

PRESS CONFERENCE:

Major General Kevin J. Bergner, Spokesman, Multi-National Force – Iraq

Rear Admiral Kathleen M. Dussault, Commander, Joint Contracting Command for Multi-National Force – Iraq and Afghanistan

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PARTICIPANTS:

**Major General Kevin Bergner
Rear Admiral Kathleen Dussault**

REPORTERS 1-9

***REP1 = REPORTER 1**

**MAJ GEN
BERGNER:**

Good afternoon everyone. Joining me today is Rear Admiral Kathleen Dussault. She is the commander of the Joint Contracting Command for Multi-National Force – Iraq. And, in fact, Iraq and Afghanistan. But she's here today, certainly, to talk about how her command operates with and in support of Operation Iraqi Freedom.

Kathleen and her team are working hard to help the economy of Iraq with programs that directly enable Iraqi companies. I have some brief remarks on the security situation in Iraq, then Admiral Dussault will talk about the important work that she has underway with her team. And then we will take your questions. Last week continued the trend of decreasing violence with the lowest number of secur-...weekly security incidents nationwide in over four years. Civilian deaths around the country were at their lowest level in over three years. This progress is due in large measure to the growing effectiveness of the Iraqi forces and the successful partnership between Iraqi and coalition forces in pursuing terrorists and criminals. Another contributor to the improving security situation is our operations targeting al-Qaida leadership, their finance networks, and the propaganda operations. While we have previously announced the names of several al-Qaida – Iraq leaders targeted in Iraq in the last several months, I want to highlight today the collective results that recent security operations have achieved, over time, in disrupting and degrading al-Qaida – Iraq networks. On a national level, there are 12 terrorist leaders who have been captured or killed in recent weeks. Three of the most significant ones in the organization's leadership include Abu Shakir[ph], Ramzi Saad Al-Faqarti[ph], and Abu Khalaf. Abu Shakir[ph] was the military emir for Salah ad Din Province. He was killed in early June. He had been

the direct...he had been in direct contact with al-Qaida in Iraq's senior leaders, he housed foreign fighters, and he had coordinated numerous attacks on Iraqi citizens. During the operation that killed Abu Shakir near Tikrit, a complex tunnel system was also found with eight terrorists, a weapons cache, a car packed with bomb-making materials and suicide vests as well. Ramzi Saad Al-Faqarti[ph] was the Bayji foreign fighter facilitator and coordinator for improvised explosive devices. He was captured in June. He conducted improvised explosive device attacks or roadside-bomb attacks against Iraqi civilians, the Sons of Iraq, the Iraqi police, and coalition forces as well. He carried out numerous sniper operations against Iraqi and coalition forces. And he also was an individual who housed and facilitated foreign fighters coming into Iraq. In addition to the functional effects against terrorist facilitators, there is also a significant geographic effect against al-Qaida, specifically in Mosul. This slide depicts the focus on the leadership in the City of Mosul where operations against Abu Khalaf were coupled recently with successful operations against the West Mosul emir, the West Mosul security emir, and a senior courier. Saba Moussa[ph], also known as Abu Khalaf, was the emir for Mosul and he was killed in late June. He regularly met with senior al-Qaida leaders including Abu Ayyub al-Masri. He ordered and coordinated dozens of attacks, including 90 high-profile attacks.

