

PRESS CONFERENCE:

Brigadier General David G. Perkins, Spokesman, Multi-National Force – Iraq;

Dr. Tahseen al-Sheikhly, Civilian Spokesman, Operation Fardh al-Qanoon

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PARTICIPANTS:

REPORTERS:

Unidentified reporters from the following media outlets: Al Hurriyet Channel, al-Malaf Press Agency, Turkish News Agency, Free Iraq Radio, Al-Iraqiya Satellite TV, Iraqi Media News Agency, al-Dawa Newspaper

REPORTERS 1-7

***REP1 = REPORTER 1**

***INT = INTERPRETER**

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: We are very happy to have you here today, me and my dear friend, General Perkins. We're going to talk today about subjects that are of interest for everyone, related to services and reconstruction after the security improvements achieved by enforcing the law plan all over Iraq, not only in Baghdad. Also at the same time to talk about the other side of the friendly related subjects, and General Perkins is going to help me to elaborate.

It is clear for the Iraqi citizen that there is a very big movement in services sector and reconstruction. This movement has been targeted by the citizens directly through the presence in the streets. Also at the same time, the State has determined to launch campaigns in order to compensate the lost time due to the security concerns that have deprived lots of areas from services.

Most of Iraq provinces, there is major need for services such as electricity, potable water and sewage system. The Iraqi government plans, which as we are at the last quarter of this year, the plans have taken their place within the execution phase that would guarantee during the coming phases that we're going to see touchable results on reality.

In addition, that the Prime Minister have allocated exceptional amounts of money for a number of areas and provinces. The purpose of these allocations is to raise the situation, the social and economic situation at these area and to rescue the citizens there from the bad situations and from the gangs and armed men control during which they have -- there have been this allocation for Maysan, Basrah, Ninawa and also for Sadr and Shu'ala and Baghdad.

In Sadr City, frankly, the committee has started working on these projects since three months ago, starting from planning, demonstrating, and asking for contractors and receiving the ... the offers; then the supply phase, that is before the execution phase. The essential major phase of ... of the amount allocated to al Shu'ala and Sadr, that was in order to alleviate the social level of these areas. We have located the amount of seven billion Iraqi dinars of the amounts allocated to establish a community, a housing community in Qasra'taash (ph) area, which is across to Sadr City in order to loosen the crowdedness in Sadr City, which we have obtained the land and -- from the Baghdad Amanat. The project have been transferred to the company. Within a few months, hopefully, this project is going to be seen on, on reality.

Also establishing specialized sectors in medical sector such as dental center, two billions cost, project, have been transferred on the year 220 (sic) -- 20 of June -- of July, we have transferred it in order to be... Also a bank, blood bank project, it has been transferred on the 7th of August and we're expecting it to be executed. Al Sadr General Hospital have been rehabilitated with an amount of -- it have been transferred, but within the date of 17th of August, sup- -- providing medical equipments, echo and MRI, five billion Iraqi dinars to the hospitals of Sadr and Shu'ala cities. It have been transferred on the date of the 1st of September; the duration would be 150 days.

Other projects that we're trying to attract the contractors: The stations and factories, four Iraqi billion dinars, the cost for these projects; also parks, lotting parks (sic) at Sadr and Shu'ala areas, three billion Iraqi dinars, we're expecting within the period of 180 days it is going to be executed; also 11 clubs, sports clubs, within the cost of one million dinar; paving streets on Sadr City, which are going to be executed within 90 days; establishing four schools in Sadr City within the cost of five billions Iraqi dinars, it is going to be executed within three hundred days; other four schools in Shu'ala City with total cost of 114 billions Iraqi dinars.

