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# Contractors in Iraq

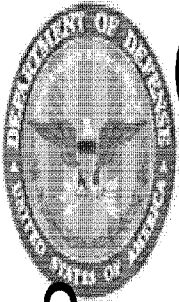
USAID - 15 July 2004

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# Contractors: Perceived Needs

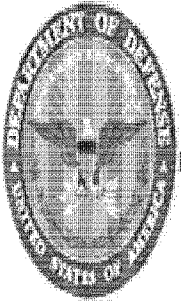
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Some contractors hesitant about continuing to do business in Iraq

- GE, Siemens, Bechtel, Blackwater, RTI, Lucent, CAO A

Contractor lack of confidence results from:

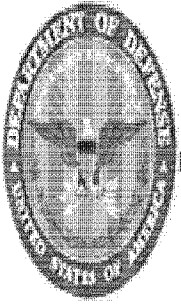
- lack of information
- perceived indifference to their needs
- uncertainty during transition from CPA to Iraqi sovereignty
- lack of clear USG policies, support, rules



# Contractors: Reality

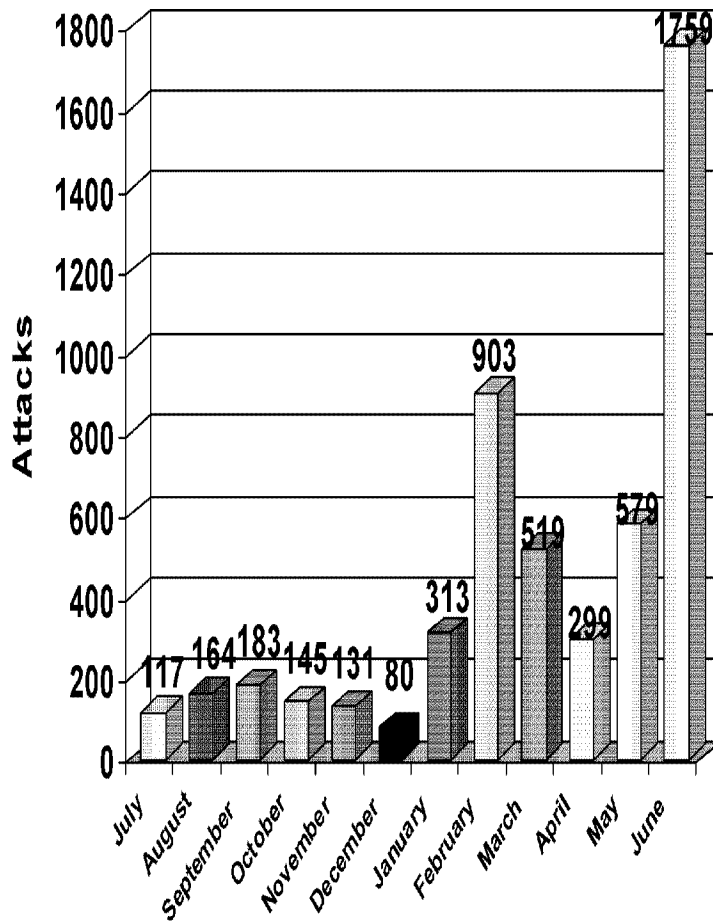
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- 100+ KIA to date
- Blue-on-blue incidents
- System breakdowns (event response)
- Ad-hoc organizational responses and efforts
- Difficulty in determining appropriate rules