When he was killed, Khalaf's closest assistant was found with more than \$100,000 and suicide vests that would have otherwise been employed. We have also learned since then that he was more broadly responsible for and involved in al-Qaida attacks throughout Northern Iraq. Al-Qaida – Iraq's financial networks are also being disrupted. Al-Qaida – Iraq's income from kidnapping, extortion, and robbery all come at the expense of Iraqi citizens. On June 15th, coalition forces conducted a raid on the house of an al-Qaida – Iraq facilitator for vehicle-borne bombs near Tikrit. Inside that house, security forces found stacks of cash – Iraqi and American currency – worth over \$200,000 U.S. Al-Qaida – Iraq's propaganda networks are also being interrupted. On June 28th, coalition forces conducted an operation here in Baghdad. It targeted the leader of an al-Qaida – Iraq propaganda cell which had been operating and was responsible for producing materials to support the terrorists here in the capitol of Iraq. Arresting six terrorists as they fled the building, coalition forces were subsequently able to uncover several other al-Qaida – Iraq propaganda cells, confiscate the propaganda materials, and detain five other terrorists. It's important to note that even as the progress that is being made against al-Qaida, they remain capable of high-profile attacks and they continue to resort to barbaric tactics to inflict violence on the Iraqi people as we have tragically seen recently. In other operations in Southern Iraq, Operation Bashir[ph]

Al Salam[ph], the Tidings of Peace in Amara, continues to enforce the rule of law. As Iraqi Army and police units in the province clear areas from criminal activity, they are also discovering and collecting illegal weapons caches to prevent future violence. As of the first of this month, the beginning of July, security forces in Amara had confiscated over 600 rockets, more than 3,000 mortars, over 270 improvised explosive devices, some 250 rocket-propelled grenades, and over 1,000 mines. Much of the progress in Iraq over the past 15 months has come as a result of the effectiveness of the security forces that have been surging here. As Iraqi security forces have grown from some 400,000 to over 560,000 members, coalition forces, you'll recall, deployed an additional five brigades during 2007 to improve population security and conduct offensive operations. This week, the fifth of the surge brigades, the 2nd Brigade Combat Team of the 3rd U.S. Infantry Division, is in the process of redeploying back to Fort Stewart, Georgia. This is in addition to two Marine battalions and a Marine expeditionary unit that have already returned to their home bases. Having deployed in May of 2007 as part of Multi-National Division – Center, the Spartan Brigade Combat Team – as the 2nd Brigade, 3rd Infantry Division is known – was charged with protecting the local population, helping foster local governance, and supporting economic development in the communities southeast of Baghdad.

The Spartan Brigade's efforts and sacrifices over the past 14 months helped bring the lowest level of security incidents in their sector in some four years. They helped local citizens create city councils to participate in their government. They helped form six local agriculture unions linked to the Ministry of Agriculture. They helped reinvigorate local industries of poultry, fish, and beef farming. We extend our heartfelt thanks to the soldiers and families of the Spartan Brigade. And we wish Colonel Terry Farrell and his troopers a joyous return to Fort Stewart, Georgia. As security in the belts around Baghdad has improved, security in the city is now allowing improvements in a range of areas as well. Last weekend leaders from the Government of Iraq, Iraqi forces, and coalition forces laid the cornerstone for the Baghdad Airport Road Revitalization project. Funded by the Baghdad Amanat, the \$50 million will be used to resurface the streets, install new lighting, and plant trees along this important thoroughfare in Baghdad's cap-...in the capitol of Iraq, Baghdad. Though we are certainly in a better position today than we were a year ago, we still have much work to do. It will be enabled by the broadening regional support Iraq is beginning to receive from important allies across the Middle East. It will be enabled by the expanding capability of Iraqi forces as we have seen very clearly in recent months. But it will also be sustained by the will of the Iraqi people and their extraordinary

courage to press on. With that, I will transition from security to a focused program to enable Iraqi businesses to compete for important work here in Iraq that Admiral Dussault and her team are pressing forward. Kathleen?