Also, there have been some interest in supplying the -- and in -- in the educational environment in Sadr City, we have decided to purchase 10,000 computers within the cost of six billions dinars. Within 19 days we're expecting the supply phase is going to be finished. Buying copy machines also within 60 days we have received the copy machines already. Buying 200 generators within the cost of -- we're expecting them to be received within 120 days. We have purchased tankers for the transportation within the cost of six billions. They have reached al Sadr City, they have arrived there. Providing school desks, 400 of them within 20 days are going to be received. 6,000 writing boards, one billion Iraqi dinars. This is part of the work in addition to other projects for employing citizens. Sewing centers, we have allocated money for the families of killed citizens; also service, nine billions Iraqi dinars have been allocated for such services. If we wanted to know how these amounts are being allocated: The health sector, four billions -- 14 billions Iraqi dinars. Construction, reconstruction and rehabilitation, 114 billion have been allocated, and one hundred Iraqi -- million Iraqi dinars. The spende (sic) allocations for training and wedding (ph) allocations, the total would be 183 billions. These are the projects that have been allocated inside al Sadr and Shu'ala cities within the allocations specified by the Prime Minister for these areas.

Also we have similar actions in Diyala, Operations Committee in Maysan and Ninawa -- Basrah also. Working on rehabilitation services sector, Amanat Baghdad, have now demonstrated its works and now is able -- capable of reaching all of Baghdad; before, it was restricted to certain areas. But now it is everywhere they are working on projects, major projects, rehabilitating infrastructure, also to maintain what is already existed of services.

We hope that we're going to succeed in the right path and serve the citizens of Baghdad and Iraq in general. We are now at the last quarter of this year, and within our plans specified for three years, and the process of rehabilitation the infrastructure and also through the development plans that are -- we're contacting the projects through.

Thank you very much. I believe my friend, General Perkins, also have some comments and statements.

BG PERKINS:

Thank you very much. Good afternoon and As Salamu 'Alaykum.

It's my privilege here today to join Dr. Tahseen Sheikhly. He's a good friend and a true Iraqi patriot, and it's an honor to be working together for the good of Iraq.

Just as Dr. Sheikhly has highlighted, reconstruction planning and projected execution continues around Baghdad. Continued progress and security is fostering economic and political development, and all are encouraged by the growing return to normalcy. And we are very happy to observe the people of Iraq moving forward together. Iraqi citizens' ability to shape their future is bright, to share ideas, to debate openly about their future and reach common consensus through an electoral leadership. This debate is a critical step forward for all Iraqi citizens.

The partnership of Iraq and Coalition Forces continues to work toward enhancing security, enforcing the Rule of Law and rebuilding Iraq. In Baghdad and Sadr City, civil/military projects are an important part of the work that our forces do, and in partnership with the Government of Iraq, it is accomplished every day.

We have over 200 ongoing projects that positively affect the residents specifically in Sadr City. The purpose of these projects is

to improve everyday life in neighborhoods. And these efforts employ over 5,000 citizens from the local area. The total amount of money invested so far in these projects is over \$56 million. A key part of community partnership in Sadr City is the District Advisory Council that meets on a regular basis with members of the Government of Iraq, Iraqi national police officials, local community leaders and Multi-National Division-Baghdad leadership. Their agenda focuses on prioritizing jobs, security, reconstruction, and essential services and monitoring the progress of projects in the community. Key to energizing these projects is the Iraqi Assistance Center which has distributed over \$8 million in claims and has given nearly \$4 million in micro-grants to help local businessmen jump start neighborhood commerce.

Earlier this year, Sadr City was home to fierce fighting. Local area schools were taken over by violent criminal elements that launched daily attacks against the security forces and damaged much of the surrounding neighborhood. Once fighting in Sadr City diminished in May, one of the first steps taken was to identify damaged schools in the area and their condition. The Jilala (ph) School was one of the first visited by the 404th Civil Affairs Battalion, attached to 3rd Brigade Combat Team. The Jilala (ph) School now has 12 classrooms that are refurbished and supporting full classes.

And the students started school this year wearing new uniforms provided by the Modern Sewing Company in the neighboring Adhamiyah district. Other examples could be seen in Fadhila School, where tilling, trash cleanup, and door/window construction and trimming were badly needed.

