen. Ricardo Sanchez as commander of all U.S. forces in Iraq. Sanchez was out of his depth, at loggerheads with Bremer, and incapable of developing a comprehensive campaign plan. This led to the third error: unilateral American offensive operations.

U.S. land forces had fought two successful campaigns in Iraq (in 1991 and April 2003) based on swift, aggressive mounted maneuver. As the insurgency gained steam in late 2003, most of the American divisions in Iraq responded with armored sweeps and cordons. Senior commanders were demanding more "actionable intelligence"—which generated an attitude of "us versus them," resulting in tens of thousands of peremptory searches and thousands of questionable arrests, leading in turn to an overflow at the prisons, subsequent poor standards, and finally to the disaster at Abu Ghraib.

Ricks indicts what can best be termed the "General Officers' Protective Society." He describes how division commanders inculcated a command climate of aggressive tactics inappropriate to winning the support of the resentful Sunni population. Gen. Tony Zinni is quoted time and again, damning the civilians for geopolitical naïveté, but Ricks does not let the generals escape criticism: He points out that it was not Rumsfeld but rather the Joint Chiefs and Central Command who dismissed Zinni's operational plans as half-baked.

While Ricks lays into some generals with a verbal broadsword, he compliments others—in particular, Gen. George W. Casey and Lt. Gens. David Petraeus and James Mattis. Ricks explains why these three generals understood the nature of the war. The last third of the book deals with the faltering steps to implement the counterinsurgency campaign championed by Casey, who took over command in July 2004.

Ricks shows how Casey was hampered by two bizarre events. The first was the protective mantle the Shiite leadership cast over the dangerous demagogue Moqtada al-Sadr. Sadr had ordered his Shiite militia to revolt in April 2004; when he was cornered, the U.S. high command, importuned by Shiite leaders, let him go free. In August 2004, Sadr revolted a second time. Casey rushed to Najaf as U.S. troops again cornered Sadr; but again the Shiite leadership negotiated his freedom. Today, Sadr is busy creating the equivalent of Hezbollah in Iraq; fresh battles between the Iraqi army and Sadr's militia are inevitable.

The second stumbling block in Ricks' narrative was the imprudent interference of senior U.S. officials that extended and confused the battle for Fallujah. Prior to Casey's arrival, the White House and Bremer could not decide on a consistent course of action toward Fallujah, the stronghold of the insurgency and the lair of terrorist Abu Musab al-Zarqawi. The Marines were first ordered to seize the city, then not to seize it, then to invest it while the insurgents grew stronger. Ricks believes this wishy-washy strategy encouraged the insurgents and diverted the Marines from Casey's sensible plan. After the August battle against Sadr, Casey turned his attention to Fallujah; a November 2004 assault drove out the jihadists and leveled half the city.

It was not until 2005 that Casey could begin a comprehensive campaign to clear and hold a string of Sunni cities. Ricks points out that this counterinsurgency mission has been slow in gathering

momentum. The fastest means of developing an indigenous security force is to embed them with American soldiers, along the lines of the KATUSA program in Korea and the Special Forces A teams and Combined Action Platoons in Vietnam. In 1968, one Marine division combined infantry squads with local militia platoons in more than 80 villages. When the CAP was suggested for Iraq, according to Ricks, a general firmly advised against it—because the squads would suffer casualties.

Iraq marked a sea change in the American way of war. “Force Protection” meant minimizing casualties—so that over three years, there were fewer fatalities than in that one awful day of 9/11. Mess halls morphed into “dining facilities” offering salad bars, pizza bars, fast-food counters, Middle East cuisine, or good, old-fashioned steak and lobster, followed by ice cream, at a cost of about \$34 a meal. Soldiers slept in air-conditioned rooms, chatted on the Internet, and played video games. We chose to fight a war that a veteran of Vietnam would not recognize. (Thrown into the cauldron of Fallujah, though, U.S. soldiers and Marines displayed courage and aggressiveness equal to any American generation.)