**RDML
DUSSAULT:**

Thank you, General Bergner. Good afternoon and As-Salāmu `Alaykum. I am Rear Admiral Kathleen Dussault, commander of the Joint Contracting Command – Iraq and Afghanistan, also known as JCC. I am pleased to be here today with you to discuss the Iraqi First program and its impact on Iraq’s economic self sufficiency. Joint Contracting Command is the procurement arm of Multi-National Forces – Iraq. And since the beginning of 2007, has awarded contracts totaling more than \$7.6 billion in Iraq. We have buying centers spread throughout a dozen locations in Iraq from Basra to Baghdad, Fallujah to Mosul. We contract for vital supplies, services, and construction on behalf of coalition forces in the relief and reconstruction of Iraq as well as the building and sustainment of self-sufficient Iraqi security forces. In furtherance of General Petraeus’ keen interest in the improving economy of Iraq, JCC pursues business strategies that, at their heart, have two important goals. One, to give priority to Iraqi firms for leading roles in rebuilding this nation. And two, to encourage these firms to be

strong participants in growing the Iraqi economy which will, in turn, deliver the standard of living Iraqis so richly deserve. General Petraeus is a strong advocate of these strategies and one in particular. And that's what I am here to talk about today, the Iraqi First program. It is one of our leading efforts to promote economic self sufficiency and vitality within Iraq. In concert with our Iraqi business advisors, JCC works with Iraqi firms to build business capacity and spur economic activity throughout the country. It is the Iraqi First program that I'll highlight today. The Iraqi First program was launched only as a test program in 2006 and since has been strongly supported and endorsed by General Petraeus. In a recent program policy memorandum he stated, "It is my intent to leverage all of this command's activities and resources, including contracting, to provide increased opportunities for economic expansion, entrepreneurship, and skills training for the people of Iraq." The Iraqi First program has at its cornerstone the guiding principle of removing barriers that have in the past prevented Iraqi-owned businesses from effectively competing with larger international companies and winning contracts related to reconstruction and sustainment. The Joint Contracting Command does this by providing Iraqi businesses the opportunity and encouragement to expand capacity so those businesses can win contracts and be better able to meet the needs of the communities

they serve. To put it simply, this is another program where Iraqis take the lead in their own progress and prosperity. As reconstruction and sustainment in Iraq has progressed, JCC has deliberately changed from relying solely on large, international contractors, to awarding direct contracts with local Iraqi vendors and businesses. At the beginning the Iraqi First program was just a pilot program, just a test program. As of today, we could not sustain our forces or rebuild...help rebuild Iraqi's security forces without predominant reliance on the Iraqi business community. Before the Iraqi First program, a small number of contracts were awarded to Iraqi firms. However, since January, 2007, we have awarded more than \$3.3 billion to businesses owned and operated by Iraqis. Just so you can see the impact of this change, there are now over 4,100 companies registered to do business with JCC and 81% of these companies have been awarded over two contracts. We estimate that over 75,000 Iraqis are currently employed by Iraqi firms under contract with the Iraqi First program. The second cornerstone of the Iraqi First program is the Iraq Business Advisor program. The purpose of this program is to support development of Iraqi businesses through the use of bilingual, bicultural advisors. JCC employs these advisors to facilitate regional meetings under the business outreach and development programs throughout Iraq. In fact, just recently JCC hosted an outreach meeting at the Al Rashid Hotel where over 40

businesses attended of which, by the way, 21 businesses were women owned. The third cornerstone of the Iraqi First program is assisting in building the financial and building...and banking infrastructure. JCC requires vendors to be paid via electronic funds transfer in those regions that offer these banking services. It is expected that the Iraqi Business Industrial Zone program, the IBIZ program, being led by Major General McHale[ph], who is in the audience today, will eventually enable banks to locate near and support coalition bases which will contribute to the expansion of the EFT payment system and growth in the services offered by Iraqi banking. General McHale[ph], at a subsequent press conference, will further describe the IBIZ program and its positive effects on the Iraqi industrial base. The fourth cornerstone of this program is that we continually look for ways to expand the Iraqi First program. Because of General Petraeus' continuing support and impetus, the U.S. Congress recently passed legislation that solidifies the Iraqi First program. Among other things, this legislation allows JCC to target previously underrepresented sectors within the Iraqi economy. This includes businesses who can provide job-training skills, long-term employment opportunities to young men in local communities as well as women-owned businesses. There are currently over 600 woman-owned businesses registered with JCC. The Iraqi First program has played a significant role in the Iraqi

economy by generating demand for Iraqi manufacturers. General Petraeus remains committed to supporting this vital program which focuses on the growth of the Iraqi economy and strengthening of families and communities. In closing, I would like to personally thank you and all Iraqi businesses for their outstanding support. I look forward to participating in Iraq's continuing journey of growth. And I would hope that the Iraqi government might develop its own version of a "buy Iraqi first" program in order to stimulate growth and economic self sufficiency within Iraq. Thank you very much for being here today. Shukran jaziilan.