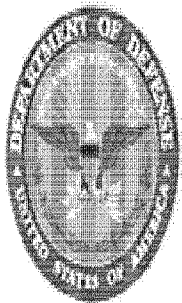


# ATTACKS by MONTH

Current as of 26 JUN 04

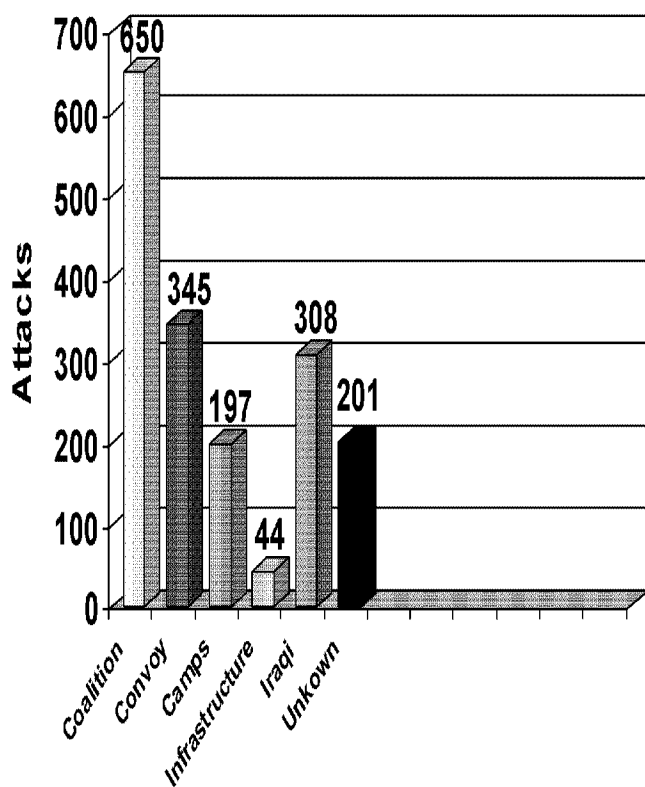


NOTE: April and May Data Is Not Complete Due to Loss of Data and Data Not Provided

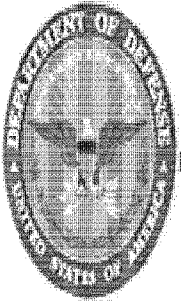


# ATTACKS by TARGET

Current as of 26 JUN 04

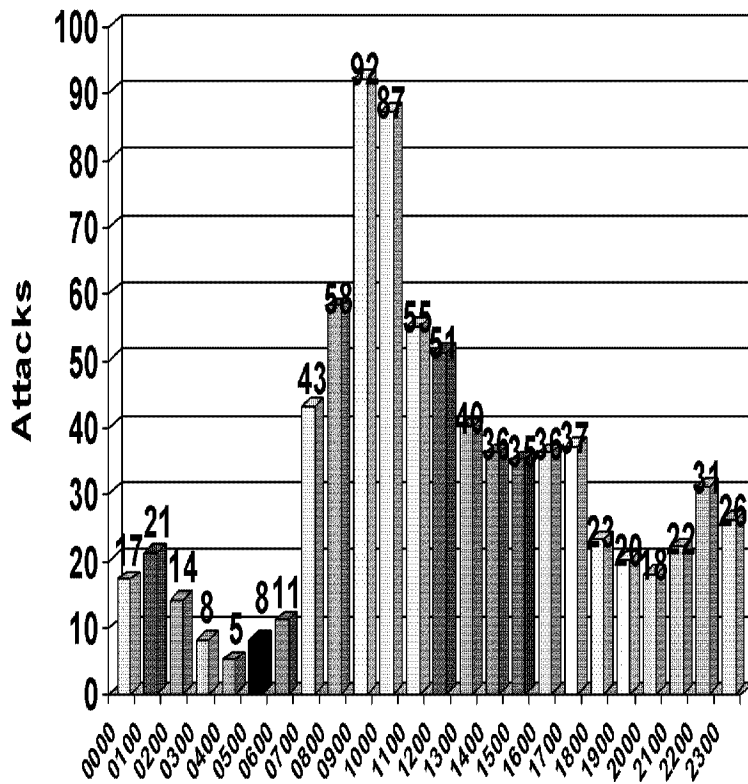


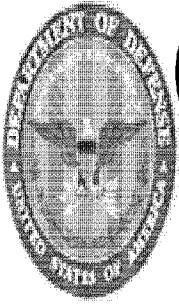
NOTE: Data is for the month of June 2004



# ATTACK TIMES (CONVOY MOVEMENTS)

Current as of 25 JUN 04



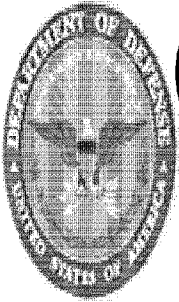


# Contractors: Perceived Needs

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What Contractors want (based on their email and letters):

1. Definition of legal status and appropriate immunity
2. Clear military policy on protection and safe haven
3. The ability to obtain insurance for operations in Iraq
4. The ability to defend themselves by carrying arms or hiring private security contractors
5. A sense of an overall USG gameplan for contractors
6. Better communications (internal/external, tactical/strategic)
7. Air support for medevac, personnel movement, etc
8. More ability to export US equipment & weapons



# Contractors: Perceived Needs

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In a two-hour meeting with the security directors of 9 (non-PSC) contracting companies on 29 June, they identified their top 3 desires:

## 1. Air Support

- Civilian air for medevac, personnel movement, logistics
- Rotary and fixed wing
- Has been encouraged by PMO, but can't get air rights

## 2. Better Communications

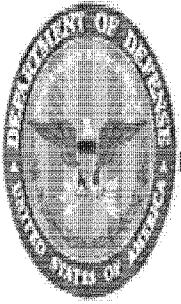
- Ops: Through a contractor security ops center, (as planned).
- Stratcomm: From USG to their corporations, on a strategic level.
- Tactical: Better HF capabilities in-country. More bandwidth, etc.