Somewhere between 1966 and 2006, the conditions of war and the acceptability of misery and friendly casualties had changed. We didn’t have enough troops in Iraq partly because of how we chose to fight the war; Ricks blames this on shortcomings in military doctrine, but it may be equally attributable to the current mores of American society.

Like a prosecuting attorney, Ricks weaves together a narrative to make his case, with a focus mainly on 2003 and 2004. He does not attempt to provide a comprehensive history. Indeed, his “Cast of Characters” includes fewer than 70 men. He searched for general trends, rather than for what each division did or did not do. His chief pedagogical technique is to limn a crucial event, contrasting what occurred with what someone said about it later, or recalled saying at the time. Since we are all proficient quarterbacks on Monday, this technique tends to produce paeans such as *Band of Brothers* after a successful war, or condemnations such as *Paths of Glory* after a futile war.

Will a new set of authors revise what Ricks has written? I doubt that his view will be seriously challenged. He makes a solid case for each of his indictments.

One shortcoming of the book is that Ricks introduces the reader to no Iraqis, enemy or friendly, and highlights no interaction between Iraq’s politicians and the war effort. This might seem like a slight, but Iraq’s political elite has not led; the country’s “leaders” have been simply terrible. The fundamental flaw in Iraq, in fact, was not American military missteps but a dearth of Iraqi leadership. The major intelligence failure was the lack of a warning that Iraq had fallen apart as a society. True, the U.S. military had no doctrine for dealing with the killings between Shiites and Sunnis and the virulence of tribal religiosity. But it is hard to win hearts and minds when the Sunni imams are preaching opposition to the infidel crusaders who have brought the accursed Shiites to power and Shiite militia hide behind the Ministry of Interior while killing Sunnis.

Secretary Rumsfeld has said repeatedly that the U.S. military does not do nation-building. He is mistaken. In Iraq, building a nation is exactly what Gen. Casey and his subordinates are trying to do. It is the only way to succeed. The U.S. military has undertaken that staggering task because the rest of the U.S. government did not show up for this war.

If, in the end, Iraq emerges intact and moderate, it will not be because of its political leaders. It will be because the Iraqi army, modeling its behavior to live up to the standards of the American army, is able to defeat both the Sunni insurgents and the Shiite militia. Of course there will be all kinds of political deals; and underlying each of them will be the cold calculus of who will prevail in a fight. The Iraqi Army - not its national assembly or its police or its religious and political personages - is the last, best hope for Iraq.

While acknowledging that the U.S. military is beginning to get it right, Ricks concludes by asking whether it is too late to head off a low-level civil war that will result in a fragmentation of Iraq equivalent to that of Lebanon in the mid-1980s (or perhaps today). Ricks's pessimism rests on his doubt that America will sustain its effort. That happened in Vietnam after the Tet offensive in 1968; although battlefield conditions markedly improved over the next two years, attitudes had hardened against the war and against our South Vietnamese allies.

The danger comes when people make up their minds on political grounds and become impervious to facts. Ricks quotes Casey as saying that the average insurgency lasts for nine years. President Bush has 16 months to put Iraq on a trajectory that will be sustained by either a Republican or a Democratic administration.

Throughout *Fiasco*, Ricks is hard on the U.S. military; but he left me with more hope than he expressed, precisely because he approved of Casey and the other generals now in charge, and because it was, after all, our military that gave him the access, documents, and insights that went into the writing of this book. As both Victor Davis Hanson (*Carnage and Culture*) and Max Boot (*War Made New*) have exhaustively documented, the martial superiority of the West is anchored in self-criticism leading to battlefield adaptation.

With the critique offered in *Fiasco*, Ricks makes a solid contribution to our shared understanding.