**MAJ GEN
BERGNER:**

Kathleen, thanks very much. And we will be glad to take your questions now. Put my earpiece in, real quickly. Yes, sir.

REP1:

[Asks question in Arabic.]

INT:

My question to Admiral Kathleen Dussault. You talked about the existence of a special...or contracts to...that Iraqis are hiring Iraqis or employing Iraqis. We see that these contracts are given to special people or particular people. These contracts are not...are op-...to the open. And the reason I am saying that [is] because you see the unemployment problem on the Iraqi streets right now. How do you

explain that?

**RDML
DUSSAULT:**

I would say that there is fair and full open opportunity for all businesses to propose and contract with JCC, and that over time, it's grown tremendously. As I said, it's a program that has been in place for about two years and started with a little over 100 businesses. Now we have over 4,100 businesses that we work with. I think to better spread out the opportunities to all neighborhoods, we need to provide even more information and outreach in terms of publicizing the contract opportunities. And we will do that in the future. And I do have some of my Iraqi business advisors with me today who have some information and Web sites and phone contact information that can help provide further advertisement of the business opportunities. But we are full and open competition and do tremendous expanded business throughout Baghdad and throughout Iraq generally.

**MAJ GEN
BERGNER:**

Next question. Yes, sir.

REP2:

[Asks question in Arabic.]

INT:

General Bergner, you have mentioned there is an improvement...a

security improvement in Baghdad. Is this improvement as reflected on the level of the American casualties, U.S. forces casualties that are in June. Can you give us an estimation or number?

**MAJ GEN
BERGNER:**

The improvements in security in Baghdad that you talk about have been discussed in a range of measurements. We have talked about the overall number of security incidents that take place in the city. We talk about the number of weapons caches that Iraqi security forces and coalition forces are able to interdict before they are put into the hands of terrorists and criminals who would use them otherwise against Iraqi citizens and against coalition forces. In all of those areas we have seen an improvement. It's being enabled largely by the increasing capability of Iraqi security forces. It's being enabled by the partnership between Iraqi forces and the coalition. And it's being enabled by the partnership between the Iraqi forces, coalition forces, with the support of the citizens of Iraq who are providing more information to their forces and providing the capability for us to help them return security to their neighborhoods. It's also being enabled by the Sons of Iraq, security volunteers who are standing up against al-Qaida and criminals and rejecting violence in their communities. And that is what is fundamentally improving the security situation here in the nation's

capitol. It's a collective result, if you will, of an increasing focus on population security and the collective commitment of the security forces, the citizens, and coalition forces to work together towards that purpose. Shukran jaziilan. Yes, sir.

REP3: [Asks question in Arabic.]

INT: We get a lot of reports or media reports indicating these reports are related to some of the Sahwa or Awakening groups, especially in Baghdad. Some of the Awakening groups leaders are saying that the American forces have let them down and that there are possible operations to chase them just like what happened to the leader in Amariyah, a Sahwa leader in Amariyah, Abu Abd[ph]. What's your information on that?