## 3. Help with Export License roadblocks

- DOS permissions for export of firearms and PPE

Also expressed confusion/concerns about CPA Order 17 and CPA Memo 17.



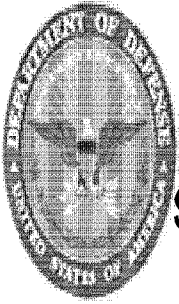


# Efforts to Date

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- CPA Order 17, Memo 17
- Interagency Policy Guidance
- Several DOD Staffing Initiatives
- PCO Ops Center

*Details on all to follow in next slides . . .*



# CPA Order 17 (Revised)

## STATUS OF THE COALITION PROVISIONAL AUTHORITY, MNF - IRAQ, CERTAIN MISSIONS AND PERSONNEL IN IRAQ

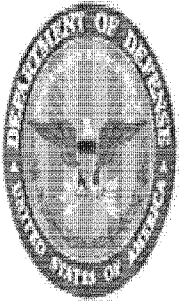
- **Contractor Privileges**

- Exemption from Iraqi Laws governing contract terms and conditions
- Exemption for Iraqi licensing, registration or inspection laws governing:
  - Vehicles
  - Vessels
  - Aircraft (Note: All must carry 3<sup>rd</sup> party insurance)
- Exemption from Iraqi taxes (corporate, income, social security) and visas, licenses and permits without payment of restriction.
- Freedom of movement throughout Iraq. Free importation without duty, inspection, or customs fees or taxes of all equipment necessary to perform mission.
- Free usage of all roads, bridges, waterways, and airports without payment of tolls, navigation or landing fees.

### **Contractor Immunities**

- Immunity from Iraqi legal process and jurisdiction for acts performed within the scope of their contracts.
- Immunity from any form of arrest or detention.

(Note: Contractors are subject to the exclusive jurisdiction of their Sending State. Immunity from Iraqi legal process may be waived by the Sending State)



# CPA Memorandum 17

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## REGISTRATION REQUIREMENTS FOR PRIVATE SECURITY COMPANIES (PSC)

All PSCs must be registered with the MOT with operations regulated by the MOI.

### Licensing

Register with MOT (Business License).

Apply to MOI (PSC Registration and Vetting Office) for Operating Permit ( e.g. background check intended to prevent hostile elements from legitimizing activities).

Grace period until 31 AUG 04.

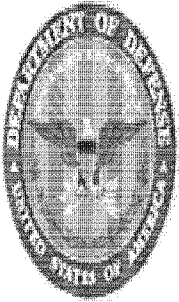
### Bonds/Insurances

Bonds: All PSCs submit \$25K bond to MOI. Additional sums may be required by MOI on a pro-rata scale. Sixty day notice period.

Bonds may be forfeited if:

- PSC fails to provide updated information to MOI every six months.
- Employees or companies breach Iraqi law. (Decisions to forfeit bond or revoke operating License by MOI must be reasonable and proportionate to the offense. Mitigating factors to be considered).

Insurances: All PSCs must have public liability insurance in an amount to be published by the MOI. Exemptions may be granted by MOI if securing such insurance is not practicable.



# CPA Memorandum 17

## REGISTRATION REQUIREMENTS FOR PRIVATE SECURITY COMPANIES (PSC)

### **Weapons**

ALL PSC employees must obtain and carry an MOI-issued weapons card

PSCs must obtain weapons import certificate from MOI when importing weapons (Type, serial numbers)

MOI must receive proof of Sending State registration, certification of weapons training, serial numbers and type of weapons, names of employees, details of intended mission, and copies of contracts.

PSCs must:

- Update MOI on weapons inventory and serial numbers every six months or risk license forfeiture

- Store weapons in secure facilities

- Ensure employees only use authorized weapons (CPA Order 3) (no private weapons)

- Ensure employees carry weapons cards.