(b)(6)

From: wssinter@ (b)(6)
Sent: Friday, August 25, 2006 7:43 AM
To: alan.colmes@ (b)(6); brian.kilmeade@ (b)(6); brian.wilson@ (b)(6);
bruce@ (b)(6); donovan.grannum@ (b)(6); Elizabeth.Rhodes@ (b)(6);
nate.fredman@ (b)(6); gavin.gibbons@ (b)(6); Hannity@ (b)(6);
mikejerrick@ (b)(6); kim.bell-simensky@ (b)(6); lauren.clabby@ (b)(6);
Mary.Ragsdale@ (b)(6); michael.skrzenski@ (b)(6);
rob.monaco@ (b)(6); rsmith@ (b)(6); Tara.New@ (b)(6);
Tom@ (b)(6); Bill.cowan@ (b)(6); PAULVALLELY@ (b)(6);
tmcinerney@ (b)(6); JedBabbin@ (b)(6); gordon@ (b)(6); DHunt12348
(b)(6); Lawrence.Dallas Mr OSD PA: timmerman.road@ (b)(6); nashct@ (b)(6);
gresham.striegel@ (b)(6); (b)(6); CIV, OASD-PA: ShenDonald@ (b)(6);
sean.mcgrane@ (b)(6); Andrew.Napolitano@ (b)(6)
Subject: Simmons - America Falling from Within

To many of us, the thought of Communism and Communist's conger up the black and white TV replays of the McCarthy hearings and Kruschev vs. Kennedy during the Cuban missile crisis. For the majority of the post WWII era, until the late 60's, it was virtually impossible for an American politician to confess to being a Socialist or Communist. Not today folks. Our generation, the "Baby Boomers" and "Children of the 60's" now calling themselves, Progresses, have succeeded in completely and totally hijacking the Democratic Party. My deceased father, a retired Gunners mate and Federal employee, would not recognize the party of the working man. Not that I ever could. For years I have studied these purveyors of destruction to all that is sacred to America. I recognized years ago, as I conveyed this week to my friend, Col. David Hunt, that the fabric of the US is in big trouble. Not just with the nuclear despots we fight abroad but brick by America the Beautiful brick from inside our own US Congress. These attacks against America are coming from the Congressional Black Caucus and the leaders of the Democratic Party. I have used a word on radio to describe our enemy inside the US Congress and the press and many who heard me, cringed as if to say that my descriptions were too harsh and wild or off the reservation. For those who feel that it is irresponsible to use the word Communist to describe members of the US Congress I say, WAKE UP AND SHOW SOME RESPONSIBILITY. America is falling from within. We all talk about the enemies we face around the world and those attacking our borders. Yet many are afraid or indifferent to those enemies inside our borders. Inside our most sacred, hallowed halls. I have included a link to one of the most frightening, most insightful and well researched articles on this enemy I have read.

http://www.postchronicle.com/commentary/opinion/article_21219819.shtml It all ties into my buddy, Jed Babbins article in RCP today http://www.realclearpolitics.com/articles/2006/08/taking_on_the_527_media.html Jed consistently writes timely, accurate pieces but never have his works been more timely than today. We cannot let the Communist's stay in congress or in the press. They must be exposed. Drawn into the light. We fell asleep at the switch and without firing a shot, the Cold War enemy that President Reagan knocked out, awakened inside our government. I hope that many will eventually get the message of this takeover/hijacking of an American political party. I am in desperate need of encouragement of our will to be America the Great.

Take care.
Wayne

Check out AOL.com today. Breaking news, video search, pictures, email and IM. All on demand. Always Free.