MAJ GEN BERGNER: Well, first, let me make it very clear that the Iraqi citizens, security volunteers at the local level, who are stepping forward to protect their communities, reject the violence of al-Qaida and criminal elements, have shown an enormous courage and commitment to help improve the security situation in Iraq. It's a commitment and a courage that both coalition forces, Iraqi forces, and the Government of Iraq have recognized and continue to recognize because it is making an important difference in improving security for all of

Iraqis...all of Iraq's citizens. At the same time, these are transitional programs. These were programs intended to help those who want to turn against the violence, step forward and contribute to an improved security situation, and then transition to other arrangements. Those might include being hired into the legitimate security forces of Iraq as many thousand Sons of Iraq have been hired into the legitimate security forces of Iraq. For other members of the Sons of Iraq it will include vocational and technical training to help them learn the skills necessary to make that transition from a security focus to becoming a contributing member to Iraq's prosperity. It will also include training like we've just recently seen in Hawija where Sons of Iraq are now being afforded the opportunity to improve their basic literacy level so that they can compete in other aspects, whether it be as a member of the legitimate security forces or whether it be as a skilled carpenter or other tradesman who will play an important role in helping rebuild Iraq. And so coalition forces are committed to helping in those transitions and helping support those who have expressed great courage and have taken a very important stand in rejecting the violence in their communities and in their neighborhoods. And we will continue to work with them on each of those tracks to make sure that that is a successful and effective transition that takes place. And I would point out that the Government of Iraq is working with

them as well and on a number of levels to include the Ministry of Labor and Social Affairs, the Ministry of Education, the Ministry of Higher Education, and the rein-...or the reconciliation committee headed up in the prime minister's office. And so there is an active and broad effort underway to help those transitions take place and to provide for the different objectives that each of those Sons of Iraq may have. Shukran jaziilan. Yes, sir.

REP4: [Asks question in Arabic.]

INT: You talked about the stability of security and that's what the Iraqi people are seeing now. But JCC...the reason, the main reason why they are in Iraq is to serve the Iraqi people. But what the Iraqi people really need now in Iraq is it needs to building housing complexes and residential areas and that's something you didn't talk about.

**RDML
DUSSAULT:** The objective and the mission of JCC is to support buying operations and procurement on behalf of coalition forces. That is our main objective and it helps to rebuild and revitalize the Iraqi economy by putting dollars into the economy. But our objective is first to support coalition forces and our operations, but also the objective of helping rebuild Iraqi security forces. In terms of issuing

contracts and procurement for building housing, that is...that's a domestic responsibility and it's not purely in the mission of JCC. If we can help in terms of assisting in procurement procedures and providing referrals of businesses who are very proficient in construction and providing facilities for U.S. forces, we would be glad to do that. But it is slightly outside of our mission.

**MAJ GEN
BERGNER:**

I would like to point out, too, though that the Ministry of Construction and Housing does have a significant effort underway. They've recently opened a new housing arrangement here in Baghdad. They are working on 22 other housing projects across Iraq. The next one that will be close to being completed in the next 60 days is in Kirkuk, which is a 650 unit housing complex. And the one after that, that will be opened perhaps 60 days after the one in Kirkuk, is in Karbala, which is another housing complex with some 600 housing units as well. And in those different projects, there is the opportunity to hire more apprentices from the vocational-technical schools who are undergoing training now. The minister of construction and housing is working on ways to bring those important tradesmen and craftsmen to work on those construction projects. And so there is a teaming effort underway between the vocational-technical training and the housing projects that are

underway in each of those areas. Shukran jaziilan. Yes, ma'am.

REP5: [Asks question in Arabic.]

INT: We hear a lot about the corruption in Iraqi government even the workers...or the American workers and, you know, the...a lot of American newspapers or British newspapers are talking about the...that the American, you know, departments are unable to explain the loss of millions and millions of dollars. Are you, Admiral Dussault, you were talking about the \$3.3 billion and \$7 billion. How do you know that corruption is not within the JCC? How do you defend your office? How do we make sure that there is no corruption within JCC? And there is another question also. You talked about 600 woman-owned businesses or...who are cooperating with your JCC. Are there other programs that includes women? Do you have any more information as far as cooperation with women? And how do you work with them? What is their main role? We have, like, tens of thousands of, you know, widows that would...that might like to cooperate with you as well. Thank you.