- Ensure no law enforcement activity (criminal investigations)

### **Audits**

PSCs are liable to periodic audits by the MOI to be carried out by an independent auditing firm to ensure compliance. Financial audits may be instituted by MOT.

### **Revocation or Suspension of Operating License**

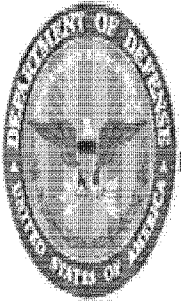
If a PSC or employee breaches Iraqi law, the MOI may suspend or revoke the operating license. The bond may also be forfeited. (Reasonableness-proportionality and mitigation standards apply).

### **Oversight Committee**

MOI will establish this committee vested with general inspection and auditing responsibilities required by the Memo 17.

### **Compliance**

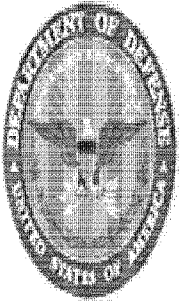
All PSCs must ensure employees comply with (ROF-AnnexA), and Code of Conduct (Annex B)



# Current Staffing Efforts

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1. Congressional testimony, inquiries
2. Interagency Policy Guidance memo
3. CENTCOM-originated weapons policy
4. DOD Directive and Instruction on Contractors
5. DOD policy letter (never issued)
6. Chief of Mission Weapons Policy
7. J-3 WARNORD to CENTCOM
8. USAID memo to OMB about insurance waivers
9. PMO and MNFI procedures for contractor ops



# Contractor Security In Iraq v. 3.1

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- Developed from revisions to v 2.0 (23 Jun 04)

## **Purpose:**

- Provide immediate guidance to contractors working in Iraq
- An Iraq-centric blueprint for contractor coordination and security

## **Features:**

### ***Certification and Tracking:***

Certification Requirements (CSO, PCO development with ESG)

Tracking Process (registration with CSO, database)

### ***Weapons Policy Overview:***

Weapons Standards (safety rules, ROF)

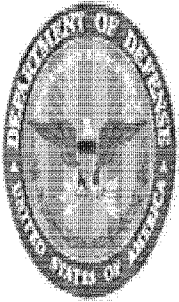
### ***Weapons Control and Training:***

Compliance with certification Requirements (CPA 17, CPA Memo 15)

Distinct standards for those not assigned to the COM (DHS, DOJ)

Individual Armed Contractors (IACs) (COM-CENTCOM process, MOI permit)

Identification Cards ( COM-CENTCOM policy for access to services, facilities)



# Contractor Security In Iraq v. 4.0

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- Developed from revisions to v 2.0 (23 Jun 04) and v 3.1 (2 Jul 04)

## ***Security Operations Coordination Procedures:***

Coordination (de-confliction, blue-on-blue)

PCO Security Operations Center (objectives, functions)

Non-PCO Contractor Participation (encouragement to participate, costs)

## ***Military Support Services to Contractors:***

Legal (privileges and Immunities under CPA 17)

Administrative (CSO for IRRF contractors)

Emergency Security Services (responsibility for own protection unless enumerated in contract. QRF may be available through SOC and regional CMOCs)

Industry Assistance for Security (OSAC functions):

Safe Haven (access only allowed per rules of area commanders)

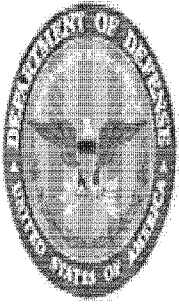
MILAIR (per JTR rules)

Medical (IAW MOA between DOS-DOD)

