SECRET # NOFORN # 20210515

USF-I Weekly Assessment 8-14 May 2011

USF-I COMMANDER'S WEEKLY ASSESSMENT

Mr. Secretary, Chairman, Jim:

The Council of Representatives (COR) began its month-long recess without voting on Prime Minister Maliki's nominations for ministers of defense and interior. COR leadership delayed the vote, believing there should first be agreement between the political blocs. Although the personal relationship between the Prime Minister and Ayad Allawi continues to deteriorate, the blocs are attempting to work through unresolved issues that hinder completion of government formation.

The COR approved the nominations of three vice presidents despite acrimonious debate. Although the positions are largely ceremonial, the blocs mainly disagreed on who should fill the third position – a Turkoman or a member of Maliki's State of Law (SOL) coalition. In the end, the SOL candidate was approved along with Islamic Supreme Council of Iraq (ISCI) and Iraqiyya candidates.

The number of security incidents increased for the third consecutive week and remained above the 12-week average. Conversely, the number of casualties dropped significantly and was below average. Attacks against U.S. Forces increased; they have been at or above average for the past 13 weeks. To counter the elevated threat, we conducted a number of unilateral counterterrorism (CT) operations resulting in the detention of a high-level 14b operative as well as the collection of materials that will enable development of future targets. The Iraqi reaction to our operations was somewhat muted; however, senior ISF counterparts informed us they intend to immediately increase the pace of their own CT operations. We will remain engaged to continue pressure on the cells conducting these attacks.

In addition to making its first payment to the Kurdistan Regional Government (KRG) for its oil exports last week, the GOI recently transferred six million barrels of oil to British Petroleum as payment in kind for its operating expenses in the southern Iraqi oil field of Rumaila. These milestones illustrate Iraq's commitment to agreements supporting the growth of its oil production and export capabilities.

Political

The COR went into its scheduled 30-day recess without acting upon Prime Minister Maliki's nominations to fill vacant security ministries. COR Speaker Nujaifi attributed the postponement to the failure of political blocs to reach agreement on the nominations prior to their presentation to the Parliament. Bloc leaders agreed to continue talks during the COR's recess and will call for an emergency session to hold a vote, if necessary. In the meantime, KRG President Barzani instructed Deputy Prime Minister (and Kurdish Alliance member) Rowsch Shaways to convene meetings of bloc deputies to reinvigorate efforts to complete the final stages of government formation.

Breaking a five-month deadlock, the COR approved the three vice presidential candidates on 12 May: Adil Abd al-Mahdi (ISCI), Tariq al-Hashimi (Iraqiyya), and former Education Minister Khudayr al-Khuzai (SOL). The vote was delayed due to disagreements over the number of vice presidents, who should fill the third position, and

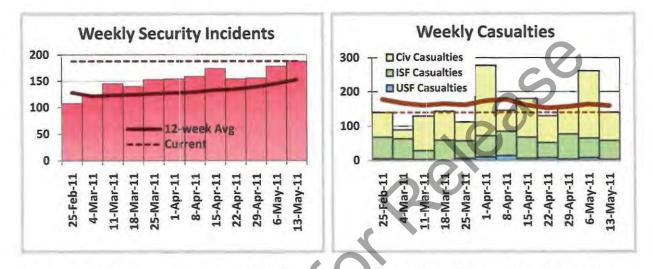
SECRET // NOFORN // 20210515

USF-I Weekly Assessment 8-14 May 2011

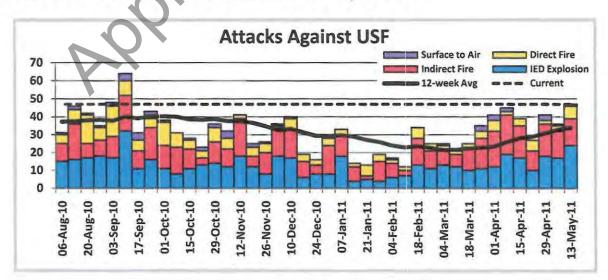
the method by which they would be elected. The Parliament chose to vote on all three candidates simultaneously, putting the issue to rest.

Security

During the reporting period, there were 190 security incidents, an increase from the previous week and above the 12-week average of 153. The number of casualties was 144 (42 killed, 102 wounded), a decrease from last week and below the 12-week average of 159. Two U.S. service members were wounded in action.



There were 47 attacks targeting USF this week, up from 38 and above the 12-week average of 35 (see below). Although we anticipated a rise in Shia violence, we are seeing greater accuracy and a higher volume of munitions employed in recent attacks. The changing nature of these attacks may indicate extremists are receiving additional training, perhaps in Iran. The increase in attacks against USF is particularly pronounced in southern Iraq, where there is a concentration of Shia extremist groups (SEGs). A significant amount of the lethal aid used by the SEGs is smuggled over Iraq's southeastern border with Iran. In addition, we assess SEG activity is enabled by some government officials who inhibit arrests and enable freedom of movement of SEG operatives.



