

**Briefing Notes prepared for the meeting with the Iraqi Ambassador H.E. Dr Alalawi, scheduled for 22 August 2013**

**1. Introduction**

In the context of socio-political changes in the Middle East region, Iraq's protests in early 2011, illustrate the Iraqi discontent in the government. Disenfranchised Shiites, Sunnis, Kurdish, Arabs, and Christians have demanded an end to the ethno-sectarian quota-sharing system, corruption, and, access to basic services namely water, electricity, housing, and education, healthcare, and employment opportunities.

In view of the legitimacy of the protestors' demands, the government has responded by decreasing civil servant salaries, and by increasing food rations. Nevertheless, these are slight changes and will likely not prevent future protests. An ineffective government could propel further protests which could escalate into sectarian conflict and lawlessness. Iraq's fragile democracy and largely ineffective institutions are conducive for societal and political upheavals as well as for attracting foreign militants into the country.

Iraq's internal challenges include namely; the lack of basic services; poverty; unemployment; high illiteracy rates; corruption; nepotism; inefficient state institutions; the inequitable distribution and mismanagement of oil's revenues (no finalised hydrocarbon law); and a backlog of legislative issues faced by parliament. Overall, the government has to promote an inclusive democratic government, promote accountability, eradicate corruption and, strengthen state institutions, in order to ensure rapid socio-economic recovery.

**2. Political Situation**

The key issues include the future status of the US forces in Iraq, the disputed oil-rich province of Kirkuk, as well as efforts to diversify Iraq's economy away from crude oil. Largely Iraqis believe the government has failed to make significant improvements. Moreover, the Ministers of Interior, Defence and National Security have not yet been appointed and all three Ministries are being headed by Prime Minister Maliki on an interim basis.

Many Iraqis have staged demonstrations since February to demand improvements in public services and the food rationing system, and have called for an end to corruption. In response to the public's dissatisfaction with the government, Prime Minister Maliki has indicated that he intends to downsize the number of ministries and ministerial positions in an effort to improve government efficiency. He is preparing a plan for a ministerial reduction which aims to cut the government to 25 ministerial positions by merging the ministries that perform overlapping functions. There are currently 44 cabinet members, including ministers of state and deputy prime ministers. They preside over 47 ministries, with Maliki interim head of the defence, interior and security portfolios.

The matter pertaining to the filling of the posts of the security ministers has not been resolved. On 9 May 2011, Prime Minister Maliki presented a second list of nominees for the security ministries to parliament. It is not certain when parliament will vote on the three candidates, namely Sadun al-Dulaymi for defence, Tawfiq al-Yasiri for interior, and Riyadh Ghayb for national security affairs. The absence of an agreed date for a parliamentary vote on posts to fill the security ministry is reflective of uncertainty relating to the parliamentary base of support for the three new candidates. Dulaymi is currently the culture minister but has previously served as defence minister and is affiliated with the Sunni Islamist Tawafuq bloc. Both Tawfiq al-Yasiri and Riyadh Ghayb belong to the State of Law/Daawa milieu. Yasiri, with a military background, went into exile after a failed uprising in 1991. All three candidates are seemingly returned exiles and have been co-opted by the government after 2003 and are considered party nominees. Nevertheless, obtaining parliamentary support for the nominees could be challenging, since the dominant

political party, the Al Iraqiya Party, opposes the nominees. It is still not clear where the Kurds and the rest of the Shiites stand on the latest selection of nominees.

On 7 June 2011, Prime Minister Maliki's 100-day deadline for the implementation of various reforms had passed. No Ministers were dismissed for poor performance. Media reports suggest that any dismissal of Ministers would be viewed as a political move by Maliki and this would disturb the delicate balance of power. In 2009, Maliki critiqued the concept of an oversized national government unity. Media reports suggest that in Maliki's view, a political majority cabinet – in which some groups would be deliberately marginalised, offered better prospects in terms of efficiency and governance.

According to the Aswat Al Iraq, Iraq's political parties will meet on 30 July 2011, in order to discuss political developments as well as the issue of the presence of US forces in Iraq.