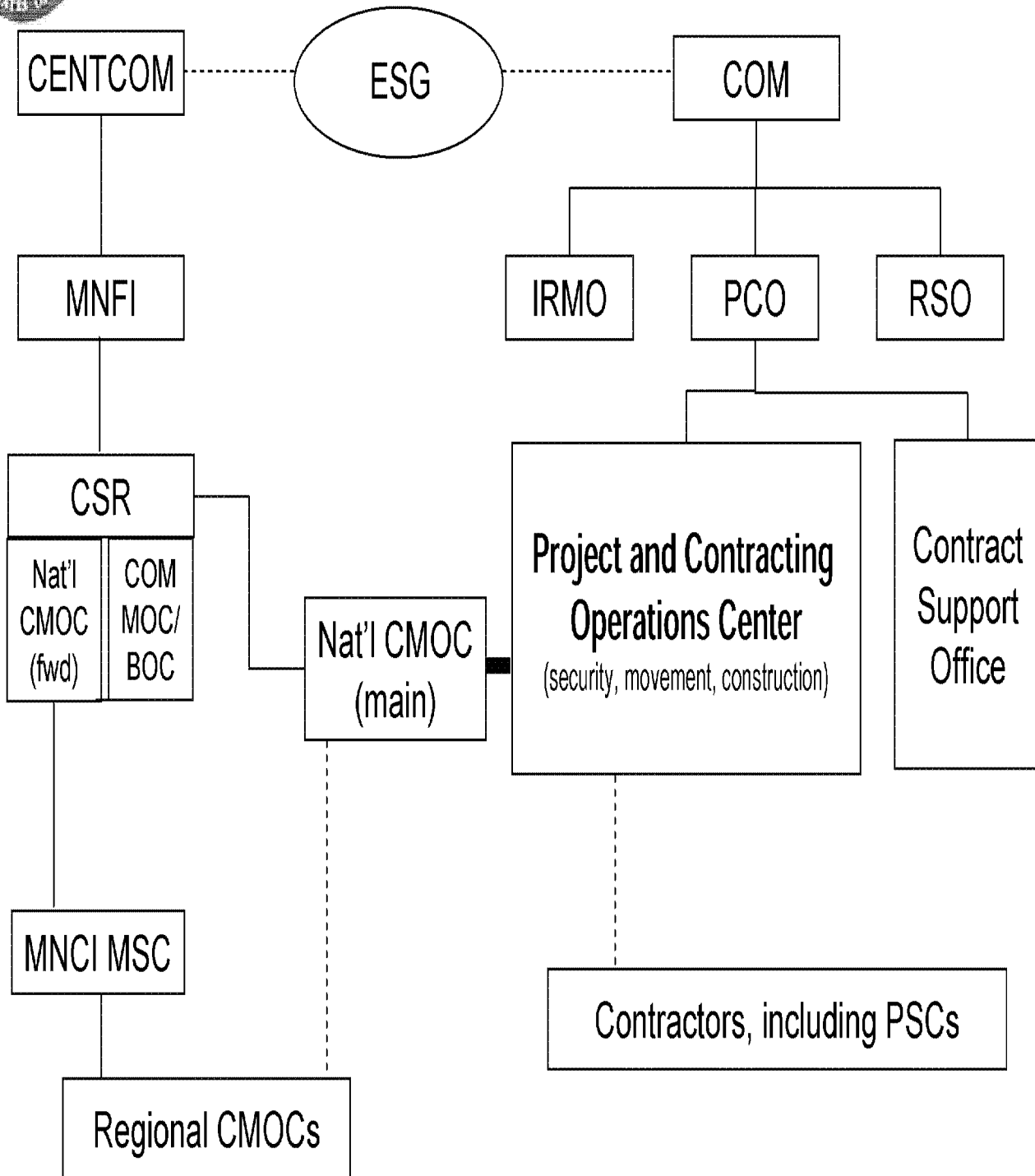
Medevac (CENTCOM)