SECRET # NOFORN # 20210515

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We have responded by implementing aggressive force protection measures and conducting a number of focused unilateral counterterrorism operations to deter future attacks. One of these operations resulted in the detention of a member of a 14b

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we recovered materials that will enable us to further refine our targeting packages for future operations. There are early indications that our operations may be reinvigorating the ISF's intent to go after these networks. During our engagements, ISF officials informed USF-I senior leaders that they intend to increase the pace of their own operations. We will follow up to ensure the operations take place. If they do not, we will continue to take unilateral action.

Assassination attempts on high-level GOI officials continue. On 12 May, there were three attacks, two of which took place in Kirkuk. The first targeted a Member of Parliament (MP) who also serves on the executive committee of the Iraqi Turkoman Front. Although the MP's house was damaged, no one was injured. Approximately one hour later, an IED exploded near the convoy of Kirkuk's chief of police. Two local nationals were wounded; the chief was unharmed. In Baghdad, the MOI director of infrastructure was injured when an IED attached to his house exploded. When federal police arrived to investigate, a secondary IED attached to the director's vehicle exploded, killing six ISF and two civilians. We assess AQI conducted these attacks in its ongoing attempt to intimidate ISF and GOI officials and to destabilize the security environment. GOI officials are alarmed by the recent increase in assassinations attempts. We have offered assistance and are advising them of potential actions to mitigate the attacks.

U.S. and Iraqi CT forces conducted 32 operations during the reporting period, resulting in the detention of 38 extremists. Twenty-four of these operations targeted Sunni insurgents, including a Jaysh Rijal Tariq al-Naqshabandi (JRTN) sniper cell leader who has successfully targeted USF in the Tikrit area. CT forces also detained a JRTN insurgent responsible for assembling, storing, and transporting IEDs and rockets. He is the son of a former bodyguard for Saddam Hussein. After the fall of the regime, he and his brother escaped with over \$600 million, which they used to finance insurgent activities in Iraq. Working with our ISF partners, we also detained two members of an AQI IDF cell preparing to conduct an attack against a U.S. installation. Their capture and the exploitation of materials found at the scene disrupted the imminent threat and will degrade the cell's ability to conduct future attacks. Also apprehended this week were a number of operatives associated with Sunni splinter groups involved in VBIED and IED attacks. Eight CT operations targeting Shia extremist groups resulted in the detention of active Asaib al-Haq (AAH) and Promised Day Brigade (PDB) operatives responsible for numerous attacks against USF.

ISF Development

The foreign military sales (FMS) program has played a major role in improving the capability of the ISF. To date, the GOI has invested over \$6 billion in equipment that will enhance Iraq's nascent external defense capability. This week, the Iraqi Army (IA) took delivery of 12 M1A1 tanks, bringing its current inventory to 111, with a projected total of

SECRET // NOFORN // 20210515

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140 by end of this year. The IA also received eight M198 towed howitzers at the Iraqi General Depot Command at Camp Taji. The IA now has 32 M198s and will have 120 by mid-2012. Finally, 31 heavy equipment transport trailers were delivered, with another 29 arriving by early 2012.

Transition

On 12 May, The Royal Navy of the United Kingdom conducted a ceremony marking the end of the UK – Iraq bilateral status of forces agreement. Air Marshal Sir Stuart Peach, Chief of Joint Operations for the Permanent Joint Headquarters, United Kingdom, presided. British forces have trained and mentored the Iraqi Navy since 2004 with the goal of building a force capable of protecting and defending Iraq's territorial waters, ports, and maritime infrastructure. The original mission of training and mentoring shifted to solely monitoring as the Iraqi Navy gained capability and assumed responsibility for virtually all of their own training. Security provided by the British Marines will be replaced by USF-I contracted security. The Iraqi Navy has made tremendous progress towards a



successful and sustainable transition and its ultimate goal of protecting and defending its territorial waters.

Economic and Energy

Contrary to previous projections, the current price of oil could lead to a surplus in the 2011 Iraqi budget. When the budget was constructed in January, the GOI projected a \$13.4 billion shortfall between revenue projections and planned expenditures. Current revenues are well ahead of these projections and could result in a \$5 billion surplus if oil prices hold. We, along with our Embassy partners, are engaging the GOI on potential uses for the surplus, including increasing GOI cost sharing for foreign military sales, purchasing F-16s, restoring cuts to the Ministry of Electricity operating budget, mitigating shortfalls in military sustainment funding, and offsetting the impact of rising food prices on their public food distribution system.

In a positive development, the GOI made its first payment in kind to British Petroleum (BP), reaffirming its commitment to agreements with international oil companies. BP received six million barrels in exchange for its operating expenses at the Rumaila oil field in Basrah. This payment marks a major milestone in the rebuilding of Iraq's oil sector.

Next week we look forward to a visit from CODEL Chabot and Principal Deputy Undersecretary of Defense Kendall.

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