(b)(6)

From: (b)(6) CIV, OASD-PA
Sent: Wednesday, August 23, 2006 1:52 PM
To: (b)(6)
Cc: (b)(6) CIV, OASD-PA
Subject: FW: Media Advisory: Marine Corps to begin additional Inactive Ready Reserve Activations (Media Roundtable today at 11:00 in 4B548)

Attachments: Questions and Answers on USMC IRR Activation.doc

Sir –

Please find attached the latest information from the Marines, re: IRR Activations. Qs & As are at the end of the release.

v/r

(b)(6)

From: Vician, Todd M LtCol OSD PA
Sent: Wednesday, August 23, 2006 10:17 AM
To: (b)(6) CIV, OASD-PA
Cc: (b)(6) CIV, OASD-PA; Ballesteros, Mark J, LTC, OASD-PA
Subject: FW: Media Advisory: Marine Corps to begin additional Inactive Ready Reserve Activations (Media Roundtable today at 11:00 in 4B548)

(b)(6) Here are TPs from the Marines.
Todd

Lt Col Todd Vician, USAF
Defense Press Officer
Office of Assistant Secretary of Defense (Public Affairs)

(b)(2) fax (b)(2)
DSN (b)(2)

From: (b)(6)
Sent: Tuesday, August 22, 2006 8:26
To: (b)(6)
Subject: Media Advisory: Marine Corps to begin additional Inactive Ready Reserve Activations (Media Roundtable today at 11:00 in 4B548)

MEDIA ADVISORY

United States Marine Corps

Division of Public Affairs

Date: August 22, 2006

Contact: Major (b)(6)

Telephone: (b)(2)

(b)(6)

Marines to begin additional Inactive Ready Reserve activations

The Marine Corps will issue involuntary activation orders to recall up to 2,500 additional members of the Individual Ready Reserve (IRR) to fill critical manpower requirements in support of the Global War on Terrorism. The IRR is part of the Marine Corps' Total Force with nearly 59,000 Marines serving in this capacity.

A Marine Corps Manpower official will be available today at 11:00 a.m. in the conference room of Marine Corps Public Affairs, room (b)(2) to discuss this initiative and the process of alerting and preparing members.

Media interested in attending this media-roundtable event should arrive no later than 10:45; no cameras will be allowed, but recording devices are permitted. For more information, contact Major (b)(6) at (b)(2)

(b)(6)

-USMC-



Questions and
Answers on USMC ..

(b)(6)

From: (b)(6)
Sent: Wednesday, August 23, 2006 7:48 AM
To: (b)(6) CIV, OASD-PA
Subject: Any help on these issues?

(b)(6)

I'm likely to be asked to comment on the Marine recall and the ongoing situation in Iraq.

Updates would be helpful.

Thanks for setting up the memorial site visit.

Bob

--
Robert L. Maginnis

(b)(6)

<http://home.comcast.net/> (b)(6)

(b)(6)

From: (b)(6)
Sent: Tuesday, August 22, 2006 3:18 PM
To: (b)(6) CIV, OASD-PA
Subject: Request from The Heritage Foundation

(b)(6)

I'm just dropping a line with a few requests from Jim Carafano here at The Heritage Foundation. We are hoping you could help us with two things:

1. We are trying to track down contact information for a retired LTG named Ed Anderson who used to work at Northcom. We would like to put him in touch with a military attaché we know at the Canadian Embassy who is working on a project regarding U.S.-Canada cooperation on homeland defense.
2. We would also like to identify someone from the 18th Airborne Corps staff to invite as a possible speaker. The idea behind this is that we plan to do a book talk on Jim Carafano's latest book, *GI Ingenuity* which is about how American soldiers in World War II improvised and innovated with technology and tactics to win on the battlefield. Jim said he recently heard the 18th Airborne Corps Commander speak about technological improvisation on the battlefield in Iraq and thought it would be great to get someone to speak about that and how American soldiers continue adapt to circumstances and overcome seemingly impossible challenges with their ingenuity. If you can identify someone, I will send them an invitation along with a copy of the book for review prior to the event which we have planned for September 22.

I know these may be difficult requests, so I appreciate any effort you can make to help us out. Also, please let me know if I can provide any additional information or if there is anything I can do to help. Thanks for your assistance—as always.

Best,

(b)(6)

(b)(6)

Research Assistant

Defense and National Security

The Heritage Foundation

214 Massachusetts Ave, NE

Washington, D.C. 20002

(202) 608-6127

(b)(6)