**RDML
DUSSAULT:** Those are two very good questions and they are central to the work that we do in JCC. In order to be effective at the work of issuing contracts and procuring on behalf of the U.S. government, we have

to have a lot of controls in place. And we do that. We have internal controls. We do regular audits. We make sure that people have limited authority and then that their work is reviewed and then signed at higher levels in order to ensure against corruption. I have an internal control capability within my command and I make sure that that is exercised on a regular basis. But there are outside inspection activities that come in and review and inspect my work on a regular basis. Agencies like the General Accounting Office in the United States. The Inspector General. We get regular audits. There is a Special Investigator General – Iraq, the SIGIR, that comes in and reviews all of my activities as well. So I get reviewed regularly and audited, so I am always under the spotlight and that's a key part of the effectiveness of my command. Your second question. Very, very important. And, as I said, over 600 companies of Iraqi businesses led by women, owned and managed by women do great work for JCC right now, but that's a small percentage of the 4,000 companies that we currently work with. We do have an aggressive outreach program and our recent convention centered on promoting women-owned businesses. When you look at the opportunities for growth within the Iraqi economy, probably the biggest sector that is underrepresented is women-owned businesses. So it is the right thing to do in terms of recognizing the contributions women can make, but it also would really fuel the

economy to get more representation. So this is one of the objectives of the new legislation that was passed by our U.S. Congress is to provide more emphasis on these underrepresented sectors of the economy like women-owned businesses. We are going to have another targeted convention in the next two months and it will go out to primarily woman-owned businesses. I'd like to also talk to your point about the importance of providing opportunities for women who are also widows. I met a lady recently who is also a business owner who we work with as JCC. Her first name is Halima[ph] and she is a very, very brave woman. She runs a seamstress company and she helps contract for uniforms and clothing items on behalf of the American military. She runs this business, and in her spare time she also works in a local bank to help approve loans, promote loans for woman-owned businesses – microgrants, microloans. Three months ago her husband was assassinated; an honorable man who was assassinated. She is a widow now. She honors the mourning period, but she still works. She still runs her company. And she was offered by a...by a wealthy friend and neighbor to leave Iraq because of the difficulty she's had and the challenges that she will face in the future. And her response was, "If I leave, who will stay? Who will stay to rebuild this great country? And great rebuilding has occurred and there are many opportunities and I need to be here to be a part of that

revitalization.” So it’s brave women like Halima[ph] who are making the difference and I think will really help to revitalize the Iraqi economy. So thank you very much for your questions.

**MAJ GEN
BERGNER:**

Yes, sir.

REP6:

My question to Admiral Dussault. What the total budget that you predict for this projects...all projects? And how much you spent?

**RDML
DUSSAULT:**

Our annual budget that we spend for JCC is \$7 billion a year. That’s spread across Iraq and Afghanistan.

REP6:

[Speaks briefly off microphone.]

**RDML
DUSSAULT:**

Oh, just for Iraq is \$5 billion a year. And out of that \$5 billion a year, approximately \$2.5 or half of that goes directly to Iraqi businesses.

REP6:

Thank you.

**MAJ GEN
BERGNER:**

Okay. Yes, sir.

REP7:

[Asks question in Arabic.]

INT:

We're going to have two questions. My first question is that had you looked to the spikes of violence in Basra? And also, what's the...how do you view the suicide...female suicide bombers? Also, the second question is about the reconciliation process. In other provinces we see that Iraqis are doing their reconciliation processes, doing pretty good. But in Baghdad, it's not going as well.