Mortuary (CENTCOM and COM (Consular Affairs Section

## ***Organizational Chart for Contractor Tracking and Security Coordination***



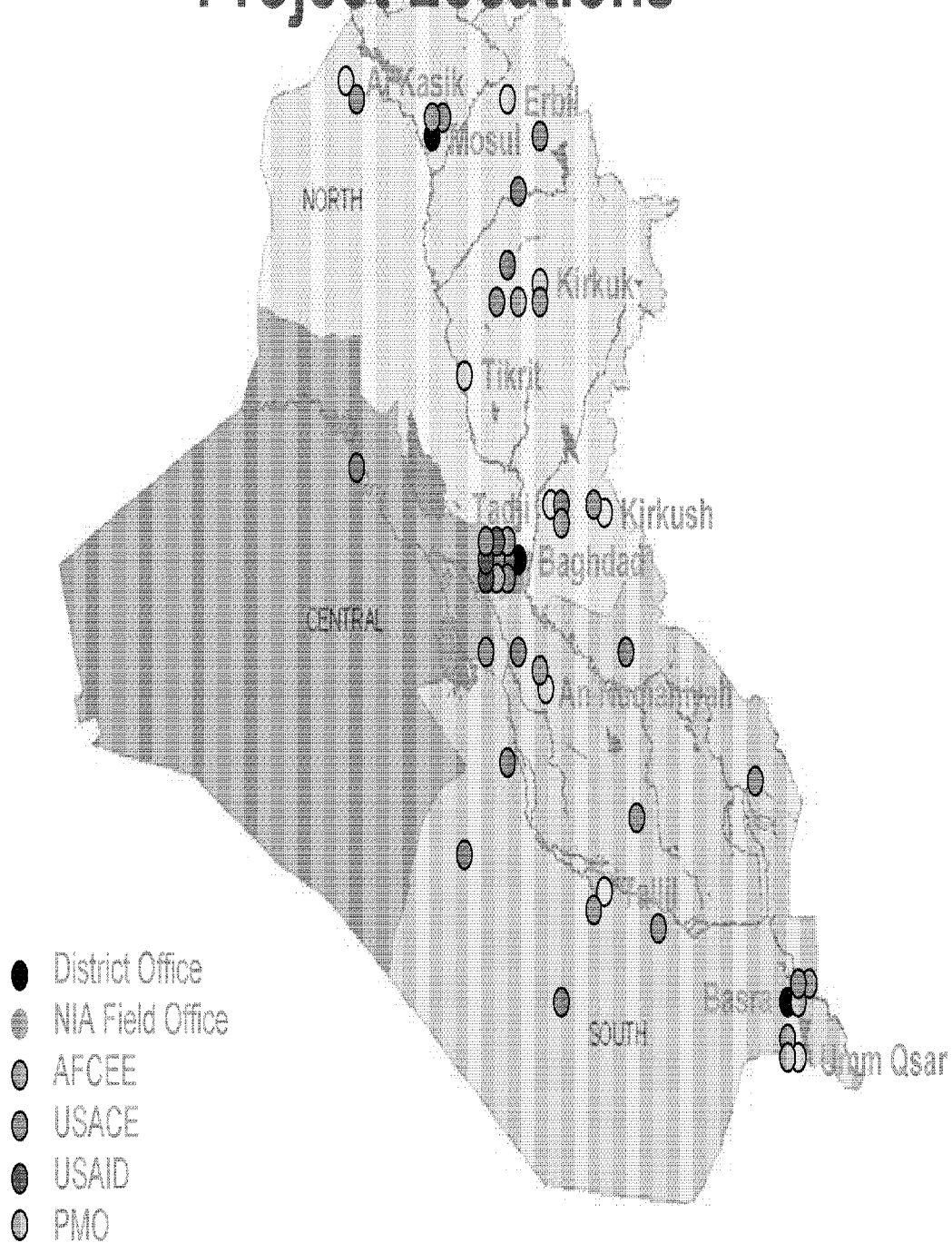
# Contractor Tracking and Security Coordination