After several months of effort and teamwork by locally owned Iraqi construction and engineering companies, Iraqi Security Forces and Coalition Forces, over 22 schools have been renovated. Economically, the Jamilla Market area has a tremendous impact on the city of Baghdad. The market employs 30 percent of the citizens of Sadr City. This market area continues to improve daily because of micro-grant loans provided through the Assistance and Reconstruction Office located at the Joint Security Station here in Sadr City.

The Ministry of Electricity's working to install generators at the al Quda (ph) substation. These generators will be used to energize the Jamilla Market area. They will run on heavy fuel oil and provide four megawatts of power to businessmen in the market.

Additionally, Task Force Gold has employed over 5,600 Iraqi citizens in reconstruction efforts. A major component of the

efforts have been in public areas such as curb rehabilitation, refurbishment of parks and squares, repaving roads and repairing sidewalks. There are also seven projects ongoing to improve the condition of health facilities. These projects include electrical upgrades, interior and exterior renovations and treatment room renovations.

Security and stability continue to be possible because the Iraqi people have embraced the rule of law instead of the violent ideologies that seek to divide them. While the improving capability of the Iraqi Security Forces, the partnership of Iraqi and Coalition Forces is increasing its effectiveness to protect the population while rebuilding the country's infrastructure and economy. Our partnership is strong and we remain committed to helping Iraqis rebuild their nation.

With that, we would both like to take your questions.

AN AIDE:

Please do give your name.

REP1:

[Asks question in Arabic.]

INT:

Al Hurriyet (ph) Channel. First question, Dr. Tahseen Sheikhly:
The numbers you've mentioned and the huge amounts, do you have plans for use labor to employ people in Shu'ala and Sadr City?

My second question to General Perkins: There are big numbers and projects, strategic projects. Do you have a committee to coordinate with the Iraqi side in order to monitor the achieved projects? Maybe some works are not done according to the criterias you want. Thank you, sir.

DR. AL-SHEIKHLY:

[Speaks in Arabic.]

INT:

Thank you for your question. Your question: Our major concern is to reduce the unemployment; it is a virus in our communities. The Prime Minister gave his instructions in order to alleviate the social level of the citizens. The projects now do not meet all the huge numbers of unemployments individuals. Our projects as to develop the youth -- we have training courses for 23 days, 16 subjects, including restaurant administration, cafe, internet cafes, barber shops -- in order to rehabilitate these, the youth individuals. The -- each course with the -- that would include 300 individuals, we want to include 10 courses of these. These individuals are going to be given a chance within the loans in order to start their life. Also they're going to gain the qualifications and we're giving

them the chance by supporting them financially in order to start future projects; however, the unemployment, we're not going to be able to stop it without the major projects that are going to include all the labor.

Also, we're going to have contracts with major international companies; once you see them on, on reality, you -- we -- they are going to need lots of human resources and labor. Thank you.

BG PERKINS:

Yes. The majority of the coordination for these projects that I was discussing really takes place with the District Advisory Council in Sadr City. There, the Multi-National Division-Baghdad leadership meets with Government of Iraq leaders, local leaders, Iraqi security police personnel, and there they prioritize what are the projects that are going to be accomplished, how do they provide security for them, and then provide follow-up as well. So it's a way to bring together everybody who has a part in this, both in prioritizing, conducting the actual construction, and then providing the security, and they coordinate it through the District Advisory Council.

REP2:

[Asks question in Arabic.]

INT:

As Salamu 'Alaykum. Hulu Zayyadi (ph), al-Malaf Press Agency. Dr. Tahseen, you have mentioned we are on the last quarter of the

fiscal year. Do you think the companies that have taken the projects are going to be able to do their job within the given time? Do you have a committee to supervise and monitor them, especially that these projects are -- might be corrupted financially by these companies?

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: From my point of view, I see your concern as right and justified. Everybody saying "we need the money." But the time tables that I have just read to you, they're not fixed, but they're of fixed with, determined by time table of installing and rehabilitation and working.