**MAJ GEN
BERGNER:**

Well, first, let me just say that in Basra, Iraqi security forces and with the support and assistance of coalition forces continue to improve the overall security conditions in Basra. This is a place that will require a sustained commitment on the part of both Iraqi and security...Iraqi and coalition forces for some time. But it is a place where businesses are reopening, where schools are back in session, where municipal services are serving people broadly and consistently on an even-handed basis. But it is a place that's going to require a concerted effort as well over time to maintain the gains that have been achieved as a result of Prime Minister Maliki's commitment to enforce the rule of law there. Your question about

female suicide bombers is one that is...one that we and certainly the Government of Iraq and Iraqi security forces take just as seriously as you would expect us to. We are working closely with Iraqi forces and our own to target the networks that seek to exploit women in Iraq and use them for the purposes as suicide bombers. It is a reflection of the nature of this enemy that will continue to exploit anyone for the purposes of inciting barbaric violence and targeting innocent Iraqi citizens and Iraqi security forces as well. And so we are working very closely with the Iraqi people and with the Iraqi forces to target those networks and further reduce their capability to exploit women. Your other question about reconciliation is one that is a work in progress. And it's a reconciliation effort that the Government of Iraq is pressing forward on and that we are supporting the Government of Iraq in the steps that they take. We have seen a number of efforts here in Baghdad to bring those who were once fighting, who are now willing to serve their country, protect their neighborhoods and communities, and work with the legitimate security forces of Iraq and help them move forward. They are doing that on a number of levels here in Baghdad. There are those who have been absorbed into the...those qualified candidates who have been screened and vetted are being offered the opportunity to join the security forces of Iraq. And literally thousands have done that here in Baghdad. There are also local

security volunteers or Sons of Iraq who are in vocational and technical training so that they can pursue civilian employment. They are studying to be electricians, plumbers, carpenters, mechanics, masons, all important hard skills – trades, if you will – that are important to the government...to the rebuilding of Iraq. And so those opportunities are being expanded in Baghdad even as they are being expanded nationwide. Kirkuk recently established a committee for integration and helping the reconciliation process. There is one that has been created in Fallujah. And there are other initiatives like the literacy project in Hawija which now has hundreds of local security volunteers who are studying to raise their literacy level so that they can find employment, they can find access to serve their country, so that they have the necessary education level to be an effective and contributing member of Iraq's society. This is a transitional process though. And there are...there will be friction points, there will be challenges. There will be the need to press for more momentum. And the prime minister, his government, and with the support of the coalition forces are working through those transitions. And we're committed to helping support the Government of Iraq and the prime minister as he presses reconciliation forward in Iraq. Shukran. Yes, ma'am.

REP8: [Asks question in Arabic.]

INT: After the operations, the Iraqi government has done and the tiding of peace, the other operations, do you see any other oper-...areas that needs security operations? And I have a question to Admiral...to the admiral. Is there any areas that needs...there are other areas needs projects and contracts. And have you signed any contracts with a different, you know, countries? Like you see this diplomatic openness right now. Have you tried to exploit that in a way?

**MAJ GEN
BERGNER:**

Well, let me start with the first question and then I'll defer to you, Kathleen. The prime minister's initiatives – not only here in Sadr City, but in Basra, in Mosul, and now Amara – have generated an important momentum, an important momentum in enforcing the rule of law across Iraq, in all the communities, and certainly in Iraq's three major cities of Basra, Mosul, and Baghdad. Those operations continue and they continue to make progress. Progress not only in further stabilizing those communities, but further working with the citizens in those communities and building a stronger bond between those who enforce the rule of law and those who are served by their security forces. And so we are working closely with the Iraqi security forces in each of those areas, whether

it be the Baghdad Operations Command, the Ninawa Operations Command, or the Basra Operations Command, as they press forward. Prime Minister Maliki and his national security leaders are those who have focused those operations and have made the assessments and determinations of where other operations are necessary. It was the prime minister's decision and leadership that led to operations, first in Basra, and then subsequently in the cities that I have talked about. And it will be the prime minister's leadership as well that will answer your question, really, in terms of assessing where the next focused operations need to take place. And we will work closely with the Iraqi security forces and the national security leaders as they make those assessments and support them in making those assessments. Shukran jaziilan.