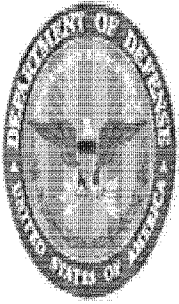


# PMO Construction Program

## Project Locations



As of 7 May 04

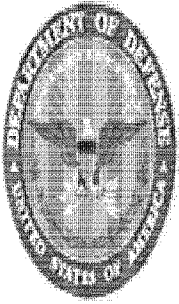


# Operations/Security/Logistics

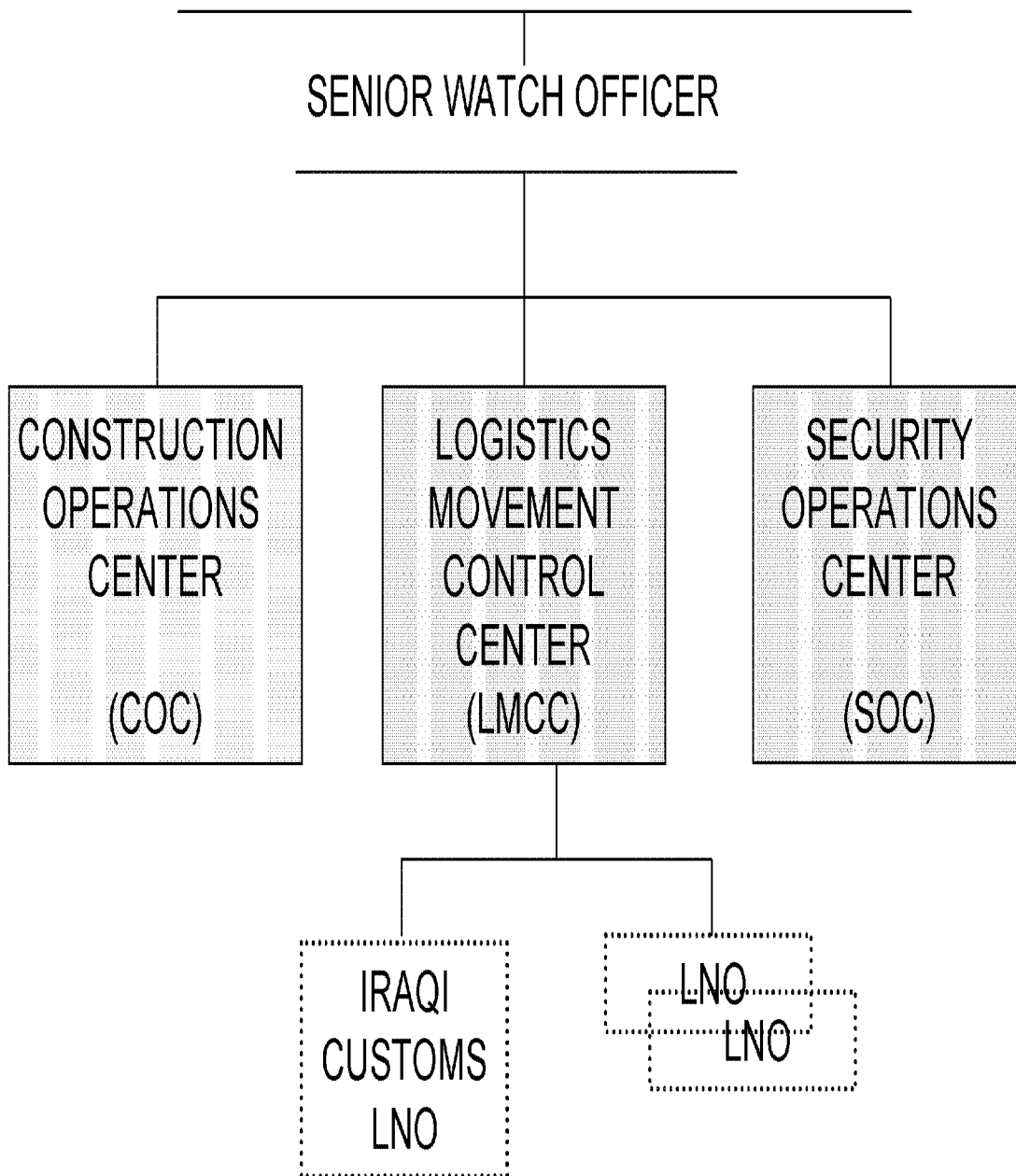
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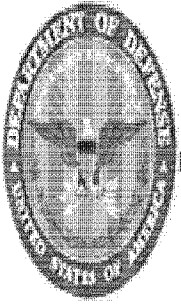
## Movement Control Center

- Command and Control
- 24/7 Operations
- Communications link/reach back
- Movement control and tracking
- Coordination
- Information resources
- Integrator of security, resolves conflicts
- Continuous visibility of PMO related movements



# PMO OPERATIONS CENTER

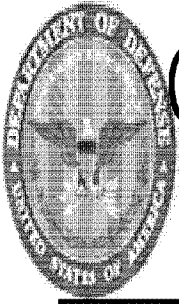




# WARNORD

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- Discussion of DOD WARNORD to CENTCOM
  - Background
  - Action required
  - Due Date



# Contractors in Iraq: Addressing Issues

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<b>Issue</b>	<b>Addressing the Issue</b>
Privileges and Immunities	CPA Order 17
Rules for PSC and Weapons	CPA Memo 17
Tactical Coordination/Comms	PCO Ops Center
Overall Gameplan	Interagency Policy Guidance Memo
Better Comms (strat. and tact.)	OSAC, PMO, DOD comms/info
Export License Roadblocks	Interagency efforts
Ability to get Insurance	Interagency efforts?
Civilian air support	Interagency efforts
Clear DOD protection policy	WARNORD and subsequent guidance DOD Directives, Instructions



# Contacts

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- For DOD side of interagency:

– (b)(6)

(b)(2),(b)(6)

• (b)(6)

- For DoS leads:

– Mr. Bob Godec, [godecrf@state.gov](mailto:godecrf@state.gov)

• 202-647-6645