We have formed a committee to follow up -- we have inspector of the Migration and Immigrants Office member and local councils members. The committee has a task which is to monitor and follow up the execution of these projects. We hope there's -- there are going to be no corruptions. As you know, it takes lots of time for planning and to choose the contractors and the companies that are going to provide us during the last period. We started on the first of June, and you have noticed the transfer of the projects have been conducted at July. So we needed a time to study and to choose the certain, right people.

REP3: [Asks question in Arabic.]

INT: (Inaudible) Turkish Agency. Dr. Tahseen, until now, despite the security stability in Sadr City, still the citizens there are facing difficulty in entrances -- through entering and going out the city due to blocking some of the streets. How are you going to work on solving this issue, especially over two millions are living in the city?

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: The Baghdad Operation Command are very keen on protecting the citizens. The security measures are due to necessity. They put them and make them for the protection of the citizens more than to hurt the citizen in order to protect them from the sabotage attacks. And now we witness the appearance of cells here and there, they are trying to conduct attacks. The citizens' lives are in our hands; we need to protect them.

The matters, matter of study, once we witness improvement in security, we're going to open new entrances. But at the time being, the -- it is a securities necessity.

REP4: [Asks question in Arabic.]

INT: Free Iraq Radio. Dr. Tahseen, you have talked about follow-up committee for the project. How would you describe the percentage of accomplishment of these projects. Does it meet the expectation of the Iraqi government?

My question to General Perkins: How would you describe the security situation in Sadr City? There are some publications by the MNF have spread in the city. They have mentioned names of snipers and wanted individual. Do you think this is an indicator for a new security operation in the city?

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: The time tables that I have talked about for execution, we are at the committee of follow-up and on direction contact with them, they have established some durations for follow-up and evaluating the performance. Once they would see some malfunction, they're going to have some fines and some penalties on the executing side. And hopefully we're going to see the projects within the given time tables.

The committees is individuals of different offices, so any malfunction, was it financial or technical, are going to be detected and are going to be solved.

BG PERKINS:

With regards to security, the good news is that today we have seen approximately an 80 percent reduction in the number of violent security acts from the height of last year, when the violent terrorist and criminal acts were the greatest. However, it is clear that there are terrorists and Special Group criminal elements out there that want to try to make a comeback, they want to try to take advantage of the situation that's out there. And therefore the Coalition Forces continue to partner daily with the Iraqi Security Forces to provide a persistent presence and continue to develop persistence intelligence so that these -- again, these criminal elements which were kicked out and defeated in Sadr City can't make a return. What we would like to do is, as mentioned earlier, is be able to build on our security improvement, eventually start to take down the security barriers that are there and not have to go in the opposite direction. And the only way that the security continues to get better, again, is that the Iraqi people reject the violent tactics used by these criminal elements out there. They provide intelligence and information to the Iraqi Security Forces and the Multi-National Forces when they see these elements coming back into their community so that every action can be taken to prevent them from establishing a base of operations in Sadr City. So a huge amount of progress has been made, but we realize that we

must maintain vigil- -- good vigilance because there are those that used to operate in there that were kicked out that are indeed trying to come back.

REP5: [Asks question in Arabic.]

INT: Al-Iraqiya Satellite TV. Away from Sadr and Shu'ala City. The security situation and the parking -- and the public places is prohibited in Baghdad. There are four buildings' parking lots, al-Hindi Restaurant and Turkish restaurant and a siniq (ph), a siniq on Rasafi. These parking lots are not used for, for cars or vehicles. They're for other stuff. It is -- For example, there is this parking lot, it is for the vehicles of security forces, for military army, 600 vehicles. Civil vehicles were supposed to be able to park there. Now it is canceled. Why don't -- Can't we rehabilitate these parks and use them by the citizen so it would be for the benefit of the citizens instead of keeping -- making the citizens keeping their cars in the streets?

