SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

SIGIR

www.sigir.mil
email: PublicAffairs@sigir.mil
(703) 428-1100

October 2009

U.S. Troops 120,000 — 50,000 — by 12/31/2011 0

2009 (JUN JUL AUG SEP OCT NOV DEC) 2010 (JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC) 2011 (JAN FEB MAR APR MAY JUN JUL AUG SEP)

Security

DoD

MNSTC-I → **ITAM/ISAM** **ITAM:** 337/**ISAM:** 91 Personnel → **OSC-I**

Forces Protecting Iraq

External	U.S. Forces	120,000
	Private Security Contractors	25,500
Iraqi	Ministry of Defense	245,752
	Ministry of Interior	417,442
	Facility Protection Service	90,000
	Counter-Terrorism Forces	4,160
Total		**902,854**

Integrate INL Asst. Directors into ITAM Police & MOI

Form Provincial Police and Regional Border Training Teams

DoD starts transitioning training to INL; ongoing through September 2011

DoD will transfer 574 IPAs to DoS by Oct. 2010

Basing Consolidation

ITAM Transition to Security Cooperation Structure

DoS

INL To take over 350-person police training mission, INL says it must grow from 12 NEC staff to 21 in 2010 and 27 in 2011.

INL
- 5 police mission supervisors and 52 DoS employees (3161 or PSC)
- Assumes full IPA contract management responsibility

Infrastructure

DoD

USACE/Transatlantic Division 457 ongoing projects ($1.5 billion) — GRD Personnel ↓ — Contractor Force ↓

GRD October 1, 2009: **2 Districts** → April 10, 2010: **1 District**

Program management, including sustainment of completed projects, now falls to DoS.

USACE will fund the IRMS through FY 2010, but it is unclear who will maintain and update the system.

U.S. priorities in 2011 and beyond will be shaped by two assessments of U.S. foreign-assistance policy launched in summer 2009:
- **Presidential Study Directive (PSD) on Global Development Policy**, reviewing U.S. global development policy as a whole
- DoS's **Quadrennial Diplomacy and Development Review (QDDR)**, evaluating diplomacy and development strategies

DoS

ITAO 216 ongoing projects ($700 million)

ITAO's responsibilities will be assigned to OPA in January 2010

Provincial Reconstruction

DoD

MNC-I → **USF-I**

CERP: $354 Million Unexpended
(with additional funds to come in FY 2010)
DoD has requested that PRTs embed reconstruction personnel to support USF-I units managing the CERP.

PRT role shifts to those more typical of Embassy's Political Section

Goals for PRT initiatives directed by OPA coordinators:
Rule of Law OPA attorney (via RoLC Office)
Economy Economics Officer
Governance Governance Advisor
Infrastructure CERP Manager

DoS

OPA OPA is concerned that reduced PRT and MNC-I resources could lead to problems, including reallocation of PRT resources to maintain necessary oversight of CERP projects.

Estimated operating costs: $484 M — Estimated operating costs: $636 M — Estimated operating costs: $611 M

16 PRTs, 7 ePRTs — 16 PRTs — 6 PRTs

DoS plans call for the GOI's Iraqi Associates to assume responsibility for active ESF projects once U.S. managers leave.

U.S. Budget Timeline

USG

Budget Process

House Appropriations Committee Passes **H.R. 3081**

Senate Passes **H.R. 3326**, Department of Defense Appropriations Act, 2010 — **CERP** $200 M

Foreign Operations Funding
Appropriations commitee takes up funding for continued PRT presence and Embassy operations.

Defense Funding
Appropriations commitee takes up funding for ongoing "advise and assist" mission.

CERP requirements will reduce commensurate to the drawdown of forces. The program will end with the withdrawal of U.S. forces on December 31, 2011.

The NSC is leading an interagency process to determine requirements for the Iraqi Security Forces. Increased **INCLE**, **FMF**, and **IMET** funding may substitute for the ISFF.

If no further funds are appropriated to the **CERP** or **ISFF**, **ESF** will become the main source of bilateral assistance to Iraq. **FMF** may also play a large role.

House Passes **H.R. 3326**, Department of Defense Appropriations Act, 2010, providing $1.3 billion total for the CERP, but no specific allocation for CERP in Iraq — **CERP** Portion of $1,300 M

All U.S.-funded construction projects are slated to be completed by the end of 2010. Contracts must be closed out by mid-2011.

House Passes **H.R. 3081**, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010 — **ESF** $400.0 M, **INCLE** $52.0 M, **IMET** $2.0 M

Iraqi Political Development

GOI

Governance

KRG parliamentary & presidential elections

National parliamentary elections (scheduled)

New CoR elected (scheduled)

Foreign companies engage in 2nd round of oil bidding

New CoR names Prime Minister (TBD)

National census (TBD)

CoR begins consideration of 2011 budget

IRFFI projects must start by the end of 2010 and must be completed by the end of 2013.

Outstanding CoR Issues:
- Hydrocarbon Laws
- Control of Tameem/Kirkuk
- Status of Forces Referendum
- District and Subdistrict Elections

CoR debates 2010 budget

Referendum in Kurdistan on new Regional constitution (TBD)

Expected start of major project to expand powerplant generating capacity

Total Iraqi Budget:

2009: $58.6 B
$16.4 B (28%) expended by 6/30/2009
$5 B supplemental under consideration by CoR

Budget based on oil price of **$50/barrel**, which is 45% lower than the 2008 budget estimate of $91/barrel

2010: $66.8 B
The Iraqi Council of Ministers approved the 2010 budget on 10/13/2009, and it must now be reviewed and approved by the CoR.

Budget based on oil price of **$60/barrel** and exports of 2.15 MBPD

JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP
2009 2010 2011

PROFESSIONALISM PRODUCTIVITY PERSEVERANCE

For the sources of information used to create this insert, please see the last endnote in this Quarterly Report .