### **3. Security Situation**

The recent upsurge in violence across Iraq accentuates the vulnerabilities of Iraq's national security forces which is exacerbated by other constraints namely a politicised security apparatus, ethno-sectarian loyalties, political sectarianism, and the region's geopolitical tensions, namely Iran's regional ambitions.

Media reporting suggests that the impending complete withdrawal of the US forces from Iraq by the end of 2011 and the protracted political disagreements over the security posts (defense, interior, and national security) could undermine the Iraqi Security Forces' operational capabilities (air sovereignty and border security) and, subsequently, jeopardizing Iraq's national security.

The Iraqi government is continuing discussions on whether to request the US to leave a residual presence of forces in the country. On 26 May 2011, Iraqi Shiite militia fighters led a massive rally of followers of a hard-liner anti-American cleric, Muqtada al-Sadr, in Baghdad against the US forces in Iraq. The rally was a message to Prime Minister Maliki about the staunch opposition by Iraq's Shiites to a continued US military presence in 2012. Middle Eastern media reports suggest that Kurdish politicians are not against prolonging the US presence, however, should the Iraqi government decide the US forces should leave, they would support the decision.

The above notwithstanding, the US withdrawal from Iraq has begun. US forces have recently ended their security presence at the Basra oil terminal. Iraqi forces took charge of security at the oil export terminal. Media reports suggest that some seventy-five percent of the US forces at the terminal vacated the facility.

According to media reporting, Kurdistan has had few security incidents, has been relatively stable and has had fewer terrorist attacks than other regions in Iraq. However, in April 2011, several hundred students and professors protested outside Salahuddin University in the northern Iraqi city of Arbil, calling for the Kurdish government to end corruption, promote transparency and to improve economic conditions.

According to the Iraq Business News, investors still perceive Kurdistan as being just as risky as the rest of the country. In view of this perception, companies are likely losing out on investment potential by overlooking the oil-rich province. The Iraq Business News also reported that a border dispute between Iran and the Iraqi Kurdish region underwent a significant escalation after the Iranian Islamic Revolutionary Guard Corps (IRGC) forces clashed with members of the Kurdistan Free Life Party (PJAK), Iran's main Kurdish militant group, on the border of Sulaymaniyah province. According to media reports, IRGC reinforcements on the Iranian border continue to build up.

The Iranian offensive is unlikely to build into a regional crisis. Local and regional media reporting on the issue consider it as largely routine. Cross-border raids by Iranian forces have been a frequent occurrence over the recent years in the Kurdish region. Media reporting suggests that the incursion may be an attempt to intimidate Iraq's Kurdistan Regional Government (KRG), which has been opposed to the upcoming US withdrawal from Iraq.

According to the National media report, the recent clashes have caused hundreds of villagers to flee from their homes amid the escalated border conflict. The International Committee of the Red Cross has provided humanitarian assistance to over 800 internally displaced people in northern Iraq, and Iraq's Council of Representatives has responded to the crisis by sending a parliamentary delegation on a fact-finding mission to Kurdistan.

#### **4. Economic Situation**

Iraq has some 115 billion barrels of oil, and can meet the increasing demand for energy resources. On 19 May 2011, the Iraq Business News reported that Iraq's Deputy Prime Minister for Energy Affairs, Hussein al-Shahristani stated that Iraq has oil reserves of 200 billion barrels. Iraq is strategically positioned to play a leading role in the oil market as well as to use oil revenue to improve the socio-economic situation in the country.

The current efforts to dramatically increase Iraq's oil production include government's forming of partnerships between Iraq's own oil industry and foreign oil companies. The government has announced that it would auction some 12 oil and gas contracts in 2012, of which seven of these blocs are for gas and five for oil. The auction will be the fourth round of bidding for foreign companies following similar sales in July and December 2009, as well as October 2010. Since these auctions, Iraq has signed 11 oil contracts with international energy companies.