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: Thank you very much for bringing this to my attention about al-Hindi Restaurant. To provide a park, it has many measures. The -- As you know, the VBIEDs are targeting certain areas. We are trying to stop the damages. Yes, I-- What you have

mentioned, it is very objective and I thank you very much for this, and I'm going to discuss it with the officials, and we're going to deal with it. The -- If it is -- There is not plans to open it within the coming days, but with the intention to open it, yes. We're going to evacuate it from military appearances and we're going to open it for the citizens. We will. We have the intention. We're working on evacuating the buildings also. It is the policy of the government and the BOC also. We are working for the service of the citizen; we do not want to hinder the progress of services in Baghdad. But it is not easy. You see, some areas, some -- the garbage trucks are facing difficulty in entering certain areas, but they enter -- they do enter and they do offer their services. We -- Within the security situation you'll see -- you'll witness big improvements. Thank you very much.

REP6: [Asks question in Arabic.]

INT: (Unintelligible) Iraqi Media News Agency. There are some administration corruption by the contractors at Sadr City, according to the local council at the city. They did not -- There have been no coordination with the local city within the reconstruction process.

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT:

I would appreciate it if you could elaborate more. What kind of projects? Our projects, we consider the local council a key part in our projects. I personally have attended meetings inside the local council and the committee of rehabilitating Sadr City. We have listened to each and every one of the members of the local city, also the Ministry of Immigrants and Migration, they were there, and also their suggestion have the rights, and we dealt with it all positively.

But concerning the corruption of contractors, I believe you mean the local council is asking about the contractor -- contracts that have been transferred without the coordination with the local council. I believe that General Perkins is going to elaborate about this.

BG PERKINS:

Yes, as Dr. Sheikhly mentioned, we work very closely with the District Advisory Council, the Government of Iraq and the local council members to not only determine the priority of the projects and which ones are done, but to follow through on the progress and to make sure, in fact, that they are following up on the contracts and what -- and what they have been designated and signed up for. And the Government of Iraq has taken a keen interest in focusing both on corruption with regards to contractors, as well as making

sure that progress has outlined in fact is met. And quite honestly, that becomes one of the biggest requirements out there once the contracts are let, for this group to come together and monitor that, and because, again, of the, the large number that's out there and the monetary amounts we've talked about, that, that becomes a, a major focus and consumes the majority of the time of the officials that are monitoring the reconstruction.

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: Did you not have more questions? We would like to thank you. Also would like to thank my dear friend, General Perkins, for his participation in this press conference. Yes, you have a question? Okay.

REP7: [Asks question in Arabic.]

INT: Yes, we still have one more question. (Inaudible) al-Dawa Newspaper. My question to the General Perkins: Is it possible to elaborate about SOFA within the Iraqi government and the MNF?

BG PERKINS: Well, obviously the negotiations are still ongoing. The U.S. Embassy, under Ambassador Crocker's lead, is in charge of the negotiations here in Iraq, as well as government officials back in Washington. The good news is both sides continue to keep a

priority being the sovereignty of each country, as well as taking into account the sovereign needs of each country. They continue to discuss the technicalities of the agreement to make sure that not only their requirements are met, but in fact, our partner's is met.

And again, this bilateral agreement that is being negotiated between the Government of Iraq and the Government of the United States is a major step forward in the sovereignty of Iraq. Sovereign countries conduct bilateral negotiations between each other without external influences or other external pressures from other countries. And so this is a priority for the United States as we go forward in the normal bilateral relationship with the sovereign country of Iraq. It's a major step forward for the country of Iraq, quite honestly, to be able to conduct a sovereign negotiation with another country, devoid of any external influence. And when the agreement is finalized and both sides agree that that is the final language, it will be an open and transparent document so the citizens, both of Iraq and the United States, understand what is contained in the agreement.

DR. AL-SHEIKHLY: [Speaks in Arabic.]

INT: Thank you very much again. Hopefully we will meet again.

[END OF PRESS CONFERENCE]