**RDML
DUSSAULT:**

Your question regarding cooperation and business opportunities with foreign countries. That truly is a sign of economic growth and revitalization if there is direct investment by other countries within Iraq or within any country. And I think across the board we've seen a regrowth in interest in investment within Iraq. My command works to employ U.S. dollars in revitalizing the Iraqi economy. But we have contracted with international firms to do work in Iraq, and we encourage them to hire Iraqi labor and to partner with Iraqi

companies as subcontractors and as partners, as joint ventures to provide for that economic investment and revitalization. So we've seen that on several fronts. We've seen direct investment by foreign countries in Iraq and my command encourages and incentivizes international companies to partner with and subcontract with Iraqi firms and to establish joint ventures to provide for more of those economic opportunities. But thank you very much. That's a great question and it's a sign of the revitalization that's occurring.

**MAJ GEN
BERGNER:**

We'll take one last question. Yes, sir.

REP9:

[Asks question in Arabic.]

INT:

Talking about Awakening groups, we have heard of formation or forming of another council in Jamilah area which [is] actually located next to Sadr City. My...what's the [unintelligible] of this thing? Also, my other question is Sadr City needs a lot of projects and so what have you located...allocated for Sadr City as far as projects?

**MAJ GEN
BERGNER:**

Well, let me start with the second part of your question. First of all, as you know, the prime minister has allocated \$100 million for the

reconstruction needs and compensation for the citizens of Sadr City. And his reconstruction advisor, Mr. Hakal[ph] Hakim[ph] is leading the Iraqi effort to provide for the reconstruction, payments to martyrs, housing compensation, and the full range of improvements necessary to support the citizens' needs in Sadr City. We're working very closely with them. We have created a task force that is specifically focused on improving the circumstances in Sadr City. They are undertaking microgeneration projects. In fact, they've just sited the first two generators that will provide neighborhood electricity to augment the electrical grid for Sadr City. They have also undertaken a cleanup and improvement program in the Jamilah Market. They are also undertaking improvements to the lighting to improve security for the citizens of Sadr City. And hundreds of solar streetlights are now being procured for installation throughout the city. And at the same time, broader projects like the water treatment facilities for Sadr City are getting ready to come on line. And by the end of this month and the end of August, the Corps of Engineers, and working with the Amanat and the municipality of...the Department of Municipalities and Public Works for Sadr City, will jointly bring those water projects to start improving the availability of clean water for the citizens. And so there is a range of efforts underway, both on the Government of Iraq's side and the coalition's side, to address the needs of the citizens there. And we

are working very hard to do it as quickly as we can because we all agree of the seriousness and the importance of providing for the tangible improvement in the lives of those citizens who have sacrificed so much. Shukran. Kathleen, anything else?

**RDML
DUSSAULT:**

I work very closely with General Bergner in order to make those sorts of investments and contracts occur. So on the part of coalition forces, the contracting that we do targets local businessmen. And so that the work that's being done, for instance in Jamilah Market, those contracts employ local businessmen and do two things. They help revive the local economy there but employ businessmen in the area to perform that work. So many opportunities like that and we work very closely in concert on those objectives.

**MAJ GEN
BERGNER:**

I want to thank Admiral Dussault for, first of all, for joining us today and talking about the important work that the Joint Contracting Command has underway here in Iraq, and the teamwork that she has facilitated in enabling and creating better opportunities for Iraqi businesses to work with us. I also want to say thank you to all of you. You accept enormous risk in reporting on the news here in Iraq. For the last 14 months it has been my honor to work with you and to talk with you and to try to help provide the

right context, the right characterization, and explain what the Multi-National Force is doing. This is my last press conference in working with all of you. Brigadier General David Perkins has just joined the team here at the Multi-National Force, and he will take my place effective later today and will be the person you see sitting here next Wednesday. So we wish him great success. But mostly I want to close by saying thank you to all of you for your courage as journalists, and your commitment to continue to do this. It takes great courage and it's been an honor to work with you. Shukran jaziilan. Ma'salama.