Oil can, and has also been a source of conflict among the ethno-sectarian groups in Iraq. Historically, the bulk of Iraq's oil revenues are distributed along ethno-sectarian and tribal allegiances, to preserve the ruling class power and maintain loyalties among its favored constituents. Consequently, giving rise to a wealthy and influential — religiously and politically — elite class.

South Africa's economic interests in Iraq would include promoting trade with that country, especially in agricultural products, as well as in crude oil. In line with the above, energy exports are increasingly important to the global market in view of rising Asian demand and the overall increase in world demand for oil. Iraq contains approximately 115 billion barrels of proven oil reserves, said to be the third largest in the world, concentrated mostly in Southern Iraq. Iraq could contain additional oil reserves in the Western Desert region, as well as natural gas reserves.

The Department of Trade and Industry has indicated an interest to revive economic interaction with the country. In the recent past few years, Iraq's neighbours have increasingly begun to invest in Iraq as well as revive economic interactions namely trade. Lebanese banks have also reportedly begun to establish a presence in Iraq. Furthermore, Gulf Air has also established services to and from Baghdad. This is indicative of Iraq's geostrategic position and potential, as well as of its economic value.

Despite Iraq's potential, terrorism and insurgent attacks have threatened oil production and export. There would be a threat to South African businesses in Iraq in so far as terrorism is concerned. In line with this, the Department recommended to the NCACC that sale of weapons to Iraq should not be considered in view of the possibility of the transferral of such weapons to militant groups.

#### **5. South Africa/Iraq Diplomatic Relations**

Diplomatic relations were concluded in November 1998. Iraq opened its Embassy in Pretoria in December 1999 and an Iraqi Ambassador was accredited to South Africa in 2001. South Africa's intention to open a Mission in Baghdad in April 2003 was delayed due to the outbreak of the 2003 war against Iraq. Iraq's last Ambassador left South Africa in 2007. However, on 15 April 2011, H.E. Dr Hisham Ali Akbar Ibrahim Alalawi, the newly appointed Iraqi Ambassador Extraordinary and Plenipotentiary, arrived in South Africa and on 12 July 2011, he presented his credentials to President Zuma. It is anticipated that

the establishment of contact between the respective foreign ministries will facilitate increased political and economic cooperation between the two countries.

South Africa could decide to open an Embassy in Iraq, once the security situation would allow such a presence. South Africa's Ambassador to Amman, Amb Tsele, has been accredited on a non residential basis to Iraq, from Amman, Jordan.

In July 2011, the Department received an invitation from the Iraqi President, H.E. Talabani inviting President Zuma to visit Iraq at a convenient time. The invitation has been conveyed via the channels, recommending that the President accept the invitation in principle, however, that such a visit takes place when the security situation allows.

Pending Agreements include the Department of Trade and Industry (DTI) – MoU on Trade and Economic Cooperation; and the DIRCO – South Africa and Iraq Joint Commission/Partnership.

South Africa supports the democratic process in Iraq; the promotion of democratic governance; national unity; as well as an end to sectarian tensions and conflict in the country. South Africa is of the view that the Iraqi people can only achieve sustainable peace, security and development in Iraq themselves, with the strong support of the international community. South Africa, in its capacity as non-permanent member of the UNSC, supported the adoption of UNSC Resolution 1770 on 10 August 2007, extending and expanding the UNAMI mandate.

## **6. South Africa's Position**

- South Africa has welcomed the formation of the new democratic government in Iraq in 2009, and respects Iraq's sovereignty and territorial integrity.
- South Africa supports any decision taken by the Government of the Republic of Iraq on the status of the withdrawal of US forces from the country.
- South Africa supports the Government of Iraq in its endeavors at promoting democracy, national reconciliation and national unity in the country.
- South Africa, in its capacity as non-permanent member of the UNSC, supported the adoption of UNSC Resolution 1770 on 10 August 2007, extending and expanding the UNAMI mandate.
- In post-war Iraq, South Africa has focused its efforts on supporting and promoting a multilateralist approach and a central role for the UN in the transition in Iraq. South Africa is of the view that the Iraqi people can only achieve sustainable peace, security and development, with the support of the international community.